

EDILIZIACROBATICA S.p.A.
Financial statements and consolidated financial
statements
on 31 December 2018
Report from the independent auditing firm

REPORT FROM THE INDEPENDENT AUDITING FIRM PURSUANT TO ARTICLE 14 OF THE LEGISLATIVE DECREE OF 27 JANUARY 2010 NO. 39

For the shareholders of
Ediliziacrobativa S.p.A.

AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR

Assessment

We have audited the financial statement of Ediliziacrobativa S.p.A. (the "Company"), including the balance sheet as at 31 December 2018, the income statement, and the cash flow statement for the financial year closed on the same date and the Explanatory Note.

In our opinion, the financial statement provides a true, correct view of the financial and equity situation of the Company as at 31 December 2018 and of the economic performance and cash flow for the financial year closed on that date, in compliance with Italian laws regulating the drafting criteria.

Basis of the judgement

We carried out the audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under these principles are described further in the section *Responsibilities of the auditor to audit the financial statements of the financial year* of this report. We are independent from the Company, in compliance with applicable regulations and principles on ethics and independence set forth by Italian legislation on auditing financial statements. We believe we have obtained sufficient and appropriate evidence on which to base our assessment.

Responsibility of Directors and of the Board of Statutory Auditors for the financial statements for the year

The Directors are responsible for drawing up the financial statement for the year, which provides an accurate and true representation in accordance with Italian regulations governing the drawing up criteria, and according to legal provisions, for conducting internal legal controls required to prepare a statement that does not contain significant errors due to fraud or unintentional behaviours.

The Directors are responsible for evaluating the Company's ability to continue operating and, in preparing the financial statements, for the appropriateness continuing to operate, as well as for the adequate disclosure of this matter. The Directors have assumed that the business will continue to operate when preparing the financial statements for the year, except if conditions are in place to liquidate the Company or to discontinue activities, or there is no realistic alternative to these options.

Within the confines of the law, the Board of Statutory Auditors is responsible for supervising the process of preparing the Company's financial information.

Responsibility of the auditing firm to audit the financial statements for the year

Our objectives are the acquisition of reasonable assurance that the financial statements as a whole do not contain significant errors, due to fraud or unintentional behaviour or events, and to issue a report with our opinion. Reasonable certainty means a high level of certainty. However, this does not guarantee that an audit carried out in accordance with ISA Italia international auditing standards will always identify a significant error, if any. Errors can result from fraud or unintentional behaviour or events and are considered significant if it can reasonably be expected that they, individually or as a whole, might influence economic decisions made by the users on the basis of the financial statements.

As part of the audit conducted in accordance with ISA Italia international auditing standards, we have exercised professional judgment and maintained professional scepticism throughout the audit. Furthermore:

- we have identified and assessed the risks of material misstatement in the financial statements due to fraud or unintentional behaviour or events; we have defined and performed audit procedures in response to these risks; we have acquired sufficient and appropriate audit evidence on which to base our judgment. The risk of not identifying a significant error due to fraud is higher than the risk of not identifying a significant error caused by unintentional behaviour or events, since fraud can imply the existence of collusion, falsification, intentional omission, misleading representations or forcing internal control;

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- we have acquired an understanding of the internal control relevant for auditing purposes in order to define appropriate audit procedures in the circumstances and not to express an opinion on the effectiveness of the internal control of the Company;
- we assessed the appropriateness of the auditing principles used and the reasonableness of the audit calculations made by the Directors, including the corresponding disclosures;
- we have come to a conclusion on the appropriateness of the Directors' use of the assumption of business continuity and, based on the audit evidence, on the existence of significant uncertainty regarding events or circumstances that may give rise to significant doubts about the ability of the Company to continue operating as an entity. In the presence of significant uncertainty, we are obliged to draw attention to the audit report on the related disclosures in the financial statements, or, if such disclosure is inadequate, to reflect this fact in the formulation of our judgment. Our conclusions are based on evidence obtained up to the date of this report. However, subsequent events or circumstances may result in the Company ceasing to operate as an entity;
- we assessed the presentation, structure and content of the financial statements as a whole, including the disclosure, and whether the financial statements represent the underlying transactions and events in order to provide an accurate representation.

We communicated to the managers of the *governance* activities, identified at an appropriate level as requested by the ISA Italia standards, among other aspects, the scope and timing planned for the audit and the significant results emerged, including any significant deficiencies in the internal control identified in the audit.

REPORT ON OTHER LEGISLATIVE MEASURES AND REGULATIONS

Assessment pursuant to article 14 paragraph 2 item e) of Legislative Decree no. 39/10

The Directors of Ediliziacrobatica S.p.A. are responsible for preparing the report on the management of the Company as at 31 December 2018, including for its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures outlined in the auditing principle (SA Italia) no. 720B in order to express an opinion on the consistency of the management report with the financial statements of Ediliziacrobatica S.p.A. as at 31 December 2018 and on their compliance with the law, as well as to issue a declaration on any significant errors.

In our opinion, the Management Report is in line with the financial statement of Ediliziacrobatica S.p.A. as at 31 December 2018, which has been prepared in accordance with legal regulations.

With reference to the declaration pursuant to article 14 paragraph 2 item e) of Legislative Decree no. 39/10, issued on the basis of the knowledge and understanding of the company and the relative context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Eugenio Puddu
Partner

Genoa, 11 April 2019

REPORT FROM THE INDEPENDENT AUDITING FIRM
PURSUANT TO ARTICLE 14 OF THE LEGISLATIVE DECREE OF 27 JANUARY 2010 NO. 39

For the shareholders of
Ediliziacrobatica S.p.A.,

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Assessment

We carried out an audit of the consolidated financial statements of the Ediliziacrobatica Group (hereinafter "the Group"), consisting of the balance sheet as at 31 December 2018, the profit and loss account, the cash flow statement for the year which closed on this date, and the explanatory notes.

In our opinion, the consolidated financial statements provide a true and fair representation of the Group's assets and financial situation as at 31 December 2018 and of the net profit and cash flow for the year which closed on this date, in accordance with the Italian legislation governing reporting criteria.

Basis of the judgement

We carried out the audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities in accordance with these principles are further described in the section *Responsibilities of Audit Firms When Auditing Consolidated financial statements* in this report. We are independent of Ediliziacrobatica S.p.A. in accordance with the ethics and principles of Italian legislation applicable to auditing consolidated financial statements. We believe we have obtained sufficient and appropriate evidence on which to base our assessment.

Responsibilities of Directors and Board of Auditors for Consolidated financial statements

Directors are responsible for drawing up consolidated financial statements that provide a true and fair representation in accordance with Italian legislation governing reporting criteria and, within the terms stipulated by law, the aspects of the internal audit they carry out which are deemed necessary for drawing up a consolidated financial statement that does not contain significant errors due to fraud or inadvertent practices or events.

The Directors are responsible for assessing the Group's ability to continue operating as a viable business and, in drawing up the consolidated financial statements, are responsible for appropriately applying the assumption of business continuity, and providing suitable information in this regard. The Directors apply the assumption of business continuity when drawing up the consolidated financial statements, unless they conclude that the conditions exist for liquidating the parent company Ediliziacrobatica S.p.A. or interrupting business activity, or there are no other reasonable alternatives.

The Board of Statutory Auditors is responsible for supervising the process of preparing the Group's financial information within the terms prescribed by law.

Responsibilities of Audit Firms When Auditing Consolidated financial statements

Our objectives are to obtain reasonable certainty that the consolidated financial statements overall do not contain significant errors due to fraud or inadvertent practices or events, and to issue an audit report which includes our assessment. Reasonable certainty means a high level of certainty. However, this does not guarantee that an audit carried out in accordance with ISA Italia international auditing standards will always identify a significant error, if any. Errors may be due to fraud or inadvertent practices or events, and are considered significant if it can be reasonably expected that, individually or together, they can influence the financial decisions of users on the basis of the consolidated financial statements.

As part of the audit conducted in accordance with ISA Italia international auditing standards, we have exercised professional judgment and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risk of significant errors in the consolidated financial statements due to fraud or inadvertent practices or events; we defined and implemented audit procedures in relation to this risk; we obtained sufficient and appropriate evidence on which to base our opinion. The risk of not identifying a significant error due to fraud is higher than the risk of not identifying a significant error caused by unintentional behaviour or events, since fraud can imply the existence of collusion, falsification, intentional omission, misleading representations or forcing internal control;
- we gained significant understanding of the internal audit for our auditing purposes, in order to define appropriate audit procedures for the circumstances and not to assess the effectiveness of the Group's internal audit;
- we assessed the appropriateness of the auditing principles used and the reasonableness of the audit calculations made by the Directors, including the corresponding disclosures;

- we reached a conclusion on the appropriateness of applying the assumption of business continuity by the Directors and, on the basis of the evidence obtained, on the possible existence of significant uncertainty concerning events or circumstances that may lead to significant doubts regarding the ability of the Group to continue operating as a viable business. In the presence of significant uncertainty, we are obliged to draw attention to the audit report on the related disclosures in the financial statements, or, if such disclosure is inadequate, to reflect this fact in the formulation of our judgment. Our conclusions are based on evidence obtained up to the date of this report. However, subsequent circumstances or events may lead the Group to cease operating as a viable business;
- we assessed the presentation, structure and content of the financial statement in its entirety, including the disclosures, and whether or not the consolidated financial statements represent the underlying operations and events such as to provide an accurate representation;
- we obtained sufficient and appropriate evidence on the financial information for the companies or various businesses run within the group to assess the financial statement. We are responsible for managing, supervising and carrying out the audit of the Group. We are solely responsible for the audit opinion on the consolidated financial statements.

We communicated to the managers of the *governance* activities, identified at an appropriate level as requested by the ISA Italia standards, among other aspects, the scope and timing planned for the audit and the significant results emerged, including any significant deficiencies in the internal control identified in the audit.

REPORT ON OTHER LEGISLATIVE MEASURES AND REGULATIONS

Assessment pursuant to article 14 paragraph 2 item e) of Legislative Decree no. 39/10

The Directors of Ediliziacrobatica S.p.A. are responsible for drawing up the management report of the Ediliziacrobatica Group as at 31 December 2018, and for its consistency with the corresponding consolidated financial statements and its compliance with legislation.

We have carried out the procedures outlined in the auditing principle (SA Italia) no. 720B in order to express an opinion on the consistency of the management report with the consolidated financial statements of the Group as at 31 December 2018 and on their compliance with the law, as well as to issue a declaration on any significant errors.

In our opinion, the management report is consistent with the consolidated financial statements of the Ediliziacrobatica Group as at 31 December 2018 and was drawn up in accordance with the law.

With reference to the declaration pursuant to article 14 paragraph 2 item e) of Legislative Decree no. 39/10, issued on the basis of the knowledge and understanding of the company and the relative context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Eugenio Puddu
Partner

Genoa, 11 April 2019