ACROBATICA®

by EDILIZIACROBATICA

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS 30.06.2024

Directors' Report of the Half-Yearly Consolidated Financial statements at 30 June 2024

Dear Shareholders, these consolidated financial statements as of 30 June 2024 close with a net profit for the period of €365 thousand, net of taxes of €1,067 thousand.

The Consolidated Explanatory Note provides information about the presentation of the half-yearly consolidated financial statements at 30 June 2024.

This document presents information concerning the Group's situation and the operational performance, as well as the business outlook, the net financial position, and the main risks and uncertainties to which the Group is exposed.

This report, drawn up with values expressed in thousands of euros, is presented alongside the half-yearly consolidated financial statements to provide information about the Group's income, capital, financial and management situation, accompanied, where possible, by historical elements and prospective assessments.

As described in more detail in the Explanatory Note, the Half-Yearly Consolidated Financial Statements have been prepared, for the second time, in accordance with the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") and approved by the European Union, and in force at the reporting date.

Companies directly or indirectly owned by the Parent Company as of 30 June 2024

At 30 June 2024, equity investments were as follows:

DENOMINATION	Registered office	Share capital	Share held
EdiliziAcrobatica France S.a.s.	Bureau Direction Générale, 2 Avenue Lucien, 66600 Rivesaltes, France	550,000	100.00%
EdiliziAcrobatica Iberica S.L.	Calle de Girona 134, 08037 Barcelona, Spain	3,000	90.00%
Acrobatica Energy S.r.l.	Via Filippo Turati 29, 20121, Milan, Italy	100,000	100.00%
EdiliziAcrobatica Monaco S.A.M.	2 Rue de la Lüjerneta, Monaco 98000	150,000	60.00%
Enigma Capital Investments LLC	DIP 1, Dubai, UAE	325,505	51.00%
Spider Access Cladding Works & Building Cleaning LLC	DIP 1, Dubai, UAE	1,000,000 AED	51.00%
Vertico Extreme LLC	DIP 1, Dubai, UAE	300,000 AED	51.00%
Acrobatica Smart Living S.r.l.	Via Filippo Turati 29, 20121, Milan, Italy	100,000	51.00%

Trends in the Global sector

In the first half of 2024, the global economy was in a slower phase than in previous years.
This decline from 2023 was due to several factors, including inflation that was still present but falling, and disappointing growth in major economies such as the United States and Europe.

Despite these signs of a slowdown, there are, however, some positive notes such as headline inflation, which is expected to continue to fall over the year, and the central banks have started to cut interest rates as inflationary pressures have begun to ease.
However, some significant risks still persist, especially related to geopolitical uncertainty, which could continue to influence global markets.

The global construction industry in 2024 has faced and will face significant challenges characterised by shrinking investments and technological evolution. Globally, investments in the sector are expected to decline.

On the technology front, the increasing use of artificial intelligence (AI), augmented reality (AR) and virtual reality (VR) is transforming the industry, improving site efficiency and project management. These technologies help to reduce errors and reworks, making projects more efficient and sustainable.

In particular, the construction sector in Europe shows signs of a general contraction, albeit with some exceptions. Germany, for example, is going through a period of continuous decline, with an expected 2.7% reduction in construction volumes. A slowdown is also expected in France and Italy, with declines of 4.5% and 7.4% respectively. In contrast, Spain continues to register moderate growth (+3.5%), and some regions such as Greece (+21.2%) are benefiting from investments linked to national recovery plans. In Italy, for example, this decline is partly due to the downsizing of tax incentives such as the 110% Superbonus. This led to a decrease in residential renovations, though the infrastructure sector continues to show positive, albeit slow growth, thanks to the NRRP (National Recovery and Resilience Plan) funds and other strategic public projects.

The renovation and infrastructure sector, supported by the ecological transition and the expansion of digital networks, continues to show signs of recovery. These segments are expected to grow further in 2025, fuelled by the adoption of new technologies such as artificial intelligence and augmented reality.

In the medium to long term, the European construction industry is set to recover thanks to the implementation of the NextGenerationEU plan, which promotes digitisation and sustainability in construction, with a focus on upgrading buildings to reduce CO_2 emissions and improve energy efficiency.

In such a context of rapid change, the Acrobatica Group establishes itself as a leader not only in Italy, but also in Europe and worldwide. The Group's focus is on the maintenance of buildings in the historic centres and urban areas of major cities in Italy, France and Spain as well as in Monaco and the UAE.

As is well known, in 2023 the invoice discount for the "façade bonus" in Italy, which allowed a deduction of 50% of expenses incurred, together with the possibility of credit transfer, was definitively stopped. However, the Group maintained a considerable level of turnover, thanks to the planning of ordinary and extraordinary maintenance work, which is fuelling the roped construction work sector.

The absence of the costs for installing scaffolding or aerial platforms has prompted more and more condominium administrators to opt for scheduled building maintenance. This approach allows the entire external renovation of buildings to be tackled by means of medium and small-scale interventions, spread over time, with the overall work expected to be completed in 3-5 years.

This trend is reinforced by the possibility of deferred payments by the owners, allowing increasingly strategic and early maintenance scheduling. In this way, emergencies and large expenses are avoided in one go, reducing discontent among households. Maintenance scheduling also represents an evolution of the role of the condominium administrator, from custodian of assets to Building Manager.

Competitor characteristics and behaviour

The Group's competitors tend to be small and medium-sized enterprises, often focused on specific services, such as maintenance at height or renovation work. Some may offer rope access services as a secondary activity to traditional construction.

Many competitors compete mainly on price, trying to attract customers with cheap offers. However, this approach may limit their ability to invest in innovation and service improvement.

Some competitors focus on market niches, such as environmental remediation or specialised interventions, in order to stand out. These services can attract customers in need of specific skills.

Nationally, there were no significant new entrants to the market, and most competitors operate locally without a long-term expansion plan. This creates a relatively stable, but also growth-limited environment.

In addition, it should be noted that competitors are also facing increasingly stringent regulations regarding safety and sustainability, which requires investments in training and equipment. It is difficult for small companies to comply quickly with continuous industry regulations.

Performance and operating results in terms of costs, revenues, and investments.

In relation to economic performance, the volume of operating revenues fell to €70,938 thousand from €73,676 thousand generated in the first half of 2023, with a decrease of just 4%; operating costs amounted to €63,915 thousand against €62,622 thousand in the first half of 2023, up by 2%.

Among operating costs, personnel costs amounted to €36,536 thousand, an increase over the previous year of 29% (27% YoY in 2023) while the cost for services amounted to €17,072 thousand compared to €25,522 thousand in the first half of 2024, a decrease of 33%. This phenomenon is related to the fact that, compared to the previous six-month period, Acrobatica Energy S.r.l., having completed all work, did not incur any subcontracted labour costs, and this led to a significant reduction in costs for services. On the contrary, the Parent Company, in the first half of 2024, having recorded approximately €7 million more in sales revenue, had to employ a larger workforce (approximately 280 FTEs more than in the first half of 2023), thus recording an increase in personnel costs.

The gross operating margin (or EBITDA) was €7,023 thousand, compared to €11,054 thousand in the previous period.

Amortisation and depreciation amounted to €3,775 thousand, a 7% increase compared to the same period in 2023.

Financial management generated €1,627 thousand, of which €64 thousand in financial income and €1,691 thousand in financial expenses, while no forex income was recorded.

Net profit (loss) for the first half of 2024 was a net profit of €365 thousand against a net profit of €3,625 thousand in the first half of 2023.

Income tax amounted to €1,067 thousand.

Group situation and business performance

During the first half of 2024, EdiliziAcrobatica S.p.A. continued its corporate growth strategy.

The Group's two areas of focus were territorial expansion in both Italy and abroad, and maintaining volumes.

In February, EdiliziAcrobatica S.p.A. and the Italsoft Group – an Italian leader in enabling technology for digital and energy innovation in the construction and real estate sectors – set up the NewCo Acrobatica Smart Living S.r.l., which operates in the energy modernisation of buildings, the creation of energy communities, and the smart transformation of buildings – while generating business opportunities for the "core" activities" of both parties – and, at a later stage, the provision of services associated with administration and condominium management of a considerable number of properties in Italy using digital platforms.

As regards the domestic market, in pursuit of the objective to acquire new market shares through the widespread penetration of the Italian territory, over 117 operating areas were achieved in the financial year, with an increase of 24 units compared to the 93 achieved in 2022. The number of franchisees is virtually unchanged from the previous year.

Reinforcement and consolidation of the eight local French units from an organisational and managerial perspective continued, and the same applies for Spain, where the consolidation of the 4 operational units continues unabated.

In the Middle East, where the group is present through its investments in the Enigma Group, growth continued through the opening of new operating branches in Saudi Arabia and Kuwait.

Analysis of the business situation

For a better overview of the equity, financial and management situation, the following tables set out the reclassified income statement and balance sheet, as well as some performance indicators.

The Income Statement

The summary data of the reclassified income statement as at 30 June 2023 have been compared with those for the same period in the previous year:

RECLASSIFIED CONSOLIDATED INCOME STATEMENT	H1 2024	H1 2023
Operating Revenues	70,938	73,676
Operating Costs	(63,915)	(62,622)
EBITDA	**7,023**	**11,054**
Amortisation and Depreciation	(3,775)	(3,512)
Depreciation and Provisions	(189)	(38)
EBIT	**3,059**	**7,504**
Financial income and charges	(1,627)	(1,467)
Pre-tax income	**1,432**	**6,037**
Income tax	(1,067)	(2,412)
Net profit (loss)	**365**	**3,625**
Profit (loss) attributable to minority interests	*20*	*(85)*
Group profit (loss)	*345*	*3,710*
EBITDA %	10%	15%
EBIT %	4%	10%
Pre-tax income %	2%	8%
Net profit (loss) %	**1%**	**5%**

OPERATING REVENUES	H1 2024	Perc. %	H1 2023	Perc. %
Revenue from sales and services	70,181	98.93%	73,473	99.72%
Other income	757	1.07%	203	0.28%
TOTAL OPERATING REVENUES	**70,938**	**100.00%**	**73,676**	**100.00%**

OPERATING COSTS	H1 2024	Perc. %	H1 2023	Perc. %
Cost for consumption	7,051	11.03%	6,716	10.72%
Cost for services	17,072	26.71%	25,522	40.76%
Personnel costs	36,536	57.16%	28,430	45.40%
Other Operating Costs	3,256	5.09%	1,954	3.12%
TOTAL OPERATING COSTS	**63,915**	**100.00%**	**62,622**	**100.00%**

AMORTISATION AND DEPRECIATION	H1 2024	Perc. %	H1 2023	Perc. %
Amortisation of intangible fixed assets	215	5.42%	207	5.83%
Amortisation of rights of use	2,279	57.49%	1,859	52.37%
Amortisation of tangible fixed assets	1,281	32.32%	1,446	40.73%
TOTAL AMORTISATION AND DEPRECIATION	**3,775**	**95.23%**	**3,512**	**98.93%**
TOTAL DEPRECIATION	189	4.77%	38	1.07%
GENERAL TOTAL	**3,964**	**100.00%**	**3,550**	**100.00%**

FINANCIAL INCOME AND CHARGES	H1 2024	Perc. %	H1 2023	Perc. %
Financial Income	64	(3.93%)	175	(11.93%)
Financial Charges	(1,691)	103.93%	(1,712)	116.70%
Forex income and charges	0	0.00%	70	(4.77%)
TOTAL FINANCIAL INCOME AND CHARGES	**(1,627)**	**100.00%**	**(1,467)**	**100.00%**

The first half of 2023 was characterised by a slight decrease in turnover compared to 4% of the same period in the previous year. This result, in our opinion, is to be regarded as positive and at the same time important as it confirms the consolidation of volumes even in the absence of tax bonuses.

As is well known, the company Acrobatica Energy S.r.l., as a General Contractor dedicated to energy efficiency with the Superbonus, had increased its turnover by 90% in the first half of in 2023 thanks to the opening of 26 new construction sites, reaching revenues in the first half of 2023 equal to €15,307 thousand. With the conclusion of the bonuses at the end of 2023, the company switched to the photovoltaic installation market. Obviously, like any market and industry change, there is an initial start-up phase to produce the desired results in the second half of the year and in subsequent years. Moreover, as mentioned above, note the incorporation of the newco, Acrobatica Smart Living S.r.l., which, after the initial ongoing start-up phase, is expected to start generating revenues in the final quarter of 2024. .

The Parent Company achieved a revenue share of €61,556 thousand, recording a 15% increase, which shows our commercial strength even without tax bonuses. In fact, it should be emphasised that net of the end of the tax bonuses, the number of contracts signed in the first half of 2024 grew by 38% from 8,500 in the same period of 2023 to the current 11,800, demonstrating the company's excellent capacity for market penetration. It should also be noted that there was heavy rainfall during the first half of 2024, which adversely affected the revenues generated.

The French company contributed revenues of approximately €2,430 against €2,266 thousand in the same period of 2023, an increase of approximately 7%.

The Spanish company recorded €1,014 thousand in revenues in the first half of the year, almost doubling the result from the first half of 2023 of €653 thousand.

The group of companies acquired in Dubai contributed €5,109 thousand in consolidated revenues for the period.

Operating costs increased by 2% to €63,915 thousand in the first half of 2024 from €62,622 thousand in the first half of 2023.

EBITDA amounted to €7,023 thousand against €11,054 thousand in the previous period. This decrease is mainly related, as reported above, to the loss of sales and, consequently, loss in EBITDA arising from the subsidiary Acrobatica Energy S.r.l., which in the first half of 2023 alone had reported EBITDA of €3,057 thousand. Specifically, EdiliziAcrobatica S.p.A. reported a positive EBITDA of €6.6 million. The French company made a negative contribution to EBITDA of €333 thousand, going against the trend from the same period of the previous year, when it had recorded a negative EBITDA of €736 thousand. The French company's growth path is therefore clearly improving compared to previous years, with a good chance of further improvements during the second quarter. The Spanish company, which has been operational since the beginning of the 2022 financial year, and though it is still in a start-up phase, recorded a negative EBITDA of approximately €181 thousand, this too down from previous years (€336 thousand at 30 June 2023), unlike the Monegasque company, which reversed the trend and recorded a positive EBITDA of €162 thousand (negative €30 thousand at 30 June 2023). Also note the positive contribution of the operating company in the United Arab Emirates for €752 thousand. Expectations for said group are very high and it is believed that in the coming years they will contribute quite considerably to the Group EBITDA.

For the reasons outlined above, the company Energy Acrobatica S.r.l. made a negative contribution in the first half of the year, with EBITDA in the amount of approximately €24 thousand.

Balance Sheet

The Reclassified Balance Sheet has been compared with the data from the previous financial year:

RECLASSIFIED BALANCE SHEET	30/06/2024	31/12/2023
Inventories	2,336	1,567
Trade receivables	50,154	41,691
Trade payables	(20,451)	(33,937)
Operating NWC	**32,039**	**9,321**
Tax assets	15,801	51,637
Other current receivables	5,418	4,582
Tax liabilities	(8,137)	(8,465)
Other current payables	(10,653)	(9,162)
Net Working Capital	**34,468**	**47,913**
Tangible fixed assets (including rights of use)	26,213	24,926
Intangible fixed assets (including goodwill)	13,328	12,866
Financial fixed assets	71	46
Fixed assets	**39,612**	**37,838**
Other non-current assets	9,458	6,488
Other non-current liabilities (including employee benefits)	(6,065)	(5,494)
TOTAL Net Invested Capital	**77,473**	**86,745**
Equity	**(28,721)**	**(29,666)**
Cash and cash equivalents	11,102	11,831
Current financial receivables	1,010	2,882
Current financial liabilities (including leasing commitments)	(22,093)	(33,098)
Non-current financial liabilities (including leasing commitments)	(38,771)	(38,694)
Net Financial Position	**(48,752)**	**(57,079)**
TOTAL Equity and Net Financial Indebtedness	**(77,473)**	**(86,745)**
Short-term Net Financial Position	**(9,981)**	**(18,385)**

- The Net Financial Position ("NFP") improved by Euro 8.3 million from Euro 57.1 million to Euro 48.8 million. This improvement is attributable to the repayment of almost all loans in the first half of this year by Acrobatica Energy S.r.l. It should be noted that, with the adoption of international accounting standards, the NFP also includes the financial commitment arising from leases measured according to accounting standard IFRS 16 in the amount of €22.2 million (€20.8 million as at 31 December 2023) and the option for the acquisition of 49% of Enigma Capital Investment LLC in the amount of €6.2 million as at 30 June 2024.

With reference to the improvement in Net Working Capital, note that tax credits showed a decrease of €35.8 million, mainly attributable to the sale of almost all tax credits in Acrobatica Energy S.r.l. in the first half of 2024 and partly to the transfer of such credits from EdiliziAcrobatica S.p.A.

Again with reference to Working Capital, it should be noted, as shown in the table below, that the trade receivables increased by approximately €8.4 million as a result of the change related to tax incentives with the related discount on invoices and assignment of credit to banks. It is also worth mentioning that trade payables decreased significantly by approximately €13.4 million due to the closure of suppliers by Acrobatica Energy S.r.l.

DESCRIPTION	30/06/2024	31/12/2023
CURRENT (non-financial) ASSETS		
Inventories	2,336	1,567
Trade receivables	50,154	41,691
Tax assets	15,801	51,637
Other current receivables	5,418	4,582
CURRENT (non-financial) LIABILITIES		
Trade payables	(20,451)	(33,937)
Tax liabilities	(8,137)	(8,465)
Other current payables	(10,653)	(9,162)
Net Working Capital	**34,468**	**47,913**

Main indicators

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.

DESCRIPTION	30/06/2024	31/12/2023
a) Weight of non-current assets = Non-current assets / Total assets	36.38%	27.96%
b) Weight of current assets = Current assets / Total assets	63.62%	72.04%
c) Weight of equity = Equity / Total liabilities	21.29%	18.71%
d) Weight of third-party equity = Liabilities / Total liabilities	78.71%	81.29%

Profitability (or financial situation) indicators

The ROE reports the profitability of the investment in the Group's capital compared to other investments; it is provided "after tax" and "gross".

The ROI represents the indicator of the profitability of the operating results by measuring the company's ability to generate revenue while transforming input to output: the interim ROI is calculated using the rolling method, which takes account of the profit generated in the 12 months between 1 July of the previous year and 30 June of the current year.

DESCRIPTION	H1 2024	H1 2023
ROE (return on equity)	1.27%	13.43%
ROE before taxes	(5.66%)	(5.43%)
ROI (return on investment)	2.27%	4.73%
ROS (return on sales)	10.01%	15.04%

Financial situation indicators

The main indicators of the financial situation are set out below, aimed at identifying possible imbalances due to inappropriate relations between certain items of the assets and liabilities, with a comparison between 2023 and the first half off 2024.

DESCRIPTION	30/06/2024	31/12/2023
Current assets a) Current Ratio = ------------------------ Current Liabilities	139.92%	134.88%
Current Fin. Assets b) Liquidity Ratio = ------------------------ Current Liabilities	54.82%	44.45%
Equity c) Equity to Fixed Assets Ratio = ----------------------- Non-current assets	58.53%	66.93%

Risks related to the sector of activity and level of competition

As mentioned, the Group operates in the sector of building renovation in Italy, France and Spain, as well as in the United Arab Emirates within the macro-segment of the construction market of external refurbishment and maintenance.

The primary need is to acquire new customers to ensure continuity of production considering the large margins of economic return with respect to the volume of investments. The Group's policy has always been to open new direct offices, with widespread penetration of the market, also developing a targeted retail policy to customise the offer to each customer. Through careful analysis and experimentation of working procedures, the Group is able to reduce the related costs and assume lower overall risk with respect to other traditional 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 accidents

the overall risk can therefore be defined as lower than the overall risk that would arise if any traditional collective protection equipment were 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

Since the beginning of its activity, the Group, for the purchase of raw materials and for the provision of services, has used a sufficiently large number of suppliers to allow complete independence from them.

The business is not particularly affected by the ability of suppliers to guarantee quality standards, but rather to adhere to the specifications required by the Parent Company and to meet delivery deadlines, as it is not difficult to find replacement suppliers.

Risks related to financial indebtedness

The Group, and the parent company in particular, has always had the support of its banking counterparties for any financing. Recourse to credit was made during the year to address the need for new international investments and to set up new direct offices. Furthermore, the Group has had to address the sudden freeze on the transfer of debt through other sources of procurement for working capital. Nonetheless, we do not believe that this is a risk profile for the Group.

Liquidity risk

The Group'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 the collection of financial resources or an adequate investment of cash and cash equivalents in a timely manner. Information on the future maturity of payables to banks is given in the Explanatory Notes.
The overall financial situation has high standards.

Exchange rate risk

Exchange rate identifies the unexpected future change in exchange rates that could impact the Consolidated Financial Statements due to the conversion of assets and liabilities of companies reporting in other currencies (translation risk). This risk is monitored in view of the Group's low exposure to foreign currencies other than the euro.

Credit risk

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

Risk of Climate Change

In 2020, EdiliziAcrobatica began to implement a series of initiatives aimed at reducing the environmental impact of its products and processes. Within this framework, the Environmental Policy was published and adopted, which provides the tools for managing the Group's environmental impacts in a responsible manner.
Through this policy, in order to minimise the impact of the production activities in its supply chain on the environment, EdiliziAcrobatica undertakes to:

- Design, purchase, and use products and processes that take environmental impacts into consideration;
- Optimise the use of natural resources in order to reduce harmful emissions into the environment and emissions of the gases responsible for the "greenhouse effect";

- Manage, in compliance with current regulations, the treatment and disposal of waste; adopt logistics procedures in order to minimise the impact on the environment;
- Encourage and support suppliers to improve their performance, while supporting the economy;
- Encourage and support suppliers to improve their performance, while supporting the circular economy and promoting sustainability principles in goods, products, and services acquisition decisions;
- Avoid the use of prohibited substances and manage potentially hazardous substances in an adequate manner in accordance with the applicable regulations;
- Ensure that the buildings and premises where the working activity is performed are suitable for production activities.

Furthermore, it should be noted that the Group's energy consumption only involves electricity purchased from the grid, which is used in the offices and warehouses to carry out working activities and for the air conditioning of the premises. No gas consumption or consumption from other energy sources is recorded. The data have been calculated on the basis of the real consumption reported by the French legal entity EdiliziAcrobatica France Sas, and an estimate of the total consumption related to the offices in Italy for EdiliziAcrobatica S.p.A. and Acrobatica Energy S.r.l.

For more details about the ESG Policy, please see the dedicated section in this document, as well as the company's website where the sustainability reports are published.

Information on relations with the environment

No damage to the environment occurred during the financial year.

During the financial year, no company in the Group received definitive sanctions or penalties for environmental offences or damage.

Information on Staff Relations

During the financial year, the Group companies fulfilled their legal obligations in terms of safety, continuing all initiatives taken for some 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 work-related risks.

Activities related to safety involved:

- employee and collaborator training;
- periodic medical examinations;
- corporate monitoring by the RSPP (health and safety officer);
- preparation and distribution of documents referred to in Italian Legislative Decree 81/2008.

In 2019, it updated its quality and health and safety management systems pursuant to new standard ISO 9001:2015, and in May 2021 by "migrating" from OHSAS 18001 to ISO 45001:2018. Relations with employees are excellent, and there were no disputes during the financial year, nor are any expected in the coming months.

Application of the Privacy Law

The Group companies have complied with the provisions on Privacy (pursuant to Regulation (EU) 2016/679 ("GDPR") and Italian Legislative Decree 196/2003, as amended by Italian Legislative Decree 101/2018).

Tax situation

The Group's tax situation is monitored, and the residual taxes, net of advances paid, due to Inland Revenue are allocated to the appropriate item relating to tax payables.

Relations between Group companies

During the year, the following transactions took place between the Parent Company and the Group's related parties, which were disclosed in the Explanatory Notes.

Secondary Offices

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

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

At 30 June 2024, the Parent Company directly held 27,190 treasury shares, equal to 0.3% of the share capital.

Shareholding structure as at 30 June 2024:

- Arim Holding Sarl 73.3%
- Treasury shares 0.3%
- Market 26.4%

Events after the reporting period

Among the events subsequent to the first half of 2024, it should be noted that on 9 July 2024 EdiliziAcrobatica S.p.A. resolved to increase the share capital for payment, excluding option rights pursuant to Article 2441, paragraph four, second sentence, of the Italian Civil Code, for an amount equal to Euro 218,436.43, inclusive of share premium, through the issue of 24,120 new ordinary shares, with no indication of nominal value, and with regular entitlement, in favour of Emintad Italy S.r.l., already the owner of 10,198 ordinary shares of the Company. Emintad Italy S.r.l. represents a strategic partner for the Acrobatica Group and has actively contributed in recent years to the realisation of ambitious domestic and international development through strategic acquisitions.

Internationalisation

The Group strives for growth and cannot overlook the obligation of growth beyond national borders, where there is a huge market and where competition is truly global. In this direction, the Group is working hard to expand and consolidate its positions abroad, focusing on new markets. It is clear, therefore, that the path of internationalisation is entirely essential to the Group's vision.

Business outlook

Economic growth in the second half of 2024 is expected to remain subdued, with trade tensions between the world's major economies likely to continue and the risk of persistent geopolitical instability. These factors could have a negative impact on European and global economic stability. Despite the complexity of the scenario, the Group will continue to take all the necessary actions to achieve its objectives, maintaining a positive performance and improving the consolidated operating margin.

In this regard, as at 30 June 2024, the number of contracts signed by the Group increased by 40.1% from 11,500 in the same period of 2023 to the current 16,107. Likewise, as at 30 June 2024, the company saw a 58.8% increase in the number of customers compared to 30 June 2023.

In the second half of the year, the Group will maintain a focus on managing costs and investments, with the aim of further optimising net result for the year.

In addition, the Group, thanks to its organisational flexibility, intends to pursue its growth strategy, opening new locations in Italy on the one hand, and continuing its expansion abroad on the other, having already identified some very interesting foreign target companies. In addition, the brand awareness journey continues through investments in marketing, by means of advertising campaigns on national television stations and the continuation of the Back Partner sponsorship contract on the Torino FC jerseys for the current season of Serie A. Moreover, in 2023 EdiliziAcrobatica sponsored Martina Trevisan, an internationally renowned tennis player.

Therefore, based on the current outlook, the Company and the Directors believe that they will be able to meet future obligations and maintain positive operating margins at year-end.

Genova, 25 September 2024

The Board of Directors

Riccardo Banfo (Chairman)

Anna Marras (Director and Chief Executive Officer)

Fortunato Seminara (Director)

Simone Muzio (Director)

Marco Caneva (Independent Director)

INCOME STATEMENT	H1 2024	H1 2023
(amounts in thousands of Euros)		
Revenue from sales and services	70,181	73,473
Other income	757	203
Cost for consumption	(7,051)	(6,716)
Cost for services	(17,072)	(25,522)
Personnel expense	(36,536)	(28,430)
Other Operating Costs	(3,256)	(1,954)
Gross Operating Margin	**7,023**	**11,054**
Amortisation	(3,775)	(3,512)
Depreciation and Provisions	(189)	(38)
Net Operating Margin	**3,059**	**7,504**
Financial Income	64	175
Financial Charges	(1,691)	(1,712)
Forex income and expenses	0	70
Net financial income (expense)	**(1,627)**	**(1,467)**
Net profit (loss) before taxes	**1,432**	**6,037**
Income taxes	(1,067)	(2,412)
Net Profit (loss) for the year including non-controlling interests	**365**	**3,625**
of which: results of non-controlling interests	*20*	*(85)*
of which: profit attributable to the owner of the Parent	*345*	*3,710*

Earnings per Share, Basic *(amounts in Euros)*	**0.04**	**0.45**
Earnings per Share, Diluted *(amounts in Euros)*	**0.04**	**0.45**

STATEMENT OF COMPREHENSIVE INCOME	H1 2024	H1 2023
(amounts in thousands of Euros)		
Profit (loss) for the Period	**365**	**3,625**
Actuarial gain / (losses)	0	22
Foreign exchange effect on goodwill and Dubai put&call	(66)	0
Change in Fair Value of CFH Reserve	(43)	(4)
Related tax	10	1
Comprehensive income for the Period	**266**	**3,644**

STATEMENT OF FINANCIAL POSITION	06/30/2024	12/31/2023
(amounts in thousands of Euros)		
Intangible assets	1,554	1,300
Goodwill	11,774	11,566
Rights of use assets	21,543	20,275
Tangible fixed assets	4,670	4,651
Financial fixed assets	71	46
Other non-current assets	9,458	6,488
Non-current assets	**49,070**	**44,326**
Inventories	2,336	1,567
Trade receivables	50,154	41,691
Tax assets	15,801	51,637
Other Current assets	5,418	4,582
Cash and cash equivalents	11,102	11,831
Other current financial assets measured at fair value	1,010	2,882
Current assets	**85,821**	**114,190**
TOTAL ASSETS	**134,891**	**158,516**
Non-current financial liabilities	20,979	21,780
Non-current lease liabilities	17,792	16,914
Employee benefits	5,850	4,946
Other non-current liabilities	215	548
Non-current liabilities	**44,836**	**44,188**
Current financial liabilities	17,722	29,203
Current lease liabilities	4,371	3,895
Trade payables	11,578	23,881
Advances from customers	8,873	10,056
Tax liabilities	8,137	8,465
Other Current liabilities	10,653	9,162
Current Liabilities	**61,334**	**84,662**
Share capital	840	832
Statutory reserves	11,208	11,075
FTA Reserve	(4,500)	(4,500)
OCI Reserve	93	192
Retained earnings	20,768	15,866
Net profit (loss) for the Period (Group)	345	6,284
Equity attributable to the owners of the Parent	***28,754***	***29,749***
Non-controlling interests Share Capital and Reserves	(53)	110
Net profit (loss) for the Period (non-controlling interests)	20	(193)
Equity of non-controlling interests	***(33)***	***(83)***
Equity	**28,721**	**29,666**
TOTAL LIABILITIES	**134,891**	**158,516**

STATEMENT OF CASH FLOWS	H1 2024	H1 2023
(amounts in thousands of Euros)		
Profit for the year	365	3,625
Amortisation	3,778	3,512
Changes post- employment benefits	925	503
Change in advances from customers	(1,183)	(20,373)
Income taxes	1,067	2,412
Other changes in non-monetary items	(563)	251
Cash flows before changes in Net Working Capital	***4,389***	***(10,070)***
Changes in inventories	(769)	15
Changes in trade receivables	(8,463)	(14,768)
Change in trade payables	(12,303)	3,242
Changes in other credits/debts or other assets/liabilities	32,245	3,246
Tax payment	0	(564)
Cash flows from changes in Net Working Capital	***10,710***	***(8,829)***
Cash flows from operating activities	**15,099**	**(18,899)**
Acquisition of intangible assets	(437)	(10)
Acquisition of property, plant and equipment	(1,296)	(1,785)
Acquisition of investments and other assets	(172)	(206)
Change in the Consolidation scope due to business combination	0	(4,077)
Cash flows from investing activities	**(1,905)**	**(6,078)**
New financing	5,334	21,506
Decrease of financial assets	1,872	4,057
Repayments of loans	(17,616)	(4,056)
Repayments of lease liabilities	(2,195)	(2,029)
Dividends paid	(1,318)	(10,689)
Sale/(Purchase) of treasury shares		
Cash flows from financing activities	**(13,923)**	**8,789**
NET CASH FLOW FOR THE YEAR	**(729)**	**(16,188)**
Cash and cash equivalents at beginning of the year	**11,831**	**26,865**
Net cash flow for the year	(729)	(16,188)
Cash and cash equivalents at end of the year	**11,102**	**10,677**

STATEMENT OF CHANGES IN EQUITY	Share capital	Statutory reserves	FTA Reserve	OCI Reserve	Retained earnings	Result for the Period	Equity attributable to the owners of the Parent	Non-controlling interests Capital & Reserve	Non-controlling interests result	Non-controlling interests	Total Equity
(amounts in thousands of Euros)											
Beginning balance at 01/01/2023	**824**	**10,698**	**(4,500)**	**113**	**12,063**	**14,653**	**33,851**	**63**	**(104)**	**(41)**	**33,810**
Allocation of prior year profit		2			14,650	(14,653)	**(1)**	(104)	104		**(1)**
Dividends					(10,689)		**(10,689)**				**(10,689)**
Treasury shares											
Share-based payments	8	231			(8)		**231**				**231**
Changes in Consolidation Scope								3		**3**	**3**
Change/Translation											
Profit (loss) for the Period						3,710	**3,710**		(85)	**(85)**	**3,625**
Other comprehensive income				19			**19**				**19**
Other movements		(9)			(17)		**(26)**	26		**26**	
Final balance at 06/30/2023	**832**	**10,922**	**(4,500)**	**131**	**15,999**	**3,710**	**27,094**	**(12)**	**(85)**	**(97)**	**26,997**

STATEMENT OF CHANGES IN EQUITY	Share capital	Statutory reserves	FTA Reserve	OCI Reserve	Retained earnings	Result for the Period	Equity attributable to the owners of the Parent	Non-controlling interests Capital & Reserve	Non-controlling interests result	Non-controlling interests	Total Equity
(amounts in thousands of Euros)											
Beginning balance at 01/01/2024	**832**	**11,075**	**(4,500)**	**192**	**15,866**	**6,284**	**29,749**	**110**	**(193)**	**(83)**	**29,666**
Allocation of prior year profit		2			6,282	(6,284)		(193)	193		
Dividends		39			(1,318)		**(1,279)**				**(1,279)**
Treasury shares											
Share-based payments	8				(8)						
Changes in Consolidation Scope					(30)		**(30)**	30		**30**	
Change/Translation		93		(66)			**27**				**27**
Profit (loss) for the Period						345	**345**		20	**20**	**365**
Other comprehensive income				(33)			**(33)**				**(33)**
Other movements		(1)			(24)		**(25)**				**(25)**
Final balance at 06/30/2024	**840**	**11,208**	**(4,500)**	**93**	**20,768**	**345**	**28,754**	**(53)**	**20**	**(33)**	**28,721**

NOTES TO THE CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS

Basis of preparation

The Consolidated Half-Yearly Financial Statements of EdiliziAcrobatica S.p.A and subsidiaries ("EdiliziAcrobatica Group" or "EDAC") is made up of the Income Statement (with indication of the items by nature), the Statement of Comprehensive Income, the Statement of Changes in Equity and Financial Position (which shows the assets and liabilities according to their maturity, with indication of current and non-current items), the Statement of Cash Flows (is based on the indirect method, with indication of cash flow from operating activities, investing activities and financing activities) and the Statement of Changes in Equity, as well as these Notes to the Consolidated Financial Statement.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union and in force at the balance sheet date. The Notes to the Consolidated Financial Statements have been supplemented, on a voluntary basis, with the additional information required by Consob and the measures it has issued in implementation of Article 9 of Legislative Decree No. 9. 38/2005 (Resolutions 15519 and 15520) of 27th July 2006 and communication DEM/6064293 of 28th July 2006, pursuant to Article 78 of the Regulation on Issuers, the EC document of November 2003 and, where applicable, the Civil Code. The term "IFRS" also includes the International Accounting Standards ("IAS") still in force, as well as all interpretative documents issued by the IFRS Interpretations Committee, formerly the International Financial Reporting Interpretations Committee ("IFRIC") and before that the Standing Interpretations Committee ("SIC").

In light of these being interim financial statements covering the period from 1st January 2024 to 30th June 2024, these explanatory notes have been prepared in accordance with the provisions of IAS 34 (providing guidance on the structure and content of interim financial reports), with a more limited amount of information and a more concise presentation. In consideration of the fact that interim financial statements must be prepared using the same rules as those for annual financial statements, in these notes the term "Financial Statements" identifies the situation as at 30th June 2024 which, although not representing a true and proper financial statement, has been prepared, as clarified, following the same formation criteria and principles.

These Financial Statements are subject to a limited audit by Deloitte & Touche S.p.A.

The financial statements also include the Notes to the Consolidated Half-Yearly Financial Statements.

In addition, all additional information deemed necessary to give a true and fair view has been provided in these notes, even if not required by specific legal provisions.

The financial statements of subsidiaries, which are useful for consolidation purposes, have been reclassified to bring them into line with Group accounting principles. The financial statements are expressed in thousands of Euros, unless otherwise indicated.

For information on the Group's economic and financial performance and on relations and transactions with related parties, as well as a description of subsequent events, please refer to the Directors' Report.

Going Concern Considerations

Article 2423 bis paragraph 1 n.1 establishes the principle of Going Concern, 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 Notes and future business plans must address these risks and uncertainties.

The Notes must therefore report on the Going Concern perspective.

After a careful consideration of the situation of the Group and its prospects for future activities, the result of the valuation is positive, which means there are no harms to the company's ability to continue to constitute a functioning economic entity destined to the production of income for a period of multiannual duration: therefore, there is no risk to Going Concern. In any event, based on the current outlook, the Company and the Directors believe that they will be able to meet future obligations and maintain positive operating margins at year-end.

Subsequent events

Among the events subsequent to the first half of 2024, it should be noted that on 9th July 2024 EdiliziAcrobatica S.p.A. resolved to increase the share capital for payment, excluding option rights pursuant to Article 2441, paragraph four, second sentence, of the Italian Civil Code, for an amount equal to Euro 218,436.43, inclusive of share premium, through the issue of 24,120 new ordinary shares, with no indication of nominal value, and with regular entitlement, in favour of Emintad Italy S.r.l., already the owner of 10,198 ordinary shares of the Company. Emintad Italy S.r.l. represents a strategic partner for the Acrobatica Group and has actively contributed in recent years to the realisation of ambitious domestic and international development through strategic acquisitions.

Sustainability

As of 2020, the Group has started to implement a series of initiatives aimed at reducing the environmental impact of products and processes. Within this framework, the Environmental Policy was published and adopted, which provides the tools for managing the Group's environmental impacts in a responsible manner.

Through this policy, to minimise the impact of the production activities of its supply chain on the environment, the Group undertakes to:

- Design, purchase, and use products and processes that take environmental impacts into consideration;
- Optimise the use of natural resources in order to reduce harmful emissions into the environment and emissions of the gases responsible for the "greenhouse effect";
- Manage, in compliance with current regulations, the treatment and disposal of waste; Adopt logistics procedures in order to minimise the impact on the environment;
- Encourage and support suppliers to improve their performance, while supporting the economy;
- Encourage and support suppliers to improve their performance, while supporting the circular economy and promoting sustainability principles in goods, products, and services acquisition decisions;
- Avoid the use of prohibited substances and manage potentially hazardous substances in an adequate manner in accordance with the applicable regulations;
- Ensure that the buildings and premises where the working activity is performed are suitable for production activities.

Furthermore, it should be noted that the Group's energy consumption only involves electricity purchased from the grid, which is used in the offices and warehouses to carry out working activities and for the air conditioning of the premises. No gas consumption or consumption from other energy sources is recorded. The data have been calculated based on the real consumption reported by the French legal entity EdiliziAcrobatica France Sas, and an estimate of the total consumption related to the offices in Italy for EdiliziAcrobatica S.p.A. and Acrobatica Energy S.r.l.

For more details on the ESG Policy, please refer to the "Sustainability" section of the company's website, which contains up-to-date reports, assessments and policies.

Consolidation Area

The consolidated financial statements include the financial statements of EdiliziAcrobatica S.p.A. (the “Company” or “Parent Company”), the financial statements of the following companies of which the Parent Company holds control:

- EDAC France S.a.s., with registered office in Paris, with share capital of €550,509, 100% owned
- Acrobatica Energy S.r.l., with registered office in Milan, with Share Capital of €100,000, 100% owned
- EdiliziAcrobatica Ibérica SL, with registered office in Barcelona, with Share Capital of €3,000, 90% owned
- EdiliziAcrobatica Monaco S.A.M., with registered office in Monaco, with Share Capital of €150,000, 60% owned
- Enigma Capital Investments LLC, with registered office in Dubai, with Share Capital in €325,505 as translated on the date of acquisition (from the Dirham, the original currency), acquired in 2023 and 100% owned

DENOMINATION	Registered office	Share capital	Share held
Ediliziacrobatica France S.a.s.	Bureau Direction Générale, 2 Avenue Lucien, 66600 Rivesaltes, France	550,000	100.00%
Ediliziacrobatica Iberica S.L.	Carrer Girona 134, 08037 Barcelona, Espana	3,000	90.00%
Acrobatica Energy S.r.l.	Via Filippo Turati 29, 20121, Milan, Italy	100,000	100.00%
EdiliziAcrobatica Monaco S.A.M.	2 Rue de la Lüjerneta, Monaco 98000	150,000	60.00%
Enigma Capital Investments LLC	DIP 1, Dubai	325,505	51.00%
Spider Access Cladding Works & Building Cleaning LLC	DIP 1, Dubai	1,000,000 AED	51.00%
Vertico Extreme LLC	DIP 1, Dubai	300,000 AED	51.00%
Acrobatica Smart Living S.r.l.	Via Filippo Turati 29, 20121, Milan, Italy	100,000	51.00%

Consolidation Principles

Companies are defined as subsidiaries when the Parent Company has the power, directly or indirectly, to exercise management to obtain benefits from the exercise of that activity. Voting rights are also considered in the definition of control. The financial statements of subsidiaries are consolidated from the date on which the Group acquires control and deconsolidated from the date on which control ceases.

For the consolidation of subsidiaries, the global integration method is applied, i.e. assuming the full amount of assets and liabilities and all costs and revenues regardless of the percentage of investments. The book value of consolidated Investments is therefore eliminated against the relevant equity. The portions of shareholders' equity and results accruing to minority shareholders are shown in a separate line under shareholders' equity and in a separate line in the consolidated income statement, respectively. Intra-group balances and profits and losses arising from intra-group transactions are eliminated in the Consolidated Financial Statements; similarly, intra-group dividends distributed by subsidiaries (where foreign, using the proportionate approach provided for in IAS 21 since, even in the case of distribution of retained earnings generated in previous years, the investor's percentage equity ownership is not considered impacted).

Evaluation criteria

The most significant criteria adopted in the valuation of balance sheet items are as follows.

Revenues

Revenues are recognised to the extent that it is probable that economic benefits will flow to the Group and the amount can be reliably determined, regardless of the date of receipt. Revenues are measured at the fair value of the consideration received or receivable, considering contractually defined payment terms and excluding taxes and duties.

Revenues from the sales of goods are recognised when the Group has transferred to the buyer all significant risks and rewards of ownership of the goods, measured at the fair value of the consideration received or receivable and net of returns, allowances, trade discounts and volume reductions. Revenues deriving from the providing of services are recognized at the completion and/or maturity of the services. Transactions with related entities were conducted under normal market conditions.

Below is a summary of the Group's main types of revenue:

- Revenues from rope work: revenues are recognised according to the progress of the work determined on the basis of the achievement of the various processing stages, verified directly with the end customer;
- Royalties (Parent Company only): Royalties are recognised based on the accrued revenues of franchisees for the period, according to contractually agreed percentages.

Operating Costs

Costs are recognised when they relate to goods and services purchased and/or received during the period or for the systematic allocation of an expense from which future benefits are spread over time. These are accounted for based on the competence principle, regardless of the date of collection and payment, net of returns, discounts, rebates, and premiums.

Financial income and expenses

Financial income and charges are recognised on an accrual basis based on the interest accrued on the net value of the related financial assets and liabilities using the effective interest rate. Financial expenses and charges include foreign exchange gains and losses and profits and losses on derivative financial instruments that must be charged to the profit and loss account if they do not meet the requirements to be considered as hedges.

Income taxes

Income taxes shown in the income statement include current and deferred taxes. Income taxes are generally charged to the income statement, except when they relate to matters recognised directly in equity. In this case, income taxes are also charged directly to equity, as a change to the amount booked.

Current taxes are calculated by applying the tax rate in force at the balance sheet date to taxable income, plus adjustments to taxes from previous years.

Deferred taxes are calculated using the so-called liability method on temporary differences between the amount of assets and liabilities in the financial statements and the corresponding values recognised for tax purposes. Deferred taxes are calculated based on the expected reversal of timing differences, using realistic forecasts of tax charges resulting from the application of the tax legislation in force at the balance sheet date.

Advance taxes are recognised only if it is probable that sufficient taxable income will be generated in future years to realise them.

Earnings per Share

Earnings per Share is calculated by dividing the group's result for the period by the weighted average number of outstanding shares during the period. Shares issued during the period, following implementation of the allocation plan, are weighed against the number of days of their circulation.

Diluted Earnings per Share is calculated by adjusting the weighted average number of shares outstanding assuming the conversion of potentially dilutive instruments (the issuance of residual shares in the allocation plan) at the beginning of the period.

Intangible assets

Intangible assets, consisting primarily of computer software, are recognised at cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be reliably measured.

After initial recognition, they are amortised on a straight-line basis over their economic-technical useful life, generally estimated at five years.

Goodwill

Goodwill existing at the date of transition to IFRS is presented at the value reported in the OIC financial statements unless amortisation is suspended from that date to the current balance sheet date.

Goodwill formed after the date of transition to IFRS is presented as required by IFRS 3 and, in particular, for foreign companies it is considered denominated in local currency and consequently updated to reflect exchange rates.

Right of use Assets and Lease Liabilities

Right of uses, resulting from movable and immovable lease agreements, are recognised at the net present value of the contractual flows planned (including any expected renewal), discounted at the rate of 2% for movable contracts and for immovable contracts due by 2030, and at the rate of 3% for immovable contracts due by 2030 (with reference to the Group's average borrowing rate).

After initial recognition, they are amortised on a straight-line basis over the term of the contract (including any expected renewal).

Lease liabilities, which also arise from conclusion of real estate contracts, are initially recognised at the same initial value as the rights of use, as described above.

After initial recognition, they are reduced by the principal portion of the payments made, while the interest rate (calculated using the same rate used to discount the contractual cash flows) is charged to the income statement as financial expenses.

Tangible fixed assets

Tangible fixed assets, consisting mainly of leasehold improvements (relating to numerous leased properties), are recognised at cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be reliably determined.

After initial recognition, they are depreciated on a straight-line basis according to their economic-technical useful life, represented by rates of 12% (furniture and fixtures), 15% (plant and machinery), 20% (equipment) or 25% (other) as appropriate.

Expected credit loss

The carrying values of assets, except for inventories, financial assets covered by IFRS 9 and advance taxes, are subject to measurement at the balance sheet date to identify the existence of any indicators of impairment. If the assessment reveals the existence of such indicators, the presumed recoverable amount of the asset is calculated, in the manner indicated below.

A tangible and intangible asset is impaired if it is unable to recover the carrying amount at which it is recorded in the balance sheet through use or disposal. The objective of the impairment test provided for in IAS 36 is to ensure that non-current assets are not carried at a value higher than their recoverable value, represented by the higher of net realisable price and value in use.

Value in use is the present value of future cash flows expected to arise from the asset or cash-generating unit to which the asset belongs. Expected cash flows are discounted using a pre-tax discount rate that reflects the current market estimate of the time value of money and asset-specific risks. If the book value exceeds the recovery value, the assets, or cash-generating units to which they belong are written down to reflect their recovery value. These impairment losses are recognised in the income statement.

If the conditions that led to the impairment no longer exist, the same is restored proportionally on the assets previously impaired. Reversals of impairment losses are recognised in the income statement.

Goodwill previously written-down is never restored.

Derivative financial instruments

Derivative financial instruments are accounted for under hedge accounting rules when:

- at the beginning of the hedge there is the formal designation and documentation of the hedging report;
- coverage is assumed to be highly effective;
- effectiveness can be reliably measured and the coverage itself is highly effective during designation periods.

The derivative financial instruments existing at the balance sheet date are two interest-rate swaps, both classified as cash flow hedges as described.

The positive fair value of hedging derivatives is presented under financial fixed assets. The negative fair value of hedging derivatives is presented under non-current financial liabilities. The change in the fair value of these financial instruments is recognised directly in equity, in the OCI reserve (net of tax effects), for the effective portion, and in the income statement for any ineffective portion.

Inventories

Inventories are recorded, by homogeneous categories, at the lower of cost including ancillary and production expenses and the corresponding net realisable value or market value at the balance sheet date. Purchase cost is the actual purchase price plus ancillary costs, excluding financial charges.

The risks for any loss in value of inventories are covered by the inventory write-downs, which are deducted from the corresponding asset item. The values thus obtained not differ appreciably from the current costs at year-end.

Current Financial Assets, Credits and Other Assets

Financial assets, as required by IFRS 9 - "Financial Instruments: recognition and measurement" (as revised in July 2014), which replaces IAS 39 - "Financial Instruments: Recognition and Measurement", are classified, based on the way they are managed by the Group and the related contractual cash flow characteristics, into the following categories:

- Amortised Cost: Financial assets held exclusively for the purpose of collecting contractual cash flows are classified in the Amortised Cost category. They are measured using the amortised cost method, with income recognised in the income statement using the effective interest rate method;
- Fair value through other comprehensive income ("FVOCI"): financial assets whose contractual cash flows consist solely of principal and interest payments and which are held for the purpose of collecting contractual cash flows as well as flows from the sale of the same are classified as FVOCI. They are measured at fair value. Active interest income, exchange rate gains/losses, and impairment losses (and related write-backs) of financial assets classified in the FVOCI category are recognised in the income statement; Other changes in the fair value of assets are recognised in other OCI components. When such financial assets are sold or reclassified into other categories due to a change in the business model, the cumulative gains or losses recognised in OCI are reclassified to the income statement;
- Fair value through profit or loss ("FVTPL"): the FVTPL category is residual in nature, collecting Financial assets that do not fall under the Amortised Cost and FVOCI categories, such as financial assets acquired for trading purposes or derivatives, or assets designated at FVTPL by management at the date of initial recognition. They are measured at fair value. Gains or losses resulting from this valuation are recognised in the income statement;
- FVOCI for equity instruments: financial assets represented by equity instruments of other entities (i.e. investments in companies other than subsidiaries, associates and joint ventures), not held for trading purposes, may be classified as FVOCI. This choice can be made on an instrument-by-instrument basis and provides that changes in the fair value of these instruments are recognised in OCI and are not reversed to the profit and loss account when they are sold or impaired. Only dividends from these instruments will be recognised in the income statement. The fair value of financial assets is determined based on quoted bid prices or using financial models. The fair value of unlisted financial assets is estimated using valuation techniques adapted to the specific situation. Evaluations are regularly conducted to determine whether there is objective evidence that a financial asset or group of assets may be impaired. If there is objective evidence, the impairment loss is recognised as a cost in the income statement for the period.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank and deposits and securities with an original maturity of less than three months.

Financial Liabilities

Loans, for interest-bearing liabilities (not including lease liabilities, separately regulated), are measured at amortised cost. The difference between this value and the redemption value is charged to the income statement over the duration of the loan.

Employee benefits

Employee Benefits, the main element of Other non-current liabilities, paid out upon or after termination of employment in the Group, which mainly include severance pay, are calculated separately for each plan by estimating, using actuarial techniques, the amount of future benefit that employees have accrued in the year and in previous years. The benefit so determined is discounted and is exposed net of the fair value of any related assets. The interest rate used to determine the present value of the bond was determined consistently with par. 78 of IAS 19, from the Iboxx Corporate A index with duration 10+ recognised at the valuation date. For this purpose, the yield with a duration comparable to the duration of the group of workers being assessed was chosen.

In the case of increases in plan benefits, the portion of the increase relating to the previous employment period is charged to the income statement on a straight-line basis over the period in which the related rights become vested. If the rights are acquired immediately, the increases are immediately recorded in the income statement. The expected present value of the benefits payable in the future relating to the work performed in the current period, which is conceptually like the accrued portion of the statutory employee severance indemnity, is classified in the income statement under personnel costs, while the implicit financial expenses are classified in the financial section.

Provision for risk and charges

Costs and expenses relate to costs and charges of a definite nature and of certain or probable existence, the amount or date of occurrence of which could not be determined at the end of the period. Provisions are recognised when:

- it is probable that there is a current obligation arising from a past event;
- fulfilment of the obligation is likely to be onerous;
- the amount of the bond can be reliably estimated.

Provisions are recorded at the value representing the best estimate of the amount the Group would rationally pay to settle the obligation or to transfer it to a non-controlling interests at the balance sheet date.

Provisions are periodically updated to reflect changes in cost and time estimates. Revisions of provision estimates are charged to the same income statement item that previously held the provision.

The notes describe any contingent liabilities, represented by:

- possible, but not probable, obligations arising from past events, the existence of which will be confirmed only upon the occurrence or non-occurrence of one or more uncertain future events not wholly within the company's control;
- current obligations arising from past events, the amount of which cannot be reliably estimated or the fulfilment of which is likely to be onerous

Current financial liabilities, debts and other liabilities

Trade payables and other debts, the maturity of which falls within normal commercial terms, are not discounted, and are recorded at cost (identified by their nominal value), which is representative of their settlement value.

Current financial liabilities include the short-term portion of financial liabilities, including liabilities for cash advances, as well as other financial liabilities. Financial liabilities are measured at amortised cost, with charges recognised in the income statement using the effective interest rate method, except for financial liabilities acquired for trading purposes or derivatives, or those designated at FVTPL by management at the date of initial recognition, which are measured at fair value through profit or loss.

Derecognition of Financial Assets and Liabilities

Financial assets

A financial asset is derecognised when:

- the rights to receive cash flows from the asset are extinguished;
- the Group retains the right to receive cash flows from the business, but has assumed a contractual obligation to pay them in full and without delay to a third party;
- the Group has transferred the right to receive cash flows from the asset and has transferred substantially all risks and rewards of ownership of the financial asset or has neither transferred nor retained all risks and rewards of the asset, but has transferred control of it.

In cases where the Group has transferred rights to receive cash flows from an asset and has neither transferred nor retained all risks and rewards or has not lost control over the asset, the asset is recognised in the balance sheet to the extent of the Group's continuing involvement in the asset. The residual involvement, which takes the form of a guarantee on the transferred asset, is valued at the lower of the initial book value of the asset and the maximum value of the consideration that the Group could be required to pay.

In cases where the residual involvement takes the form of an issued and/or purchased option on the transferred asset (including cash-settled or similar options), the extent of the Group's involvement corresponds to the amount of the transferred asset that the Group may repurchase; however, in the case of a written put option on an asset measured at fair value (including cash-settled or similar options), the extent of the Group's residual involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial Liabilities

A financial liability is derecognised when the obligation underlying the liability is discharged, cancelled, or fulfilled.

In cases where an existing financial liability is replaced by another from the same lender, under substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with any differences between the carrying amounts recognised in the income statement.

In the case of changes to financial liabilities that are defined as insubstantial, the financial liability is not derecognised and the value of the debt is recalculated while maintaining the original effective interest rate and discounting the changed cash flows, thus generating a positive or negative effect on the income statement.

Translation of Foreign Currency Transactions

The functional and presentation currency adopted by the Group is the Euro. Transactions in foreign currencies are, in the first instance, translated into euros based on the exchange rate on the date of the transaction. Monetary assets and liabilities are translated at the exchange rate of the balance sheet date. Exchange differences arising from the translation are charged to the income statement. Non-monetary assets and liabilities measured at cost are translated into Euro at the exchange rate in force on the date of the transaction. Monetary assets and liabilities measured at fair value are translated into euros at the exchange rate of the date from which the fair value was determined.

Translation of financial statements in foreign currency

The functional and presentation currency adopted by the Group is the Euro. For consolidation purposes, the financial statements of subsidiaries prepared in foreign currencies are translated into euros using:

- the exchange rate at the balance sheet date for the balance sheet and financial situation
- the average exchange rate for the period for the income statement
- the exchange rate at the date of acquisition of the subsidiary for the equity reserves.

In applying this method, two orders of difference are generated: spot versus average exchange rate and spot versus historical exchange rate. These differences are cumulatively reflected in the translation reserve (presented within the item Statutory reserves).

Use of estimates

The preparation of the consolidated financial statements and the related Notes requires the making of estimates and assumptions that influence 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 revenues and period costs.

Estimates are used in several areas, such as Allowance for doubtful accounts, depreciation, employee benefits, income taxes, other provision, 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.

The estimates and assumptions are reviewed periodically by the Group based on the best knowledge of the Group's business and other factors reasonably deducible from the current circumstances. The effects of each change are reflected immediately in the income statement.

IFRS Accounting Standards, Amendments and Interpretations Effective from 1st January 2024

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group as of 1st January 2024:

- On 23rd January 2020, the IASB published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on 31st October 2022 published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants". The purpose of the documents is to clarify how to classify debts and other short- or long-term liabilities. In addition, the amendments also improve the information that an entity must provide when its right to defer settlement of a liability for at least twelve months is subject to compliance with certain parameters (i.e. covenants). The adoption of these amendments had no impact on the Group's consolidated financial statements.

- On 22nd September 2022, the IASB published an amendment entitled "Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback". The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction so as not to recognise an income or loss that relates to the retained right of use. The adoption of these amendments had no impact on the Group's consolidated financial statements.

- On 25th May 2023, the IASB published an amendment entitled "Amendments to IAS 7 Statement of Cash flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements". It requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to evaluate how financial arrangements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of those arrangements on the entity's exposure to liquidity risk. The adoption of these amendments had no impact on the Group's consolidated financial statements.

IFRS Accounting Standards, Amendments and Interpretations not yet endorsed by the European Union

As of the date of this document, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of the amendments and principles described below.

- On 30th May 2024, the IASB published "Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7". The document clarifies a number of problematic issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives are met (i.e. green bonds). In particular, the amendments aim to:
  - Clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI assessment;
  - Determine that the date of settlement of liabilities through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognised before the cash transfer on the settlement date under certain specific conditions.

  With these amendments, the IASB also introduced additional disclosure requirements with regard to investments in equity instruments measured at FVOCI.
  The amendments will apply as of the financial statements for financial years beginning on or after 1st January 2026. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.

- On 9th May 2024, the IASB published a new standard "IFRS 19 Subsidiaries without Public Accountability": The new standard introduces some simplifications with regard to the disclosures required by other IAS-IFRS standards. This standard can be applied by an entity that meets the following main criteria:
  - It is a subsidiary;
  - It has not issued equity or debt instruments listed on a market and is not in the process of issuing them;
  - It has a parent company that prepares consolidated financial statements in accordance with IFRS accounting standards.

The new standard will enter into force on 1st January 2027, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.

- On 9th April 2024, the IASB published a new standard "IFRS 18 Presentation and Disclosure in Financial Statements", which will replace "IAS 1 Presentation of Financial Statements". The new standard aims to improve the presentation of the main financial statements and introduces important changes to the income statement. In particular, the new principle requires entities to:
  - Classify income and expenses into three new categories (operating, investing and financing), in addition to the tax and discontinued operations categories already present in the income statement;
  - Present two new sub-totals, operating profit and earnings before interest and taxes (i.e. EBIT).

  The new standard also:
  - Requires more information on the performance indicators defined by management;
  - Introduces new criteria for the aggregation and disaggregation of information; and
  - Introduces some changes to the format of the cash flow statement, including the requirement to use the operating profit as the starting point for the presentation of the cash flow statement prepared using the indirect method and the elimination of certain classification options for some items that currently exist (such as interest paid, interest received, dividends paid and dividends received).

  The new standard will enter into force on 1st January 2027, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of this new standard on the Group's consolidated financial statements.

- On 15th August 2023, the IASB published an amendment entitled "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability". The document requires an entity to apply a consistent methodology to ascertain whether one currency can be translated into another and, when this is not possible, how to determine the exchange rate to be used and the disclosures to be made in the notes to the financial statements. The change will apply from 1st January 2025, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.

- On 30th January 2014, the IASB published IFRS 14 - Regulatory Deferral Accounts, which allows only first-time adopters of IFRSs to continue to recognise amounts related to rate-regulated activities under their previous accounting standards. Since the Company/Group is not a first-time adopter, this standard is not applicable.

Reporting by operating segment

Operating results are presented and commented on with reference to the different geographical areas in which the Group operates, consistent with the Group's internal measurement methodologies.

The operating segments therefore coincide with the geographical areas in which the Group operates: Italy, Europe (France, Spain and Monaco) and the World (United Arab Emirates).

REVENUES			
06/30/2024		06/30/2023	
Italy	62,016	Italy	68,577
Europe	3,813	Europe	2,954
World	5,109	World	2,145
Total	**70,938**	**Total**	**73,676**

EBITDA			
06/30/2024		06/30/2023	
Italy	6,622	Italy	12,022
Europe	(352)	Europe	(1,102)
World	753	World	134
Total	**7,023**	**Total**	**11,054**

EBIT			
06/30/2024		06/30/2023	
Italy	2,965	Italy	8,775
Europe	(523)	Europe	(1,358)
World	617	World	87
Total	**3,059**	**Total**	**7,504**

PERIOD RESULT			
06/30/2024		06/30/2023	
Italy	392	Italy	4,973
Europe	(556)	Europe	(1,361)
World	529	World	13
Total	**365**	**Total**	**3,625**

COMMENTS ON THE MAIN INCOME STATEMENT ITEMS

Revenues

The breakdown of sales revenue by type of revenue is as follows:

Revenue from sales and services	H1 2023	H1 2024	Difference
Revenue from contracts	68,594	66,083	(2,511)
Revenue from products and services	3,270	1,978	(1,292)
Revenue from royalties	1,609	2,121	512
Total revenue from sales and services	**73,473**	**70,182**	**(3,291)**

Given the preponderance of revenue from Contracts (over 90%), segment reporting according to IFRS 8 is not useful (as the quantitative thresholds identified therein are not exceeded) and is therefore not provided.

The breakdown of Sales revenues by geographical area is as follows:

Revenue from sales and services	H1 2023	H1 2024	Difference
Italy	68,582	61,257	(7,325)
Europe	2,784	3,816	1,032
World	2,107	5,109	3,002
Total revenue from sales and services	**73,473**	**70,182**	**(3,291)**

As at 30th June 2023, "Revenue from sales and services" mainly includes revenue from productions carried out at construction sites. For more details on the development of revenues and sales volumes, please refer to the Report on Operations.

Operating Costs

Costs for consumption amounted to €7,051 (€6,716 thousand as at 30th June 2023). This item is mainly composed of Costs for Acquisitions of consumables used in the production process.

Costs for services amounted to €17,072 thousand (€25,522 thousand in the first six months of 2023). The item consist mainly of cost for services attributable to the Parent Company of €15,778 thousand. The significant decrease in costs for services is mainly due to the absence, in the first half of 2024, of subcontracted labour costs on sites pertaining to Acrobatica Energy S.r.l., which at the end of the previous year had completed all works, carried out with the 110% bonus tax benefits.

The main components of costs for services are broken down by macro-category below:

- costs for external processing incurred in the amount of €1,548 thousand by the Parent Company;
- costs for fuel and tolls, waste disposal, utilities and vehicle maintenance mainly incurred for €2,274 thousand by EdiliziAcrobatica S.p.A.;

- costs for technical/commercial, marketing and professional consulting services attributable to the Parent Company in the amount of €6,168 thousand;
- insurance costs in the amount of €259 thousand incurred by the Parent Company;
- costs for advertising and promotions in the amount of €2,452 thousand incurred by the Parent Company;
- costs for staff training, board and lodging of the Parent Company in the amount of €1,665 thousand.

Personnel expenses amounted to €36,536 thousand (€28,430 thousand as at 30th June 2023). Costs for staff mainly arose from the increase in personnel of the Parent Company EdiliziAcrobatica S.p.A. (+287 employees compared to 30th June 2023).

Amortisation, Write-downs and Provisions

Amortisation, write-downs and provisions for the period are calculated according to what is indicated in the comments on the evaluation criteria.

The item is broken down as follows:

AMORTISATION	H1 2023	H1 2024	Difference
Amortisation of intangible fixed assets	207	215	8
Amortisation of rights of use	1,859	2,279	420
Amortisation of tangible fixed assets	1,446	1,281	(165)
Total Amortisation	**3,512**	**3,775**	**263**
Write-downs and Provisions	38	189	151
Total Write-downs and Provisions	**38**	**189**	**151**

Financial Expenses

Financial expenses are broken down as follows:

FINANCIAL EXPENSES	H1 2023	H1 2024	Difference
Interest liabilities on financing	546	630	84
Interest payable on bond loans	162	128	(34)
Interest on lease liabilities	242	289	47
Interest on employee benefit	65	0	(65)
Miscellaneous liabilities	279	378	99
Credit transfer costs	302	158	(144)
Charges on Option for the Acquisition of 49% of Enigma	115	108	(7)
Write-downs of Financial assets	0	0	0
Total financial expenses	**1,711**	**1,691**	**(20)**

About the various forms of financing expenses, it should be noted that the general (albeit smaller) increase stems from the fact that, as the tax benefits ended in February 2023, the Group had to look for forms of financing other than assignment. Details of new loans taken out during the first half of 2024 can be found in the sections “Non-current financial liabilities” and “Current financial liabilities”.

Income taxes

Income taxes are broken down as follows:

INCOME TAXES	H1 2023	H1 2024	Difference
Current taxes – IRES	1,929	557	(1,372)
Current taxes – IRAP	714	418	(296)
Deferred Taxes	(231)	4	235
Taxes from previous years	0	88	88
Total Income taxes	**2,412**	**1,067**	**(1,345)**

The current taxes include the best estimate of income taxes due based on the legislation currently in force. Deferred taxes include the fiscal effects arising from the change in all differences between the book values of asset items and their corresponding values for tax purposes.

Earnings per Share

Basic and diluted earnings per share, as presented at the bottom of the income statement, are calculated as follows:

STATEMENT OF CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE	H1 2024	H1 2023
Profit (loss) for the Period (Group)	345,000	3,710,000
Average weighted shares	8,353,265	8,274,190
Earnings per Share, Basic *(amounts in Euros)*	**0.04**	**0.45**
Profit (loss) for the Period (Group)	345,000	3,710,000
Average weighted shares	8,398,765	8,317,225
Earnings per Share, Diluted *(amounts in Euros)*	**0.04**	**0.45**

The effect of dilution is calculated in accordance with the comments on the valuation criteria.

COMMENTS ON THE MAIN ITEMS OF THE STATEMENT OF FINANCIAL POSITION

Non-current assets

The breakdown of non-current assets is as follows:

NON-CURRENT ASSETS	06/30/2024	12/31/2023
Intangible assets	1,554	1,300
Goodwill	11,774	11,566
Rights of use assets	21,543	20,275
Tangible fixed assets	4,670	4,651
Financial fixed assets	71	46
Other non-current assets	9,458	6,488
Total non-current assets	**49,070**	**44,326**

Changes in non-current assets are as follows:

NON-CURRENT ASSETS	Initial	Acquisitions	Dismiss.	Depreciation	Other	Final
Intangible assets	1,300	476	(7)	(215)		1,554
Goodwill	11,566	0		0	208	11,774
Rights of use assets	20,275	3,547		(2,279)		21,543
Tangible fixed assets	4,651	1,307	(7)	(1,281)		4,670
Financial fixed assets	46	51		0	(26)	71
Other non-current assets	6,488	120		0	2,850	9,458
Total non-current assets	**44,326**	**5,501**	**(14)**	**(3,775)**	**3,032**	**49,070**

Below are the comments on the individual items.

Intangible assets

Intangible assets consist mainly of computer programmes, including, in particular, internally developed software.

Acquisitions for the period mainly relate to the aforementioned software development activities. Amortisation, write-downs and provisions for the period are calculated according to what is indicated in the comments on the evaluation criteria.

Goodwill

Goodwill mainly consists of the acquisition in 2023 of the investment in Enigma Capital Investments LLC.

Goodwill is not amortised, as indicated in the comments on the valuation criteria. The change in the period of €208 thousand resulted from the exchange rate adjustment to 30th June 2024.

Rights of Use Assets

Rights of use assets consist mainly of the value of real estate contracts held by the parent company EdiliziAcrobatica S.p.A. They can be further detailed as follows:

Rights of Use Assets	06/30/2024	12/31/2023
Real Estate – Italy	13,988	13,397
Real Estate – Overseas	1,012	1,088
Movable – Italy	6,344	5,524
Movable – Overseas	199	266
Total	**21,543**	**20,275**

Acquisitions for the period represent the net present value of the contractually agreed cash flows for contracts entered in 2024. Amortisation, write-downs and provisions for the period are calculated according to what is indicated in the comments on the evaluation criteria.

Tangible fixed assets

Tangible fixed assets mainly consist of improvements of third-party assets (relating to the numerous leased properties).

Acquisitions by the Parent Company for the period mainly consisted of operator work kits (€828 thousand), leasehold improvements (€406 thousand) and electronic machines (€99 thousand). Amortisation, write-downs and provisions for the period are calculated according to what is indicated in the comments on the evaluation criteria.

Financial fixed assets

Financial fixed assets consisted of the positive fair value of an interest-rate swap classified as held for cash flow hedging and the investment in Acrobatica Smart Living S.r.l., incorporated on 9th February 2024 and still substantially in the start-up phase of operations to the extent that it is excluded from the consolidation scope.

Other non-current assets

Other Non-Current Assets mainly consist of long-term tax credits held by EdiliziAcrobatica S.p.A. in the amount of €6,879 thousand. These are tax credits, accrued as a result of the application of the discount on invoices as provided for by tax bonus regulations, which the Company intends to offset in future years for the relevant portions. The amount was discounted at the market rate resulting from the Company's average borrowing rate.

Current assets

The breakdown of Current assets is as follows:

CURRENT ASSETS	06/30/2024	12/31/2023
Inventories	2,336	1,567
Trade receivables	50,154	41,691
Tax assets	15,801	51,637
Other Current assets	5,418	4,582
Cash and cash equivalents	11,102	11,831
Other current financial assets measured at fair value	1,010	2,882
Total Current assets	**85,821**	**114,190**

The changes in Current assets are as follows:

CURRENT ASSETS	Initial	Final	Difference
Inventories	1,567	2,336	769
Trade receivables	41,691	50,154	8,463
Tax assets	51,637	15,801	(35,836)
Other Current assets	4,582	5,418	836
Cash and cash equivalents	11,831	11,102	(729)
Other current financial assets measured at fair value	2,882	1,010	(1,872)
Total Current assets	**114,190**	**85,821**	**(28,369)**

Below are the comments on the individual items.

Inventories

Inventories consist mainly of building materials, which contribute to the production of services provided by the Group.

Their value increased slightly compared to the previous year due to the acquisition of materials that will contribute to production in the second half of the year.

Trade receivables

Trade receivables mainly consist of receivables from customers for invoices issued, invoices to be issued and work in progress, for commercial transactions conducted at market conditions. They are presented net of an allowance for doubtful accounts for a total of €1,726 thousand (of which €394 thousand in application of IFRS 9), the adjustment of which resulted in depreciation in the Income Statement of €30 thousand.

The significant increase compared to the previous year (for €8,463 thousand) was mainly due to the return to a normal operating process, unrelated to the tax benefits that ended in February 2023.

Tax assets

Tax Assets mainly consist of credits for work performed with discounts on invoices, according to the rules on assignment to non-controlling interests (so-called tax bonuses).

Pursuant to these rules, the Group recognises revenue as a contra entry to credits recognised at fair value. The market value of these Credits was derived from the assignment contracts for tax bonuses entered into during the first six months of the year with Banca Intesa San Paolo.

The significant decrease compared to the previous year is mainly attributable, for €27,011 thousand, to Acrobatica Energy S.r.l., which, in the first half of 2024, transferred all tax credits to banks, net of a residual amount that will be used in future years to offset tax liabilities.

Other Current assets

Other Current assets consist mainly of receivables from social security institutions for CIG events accrued on rainy days or in other adverse conditions when the operators cannot work.

Cash and cash equivalents

For details on the trend in Cash and Cash Equivalents, please see the Statement of Cash flows, which shows that these decreased by €729 thousand, consisting of:

- cash flows from operating activities positive for €15,099 thousand, mainly due to collections of tax credits by the subsidiary Energy Acrobatica;
- cash flows from investing negative in the amount of €1,905 thousand, mainly due to investments in intangible and tangible fixed assets, as described above;
- cash flows from financing activities negative for €13,923 thousand, mainly due to loan repayments and the payment of dividends.

Other current financial assets measured at fair value

Other current financial assets measured at fair value consist mainly of marketable securities on the market for €1,010 thousand. During the period, the adjustment of these positions to their respective fair values, as detailed above, resulted in the recognition of financial expenses totalling €10 thousand.

The significant decrease compared to the previous year was mainly due to the disinvestment of certain policies then existing (valued at €1.8 million) for use in current operations (see the Statement of Cash flows in this regard), which led to the recognition of capital gains in the amount of €41 thousand.

Non-current liabilities

Non-Current Liabilities are broken down as follows:

NON-CURRENT LIABILITIES	06/30/2024	12/31/2023
Non-current financial liabilities	20,979	21,780
Non-current lease liabilities	17,792	16,914
Employee benefits	5,850	4,946
Other non-current liabilities	215	548
Total Non-Current Liabilities	**44,836**	**44,188**

Changes in Non-Current Liabilities are as follows:

NON-CURRENT LIABILITIES	Initial	Increases	Payments	Reclass.	Other	Final
Non-current financial liabilities	21,780	2,607	(2,744)	(977)	314	20,979
Non-current lease liabilities	16,914	2,956	(2,078)			17,792
Employee benefits	4,946	1,499	(595)		0	5,850
Other non-current liabilities	548	150	(503)		20	215
Total Non-Current Liabilities	**44,188**	**7,062**	**(5,417)**	**(977)**	**334**	**44,836**

Below are the comments on the individual items.

Non-current financial liabilities

Changes in Non-current financial liabilities are as follows:

NON-CURRENT FINANCIAL LIABILITIES	Initial	Increases	Payments	Reclass.	Other	Final
Bond loan	5,066			(977)		4,089
Debts to banks – Parent Company – Financing	10,751	2,000	(2,744)			10,007
Debts to Minority Shareholders – Subsidiaries	100	607				707
Fair Value (negative) of Hedging Derivatives					17	17
Option to purchase 49% of Enigma	5,863				297	6,160
Total Non-Current Financial Liabilities	**21,780**	**2,607**	**(2,744)**	**(977)**	**314**	**20,980**

The bond loan, issued in 2020 for a total of €10,000 thousand, with a fixed rate of 3.30%, repayable by July 2027, sees the reclassifications of the instalment due (capital share) as short-term. The transaction costs originally deducted from the bond, in application of the amortised cost method, amounted to €271 thousand, resulting in the quantification of an effective interest rate of 3.68%; the residual difference at the balance sheet date amounted to €126 thousand.

Debts to banks for financing relate to financing agreements with leading credit institutes. It should be noted that during the first half of the year, new Financing was taken out (by the Parent Company) for a total of €45,000 thousand, of which the Amount due beyond the financial year is shown in the table. These are:

- a loan of €2,000 thousand taken out in January 2024 (first repayment of capital in June 2024), bearing a fixed rate equal to 5.00%, repayable by June 2029, of which a balance of €1,905 thousand remains, classified as non-current for €1,524 thousand and as current for €381 thousand;

- a loan of €2,000 thousand taken out in March 2024 (first repayment of capital in July 2024), with a variable rate equal to the one-month EURIBOR plus 0.90%, repayable by September 2024, of which a balance of €2,000 thousand remains, entirely classified as current.

Debts to minority shareholders are represented by the Group's liabilities to its shareholders in the Monegasque company (amount of €100 thousand) and in the Emirati companies (amount of €607 thousand).

The option for the acquisition of 49% of Enigma is valued at the net actual value of the assumed obligation, the value of which is updated due to changes in currency prices and approaching maturity.

Non-current lease liabilities

Non-Current lease liabilities consist mainly of the value of real estate contracts held by the Parent Company EdiliziAcrobatica S.p.A.. They can be further detailed as follows:

Non-current lease liabilities	06/30/2024	12/31/2023
Real Estate – Italy	12,939	12,380
Real Estate – Overseas	916	977
Movable – Italy	3,818	3,396
Movable – Overseas	119	161
Total	**17,792**	**16,914**

The increases for the period represent the non-current portion of the net present value of contractually agreed cash flows for contracts entered into in 2024. Payments for the period represent the capital reimbursed during the first six months (calculated in accordance with the comments on the valuation criteria).

Employee benefits

Liabilities for employee benefits mainly consist of the liabilities for indemnities at the Parent Company (€5,838 thousand), considered a defined benefit plan for IFRS purposes. The increases represent the cost for the period, calculated using actuarial techniques. Payments represent disbursements made during the year.

In this regard, the main actuarial assumptions used in the calculation of employee benefits, with explicit reference to the direct experience of the group leader or to reference best practices, were as follows:

ACTUARIAL ASSUMPTIONS	
Annual discount rate	3.17%
Annual inflation rate	2.00%
Annual rate of TFR Increases	3.00%
Annual rate of salary increases	1.00%
Frequency of advances	3.50%
Turnover frequency	10.00%

Current Liabilities

Current liabilities are broken down as follows:

CURRENT LIABILITIES	06/30/2024	12/31/2023
Current financial liabilities	17,722	29,203
Current lease liabilities	4,371	3,895
Trade payables	11,578	23,881
Advances from customers	8,873	10,056
Tax liabilities	8,137	8,465
Other Current liabilities	10,653	9,162
Total CURRENT LIABILITIES	**61,334**	**84,662**

Changes in Current liabilities are as follows:

CURRENT LIABILITIES	Initial	Final	Difference
Current financial liabilities	29,203	17,722	(11,481)
Current lease liabilities	3,895	4,371	476
Trade payables	23,881	11,578	(12,303)
Advances from customers	10,056	8,873	(1,183)
Tax liabilities	8,465	8,137	(328)
Other Current liabilities	9,162	10,653	1,491
Total CURRENT LIABILITIES	**84,662**	**61,334**	**(23,328)**

Below are the comments on the individual items.

Current financial liabilities

Changes in Current financial liabilities are as follows:

CURRENT FINANCIAL LIABILITIES	Initial	Increases	Payments	Reclass.	Other	Final
Bond loan	2,952		(2,000)	977	25	1,954
Debts to banks – Parent Company – Financing	13,637	2,000	(5,917)			9,720
Debts to banks – Parent Company – Advances	12,217		(6,954)			5,263
Debts to Parent Companies	368	400				768
Other Minor Items	29				(11)	18
Total Current Financial Liabilities	**29,203**	**2,400**	**(14,871)**	**977**	**14**	**17,723**

The bond loan, issued in 2020 for a total of 10,000 thousand, sees the reclassification of the instalment due (capital share) as short-term. It sees a reduction representing the payment of the period as the instalment due in December slipped to the beginning of January (as the funds in the account at the end of the month were not withdrawn by the bank).

Debts to banks for financing relate to financing agreements with leading credit institutes. In particular, during the first half of the year, new Financing was taken out (by the Parent Company) for a total of €14,000 thousand, of which the portion due within the year is presented in the table (these are described in the comments on Non-Current Financial Liabilities).

The decrease in advances compared to the previous year mainly came from the subsidiary Acrobatica Energy S.r.l., which ended its period of full operations at the end of 2023.

Current lease liabilities

Current lease liabilities of the value of movable contracts held by the parent company EdiliziAcrobatica S.p.A.. They can be further detailed as follows:

Current lease Liabilities	06/30/2024	12/31/2023
Real Estate – Italy	1,578	1,479
Real Estate – Overseas	123	132
Movable – Italy	2,588	2,177
Movable – Overseas	83	108
Total	**4,372**	**3,896**

The increases for the period represent the current portion of the net present value of the contractually agreed cash flows for contracts entered into in 2024. Payments for the period represent the capital reimbursed during the first six months (calculated in accordance with the comments on the valuation criteria).

Trade payables

Trade payables mainly consist of Accounts payable for invoices received and invoices to be received, for commercial transactions conducted at market conditions.

The decrease in trade payables compared to the previous year mainly came from the subsidiary Acrobatica Energy S.r.l., which ended its period of full operations at the end of 2023.

Advances from customers

Advances from customers consist mainly of advances received from customers relating to work not yet performed.

The balance is substantially in line with the previous year.

Tax liabilities

Tax liabilities consist mainly of VAT and Other taxes, in addition to the provision for income tax. The amount also includes the IRPEF contributions to be paid.

The balance is substantially in line with the previous year.

Other Current liabilities

Other Current liabilities consist mainly of social security and/or employee payables. The amount also includes the INPS contributions to be paid.

The balance is substantially in line with the previous year.

Equity

Details of the items making up equity are as follows:

EQUITY	06/30/2024	12/31/2023
Share capital	840	832
Statutory reserves	11,208	11,075
FTA Reserve	(4,500)	(4,500)
OCI Reserve	93	192
Retained earnings	20,768	15,866
Net profit (loss) for the Period (Group)	345	6,284
Equity attributable to the owners of the Parent	***28,754***	***29,749***
Non-controlling interests Share Capital and Reserves	(53)	110
Net profit (loss) for the Period (non-controlling interests)	20	(193)
Non-controlling interests	***(33)***	***(83)***
Total Equity	**28,721**	**29,666**

Changes in Equity are shown in the financial statements.

The reduction for dividends includes the amount of dividends distributed in the period equal to €1,318 thousand, net of the effects of the waiver of the dividend (related to the previous year) from own shares, in the amount of €39 thousand. The changes for the result for the period and for Other Comprehensive Income items come directly from the Income Statement and the Statement of Other Comprehensive Income, respectively.

Share Capital is equal to the Parent Company's Share Capital and amounts to €839,876.50, represented by 8,398,650 ordinary shares with a nominal value of Euro 10 cents. Compared to the previous year, it increased by €8,154 for shares allocated (see below).

Statutory reserves are detailed as follows:

Statutory reserves	06/30/2024	12/31/2023
Share Premium	7,207	7,207
Shares Allocated	4,150	4,150
Legal	166	165
Extraordinary	124	85
Translation	6	(87)
Merger Surplus	4	4
Treasury shares	(450)	(450)
Total statutory Reserves	**11,207**	**11,074**

The FTA reserve includes the total of all cumulative differences between the values according to National Accounting Standards (financial statements prior to FTA) and those according to International Accounting Standards (financial statements after FTA), as extensively illustrated at the moment of first-time adoption.

The OCI reserve includes the accumulated balance of the Comprehensive Income.

Non-controlling interests share capital and reserves are calculated by allocating to minority interests the balance sheet and income statement values resulting from the financial statements (included in the consolidation) of subsidiaries whose percentage of ownership is less than 100%:

EQUTY OF NON-CONTROLLING INTERESTS	EQUITY	Profit (loss) for the period	Total
EdiliziAcrobatica Ibérica SL (90%)	3	(24)	(21)
EdiliziAcrobatica Monaco S.A.M. (60%)	(56)	44	(12)
Equity of non-controlling interests	**(53)**	**20**	**(33)**

More information

Related Party Transactions

The figures for receivables, payables, costs and revenues from and to related parties (understood as: parent company, sister companies and directors; with the exclusion of subsidiaries included in the consolidation scope, whose balance sheet and income statement effects are eliminated) are as follows:

Denomination	Investments	Financial Receivables	Other receivables	Financial payables	Other payables	Revenues	Costs
ARIM Holding S.a.r.l.			169	(768)	(1,533)	78	(389)
EDAC Italia S.r.l.		194					
ARIM Immobilier		214					
Acrobatica Smart Living S.r.l.	51						
Directors					(40)		(308)
Total	**51**	**408**	**169**	**(768)**	**(1,573)**	**78**	**(697)**

Financial receivables from the sister companies EDAC Italia S.r.l. and ARIM Immobilier as well as sundry receivables from the parent company ARIM Holding are shown within current assets under credits of other nature.

It should also be noted that financial payables to the parent company ARIM Holding are shown within current liabilities under current financial liabilities, while other payables to the parent company ARIM Holding and to directors are shown within current liabilities under debts of other nature.

Derivative financial instruments

The derivative contracts in place at the financial statement date, as described in the respective sections of these Notes, are as follows:

DERIVATIVE	FV 12.23	FV 06.24	to PN	DTA/DTL	Notional
Interest Rate Swap BPM - 2022	37	20	(21)	4	902
Interest Rate Swap Deutsche Bank - 2022	9	(17)	(21)	(6)	631
Total Derivative	**46**	**3**	**(42)**	**(2)**	**1,533**

In measuring the fair value of an asset or liability, the Group uses observable market data to the extent possible. Fair values are separated into various hierarchical levels based on the inputs used in the valuation techniques, as illustrated below.

- Level 1: quoted prices (unadjusted) on active markets for identical assets or liabilities
- Level 2: inputs data other than quoted prices at Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices)
- Level 3: input data related to the asset or liability that are not based on observable market data

If the input data used to measure the fair value of an asset or liability falls within different levels of the fair value hierarchy, the entire valuation is placed in the same level of the hierarchy as the lowest level input that is significant to the entire valuation. The Group recognises transfers between the various levels of the fair value hierarchy from the date of the event or change in circumstances.

The classification of financial instruments is shown below:

Financial Instruments	Fair Value Hedging Instruments	Financial Assets measured at Fair Value	Other Financial Liabilities	Fair Value	Level 1	Level 2	Level 3	Total
Derivative Financial instruments	20			20		20		20
Other current financial assets measured at fair value		1,010		1,010		1,010		1,010
Total Assets	**20**	**1,010**	**0**	**1,030**	**0**	**1,030**	**0**	**1,030**
Derivative Financial instruments	(17)			(17)		0		0
Bond Loans			(6,043)	(6,043)	(6,043)			(6,043)
Total Liabilities	**(17)**	**0**	**(6,043)**	**(6,060)**	**(6,043)**	**0**	**0**	**(6,043)**

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

Law n. 124/2017 provides the obligation to provide information on grants, contributions, paid assignments and economic benefits of any kind received from Italian public administrations. In this regard, during 2024

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 fulfilling certain conditions on the basis of predetermined general criteria, which are also the subject of specific declarations (see document CNDCEC March 2019)

are not considered to be relevant for the purposes of the information obligations provided for by law no. 124/2017.

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REPORT ON REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of
Ediliziacrobatica S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of Ediliziacrobatica S.p.A. and its subsidiaries (Ediliziacrobatica Group), which comprise the statement of financial position as of June 30, 2024 and the income statement, the statement of comprehensive income, the statement of changes in equity and cash flow statement for the period then ended and the explanatory notes. The Directors are responsible for the preparation of the condensed interim consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the condensed interim consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements of the Ediliziacrobatica Group as of June 30, 2024 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Federico Tarallo
Partner

Genoa, Italy
September 27, 2024

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.

ACROBATICA® | by EDILIZIACROBATICA

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