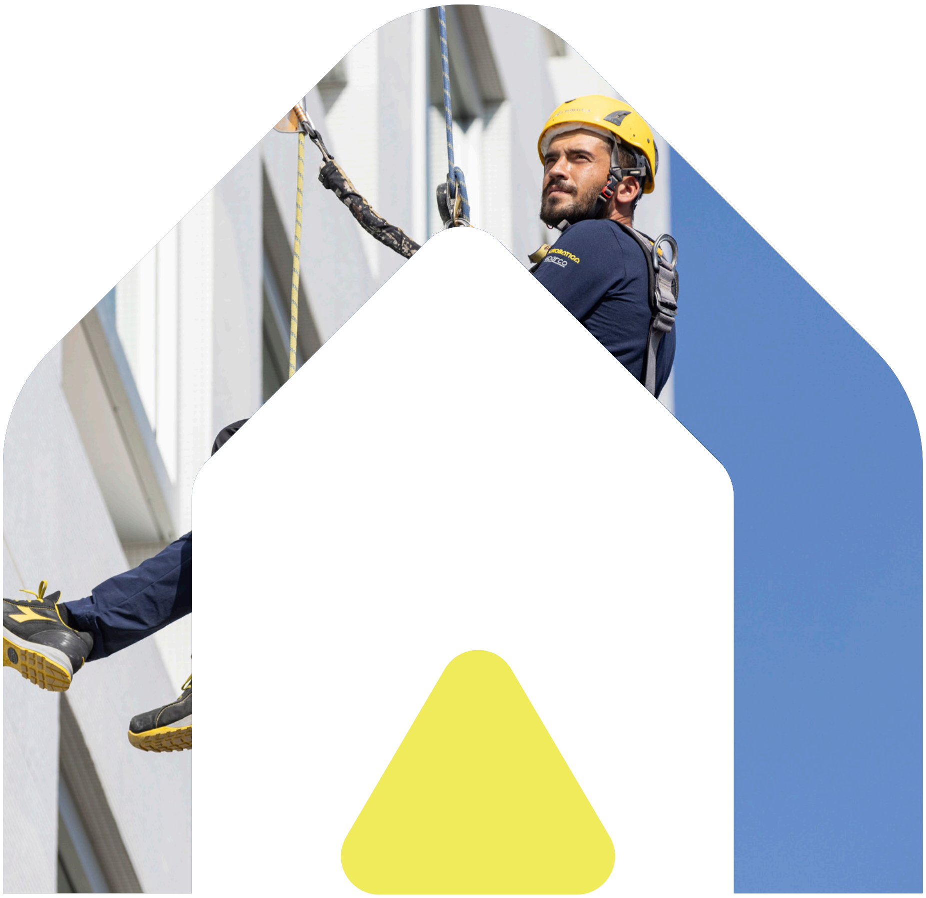
ACROBATICA®

RENOVATE, REBUILD, RETHINK



Report on the Consolidated Financial Statements 31 December 2024

EdiliziAcrobatica S.p.A.
Capitale Sociale € 842.288,50
Via Turati, 29, 20100
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1785877

Directors' Report of the Consolidated Financial statements on 31 December 2024

Dear Shareholders, these consolidated financial statements as of 31 December 2024 close with a net loss for the period of €2,801 thousand, net of taxes of €1,018 thousand.

The Consolidated Explanatory Note provides information about the presentation of the Consolidated Financial Statements at 31 December 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 euro, is presented alongside the 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 Consolidated Financial Statements have been prepared 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.

Shares held by EdiliziaAcrobatica at 31 December 2024

On 31 December 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.	Carrer Girona 134, 08037 Barcelona, Espana	3,000	90.00%
Acrobatica Energy S.r.l.	Via Filippo Turati 29, 20121, Milan, Italy	100,000	99.00%
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	100,000	51.00%

Changes in the scope of consolidation in 2024

On 9 February 2024, the Group set up a NewCo with the Italsoft Group - the Italian leader in enabling technology for digital and energy innovation in the construction and real estate sectors. The NewCo, called Acrobatica Smart Living Srl, is dedicated to environmental sustainability and decarbonisation through energy redevelopment, energy community management and the transformation of buildings into smart buildings. This investment was consolidated using the equity method.

Trends in the economy and construction sector

In 2024, the global economy showed signs of stabilising while continuing to face significant challenges. According to the Organisation for Economic Co-operation and Development (OECD), global growth stood at 3.2% in 2024, slightly higher than previous forecasts.

This growth was uneven across regions; the various advanced economies saw a slight acceleration, with growth rising from 1.6% in 2023 to 1.7% in 2024, while emerging and developing economies saw a moderate deceleration from 4.3% in 2023 to 4.2% in 2024.

One positive aspect was the normalisation of global inflation, which helped to improve consumer purchasing power. However, significant vulnerabilities remain, including high levels of public debt and geopolitical tensions, which continue to pose risks to global economic stability.

The year 2024 was, therefore, a year of moderate growth for the global economy, characterised by signs of stabilisation but also by persistent challenges that require continued attention from policymakers and economic operators.

These signs will continue in 2025, when the OECD expects moderate growth at the same levels as in 2024, although significant risks remain. The OECD warns that further fragmentation of the global economy could hinder growth, while higher-than-expected inflation could lead to tighter monetary policies, possibly affecting financial markets.

The global construction industry experienced a moderate growth in 2024, registering a 2.3% increase in output, down from 4.3% in 2023. This decrease was caused by a combination of factors: primarily rising costs of materials, a continuing shortage of skilled labour and a persistently uncertain economic environment in various parts of the world.

As mentioned above, the dynamics were very different from region to region and from country to country. For example, in the US, the construction sector maintained a positive trajectory, with projected growth of 4.5% in real terms. US growth was supported by strong public and private Investments, especially in non-residential infrastructure. In Western Europe, on the other hand, the sector suffered, with a contraction of 2%, due largely to cost increases, inflation and high interest rates, which forced many companies to postpone or even cancel projects.

In Asia, China led the way, as always, with a 4% expansion, driven by investments in large infrastructure and urban development projects. Other emerging economies in the region also showed some vitality, albeit at a more subdued and moderate pace.

The main challenges faced by the industry in 2024 undoubtedly included the rising cost of raw materials, further pressured by tariffs on imported materials such as steel and difficulties in finding skilled labour. This shortage has prompted many companies to review their recruitment and training plans in the hope of filling the skills gap.

On the innovation front, the sector has seen a growing interest in more sustainable practices and advanced technologies. Projects using wood as a building material have multiplied, such as the “Stockholm Wood City” project, symbolising a new focus on reducing environmental impact. Parallel to this, the industrialisation of the building process, through prefabrication and modular construction, is progressively gaining ground to increase efficiency and reduce timelines.

The year 2024 was a year of transition for the construction industry which, despite slowing growth, laid the foundations for a technological and sustainable evolution in the short term. Forecasts for 2025 are therefore more optimistic, predicting further growth of 2.8% globally, boosted by a recovery in the residential sector and the continuation of large infrastructure projects. The issues that need to be resolved remain, especially those related to costs and labour, which will continue to affect competitiveness and production capacity.

In 2024, the Italian construction sector went through a rather complex phase, characterised by a significant drop in investments which fell by 5.3% compared to the previous year. The greatest impact was due to the downsizing of tax incentives - in particular the end of credit transfers and invoice discounting - which heavily penalised extraordinary maintenance, down 22%. This segment, which in previous years had benefited from the Superbonus and other boosting mechanisms, suffered an abrupt slowdown, with a direct impact on many companies in the sector.

On the other hand, housing construction showed signs of difficulty: new residential building sites decreased by 5.2%, a fact related both to the lower availability of credit and the reduction of building permits. Bucking the trend, the private non-residential sector (such as retail, hotels and offices) posted a slight increase of 0.7%, thanks in part to specific investments in areas with high economic potential.

On the other hand, public works saw a 21% increase in investments, mainly due to the acceleration of projects linked to the NRRP (National Recovery and Resilience Plan). Construction work for roads, schools, digital and energy infrastructure have decisively supported part of the building sector, also helping to keep production alive in some areas.

The scenario for 2025 does not appear to be without its obstacles, especially since the resilience of the entire industry will once again be called in the question once the boosting effect of the NRRP comes to an end.

Among the most urgent critical issues are the difficulty of access to housing for families on low and medium incomes, the need to reform urban regulations to encourage urban regeneration, and the need for industrial policies that support innovation, sustainability and digitalisation in the sector.

Among the next challenges that the sector will have to face and in order to avoid a structural decline, it will be essential to intervene with strategic measures capable of relaunching the entire sector, not only from the demand side, but also in terms of innovation and build quality, which will be a fundamental requirement for the near future.

The French construction sector faced a significant recession in 2024, with a 6.6% decline in volumes compared to the previous year. This drop was particularly evident in the private residential sector, where new construction fell by 21.9%. The number of new constructions sites dropped by 14.2% to the lowest level since 1954, with only 253,000 new sites opened in the year.

The non-residential segment also recorded a 7.4% decrease in new building constructions, with significant declines in all sectors except public buildings, which remained stable.

The main causes of this crisis include high energy prices, persistent inflation and a high public budget deficit, which characterised 2024 as a particularly difficult year for the French construction sector, with major challenges continuing to negatively influence the outlook for the near future.

The Principality of Monaco, on the other hand, recorded significant developments in 2024, with continued growth and urban transformation. The inauguration of Mareterra, a new six-hectare district created through marine reclamation works and where Acrobatica has operations, is of particular note. This project, completed with an investment of approximately €2 billion, has expanded Monaco's surface area by 3%, offering new residential and commercial opportunities that rank among the most expensive real estate in the world. The district was designed by internationally renowned architects, including Renzo Piano, and places a strong emphasis on environmental sustainability. Solar panels, heat pumps and large green areas have been integrated into the design to minimise ecological impact.

Furthermore, the Monte Carlo property market continued to show high demand, with 11% growth in resale transactions in 2024 underlining how these figures reflect the continued attractiveness of Monte Carlo for high-profile buyers, drawn to the tax advantages, security and quality of life offered by the Principality.

In Spain, the construction sector showed moderate but steady growth, with an estimated expansion of around 2% in real terms. This dynamic was supported by a combination of public and private investments, with a focus on infrastructure projects, housing and renewable energy. The Spanish government, in line with European environmental targets, has updated the National Integrated Energy and Climate Plan (NIECP), aiming for a 32% reduction in greenhouse gas emissions by 2030. This has reinforced the interest in sustainable construction and projects with a low environmental impact.

As a result, the residential market continued to grow, with housing prices rising in the first quarter of 2024 as demand far exceeded supply, prompting the government to announce an ambitious plan to build 43,000 affordable homes. This project, worth around €6 billion, aims to improve access to housing and promote energy sustainability in new construction.

The infrastructure sector has also benefited from strong investments, including the plan announced by railway operator Adif and its high-speed subsidiary, Adif AV, to allocate more than €24 billion to modernise the rail network by 2026, demonstrating a concrete commitment to enhancing sustainable mobility.

Despite these positive developments, the sector had to contend with the challenge of finding specialised personnel, which represented one of the main obstacles to the full implementation of development plans.

For 2025, the Spanish outlook remains positive, estimating that the sector will be able to grow by an average of 3% per year between 2025 and 2028, thanks to the support of the European Union's Recovery and Resilience Facility and continued investments in strategic sectors.

In 2024, the construction sector in the United Arab Emirates (UAE) and Saudi Arabia showed growth.

The construction sector in the United Arab Emirates (UAE) expanded in real terms in 2024, supported by favourable economic conditions and both public and private investments in key projects in the transport, energy and housing sectors.

In Saudi Arabia, the construction sector also experienced growth in 2024, reaching a value of SAR 232.14 billion. This increase was driven by large-scale infrastructure projects as part of the Vision 2030 plan to diversify the economy and reduce dependence on oil. Projects like the NEOM, in which Acrobatica is a partner, a futuristic city with a budget of $500 billion, and the Jeddah Central Project, a $20 billion initiative, are emblematic examples of this transformation.

Competitive behaviour

In the economic context outlined above, the Acrobatica Group continues to play a prominent leading role both in the Italian market and in the Middle East.

The Group’s focus is on maintaining residential buildings in urban areas and in the historic centres of nearly every Italian city, as well as several cities in France and Spain.

In recent years, there has been widespread use in the world of construction of access systems and positioning through ropes.

In Italy, the competitors are small in size, in terms of turnover and geographic area of activity, and they carry out operations on rope often as additional services to traditional construction, or, in some cases in niche segments (reclamation, environmental interventions, etc.).In Italy, competition in the rope access construction sector is fragmented and mainly composed of small companies or freelancers. According to one analysis, the second largest operator in the country has a turnover of one-tenth of that of Acrobatica, while another 19 relevant companies do not exceed €5 million in turnover.

As for competitors outside Italy, there are several medium-sized competitors in both France, Spain and the United Kingdom.

Acrobatica continues to consolidate its leading position not only in Italy, but also in Europe, thanks to a scalable business model and the possibility to acquire local companies.

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

The Consolidated Financial Statements of 2024 were characterised as the first reports issued since the total elimination of invoice discounting on tax benefits, for both facades renovations and energy efficiency improvements. In spite of this, as mentioned above the Group continued its normal business activities by continuing to develop its international operations, while having to handle different levels of turnover and profitability.

In relation to economic performance, the volume of operating revenues fell to €154,465 thousand from €158,757 thousand in 2023, with an overall decrease of 3%; operating costs amounted to €143,596 compared to €134,754 in 2023, up by 7%, although this increase was down compared to that generated in the previous year when there was a 35% increase compared to 2022.

Personnel costs, which represent the largest portion of operating costs, totalled €86,294 thousand, reflecting a 40% increase from €61,836 thousand in the 2023 financial year. This item includes non-recurring cost components related to the realignment and discontinuation of the previous computer system for accounting for personnel costs.

Amortisation amounted to € 7,665 thousand in 2024, nearly in line with the previous year, which closed at € 7,679 thousand.

The gross operating margin (or EBITDA) was €10,869 thousand, compared to €24,002 thousand in the previous period.

Financial management generated €3,357 thousand, of which €80 thousand in financial income and €3,343 thousand in financial expenses.

Profit (loss) for the year 2024 was a net consolidated loss of €2,801 thousand against a net profit of €6,091 thousand in 2023.

Income taxes amounted to €1,018 thousand.

Group situation and business performance

In 2024 the Acrobatica Group continued it business growth strategy, which paved the way in recent months for new operations that were looked upon favourably by investors and the financial markets.

In addition to territorial expansion in both Italy and abroad, the focus was on consolidating the company’s profitability which suffered a sharp decline after the sudden regulatory changes that impacted its activities.

In December, EdiliziAcrobatica S.p.A. acquired 80% of Verticaline, a company based in Jesolo in the North West of Italy.

This transaction marked the launch of a new strategy to enhance growth by external channels in Italy, with a view to expanding the Group's business operations in areas where it is already present.

As regards the domestic market, in pursuit of the objective to acquire new market shares through the widespread penetration of the Italian territory, the Group reached a total of 117 operating areas in the financial year, with an increase of 15 units compared to the 102 achieved in 2023. The number of affiliations increased to 40.

Efforts continued to reinforce and consolidate the organisation and management of the eight local French units.

In Spain, following strong expansion, focus was placed on consolidating the four current largest offices of Barcelona, Madrid, Valencia, and Tarragona as potential future development opportunities. After an initial start-up period, the Monaco-based company entered the market at full strength with excellent prospects for the future.

Finally, during the year Enigma executed a major maintenance contract for the SKI DUBAI complex and continued its development activities in Saudi Arabia.

The Group’s organisational stability and responsiveness allowed the ever-growing demands of the market to be met in a dynamic and efficient manner.

Analysis of the Group 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 for the financial year 2024 have been compared with those for the same period in the previous year:

RECLASSIFIED CONSOLIDATED INCOME STATEMENT	Year 2024	Year 2023
Operating Revenues	154,465	158,757
Operating Costs	(143,596)	(134,755)
EBITDA	**10,869**	**24,002**
Amortisation and Depreciation	(7,665)	(7,679)
Depreciation and Provisions	(1,630)	(1,973)
EBIT	**1,574**	**14,350**
Financial income and charges	(3,357)	(3,457)
Pre-tax income	**(1,783)**	**10,893**
Income tax	(1,018)	(4,802)
Net profit (loss)	**(2,801)**	**6,091**
Profit (loss) attributable to minority interests	*(101)*	*(193)*
Group profit (loss)	*(2,700)*	*6,284*
EBITDA %	7.04%	15.12%
EBIT %	1.02%	9.04%
Pre-tax income %	(1.15%)	6.86%
Net profit (loss) %	**(1.81%)**	**3.84%**

OPERATING REVENUES	Year 2024	Perc. %	Year 2023	Perc. %
Revenue from sales and services	151,910	98.35%	158,470	99.82%
Other income	2,555	1.65%	287	0.18%
TOTAL OPERATING REVENUES	**154,465**	**100.00%**	**158,757**	**100.00%**

OPERATING COSTS	Year 2024	Perc. %	Year 2023	Perc. %
Cost for consumption	13,828	9.63%	16,483	12.23%
Cost for services	36,327	25.30%	51,479	38.20%
Personnel cost	86,294	60.09%	61,836	45.89%
Other Operating Costs	7,147	4.98%	4,957	3.68%
TOTAL OPERATING COSTS	**143,596**	**100.00%**	**134,755**	**100.00%**

AMORTISATION AND DEPRECIATION	Year 2024	Perc. %	Year 2023	Perc. %
Amortisation of intangible fixed assets	443	4.77%	362	3.75%
Amortisation of rights of use	4,803	51.67%	4,164	43.14%
Amortisation of tangible fixed assets	2,418	26.01%	3,153	32.67%
TOTAL AMORTISATION AND DEPRECIATION	**7,665**	**82.46%**	**7,679**	**79.56%**
TOTAL DEPRECIATION AND PROVISIONS	1,630	17.54%	1,973	20.44%
GENERAL TOTAL	**9,295**	**100.00%**	**9,652**	**100.00%**

FINANCIAL INCOME AND CHARGES	Year 2024	Perc. %	Year 2023	Perc. %
Financial Income	82	(2.44%)	263	(7.61%)
Financial Charges	(3,343)	99.58%	(3,720)	107.61%
Share of JV Proft (loss)	(94)	2.80%	0	0.00%
Forex income and expenses	(2)	0.06%	0	0.00%
TOTAL FINANCIAL INCOME AND CHARGES	**(3,357)**	**100.00%**	**(3,457)**	**100.00%**

The 2024 was marked by the total elimination of the tax benefits that have characterised the Italian facades renovation and energy efficiency market for several years. In terms of turnover, the Group distinguished itself with a total turnover of more than €154 million, compared to €159 million, a minimal decrease of just 3%. It should be noted that in 2023 the extraordinary part relating to the superbonus managed by the subsidiary Acrobatica Energy exceeded €30 million in 2023 and was partly offset by the other group companies, which all grew in terms of turnover. The recorded result is negative for €2,801 thousand due to the results of the foreign subsidiaries that, despite considerably reducing their losses, are still negative, and to the subsidiary Acrobatica Energy, which has reinvented itself in the photovoltaic market. In 2023, in fact, Acrobatica Energy S.r.l. reported revenues of €32 million, which in 2024 were partly offset by the growth of the Parent Company and other subsidiaries. The Parent Company achieved a revenue share of €133,846 against €114,536 thousand, an increase of 17% despite the total absence of tax bonus. The number of contracts signed also increased by about 17%, bringing the number of contracts from 26,558 at the end of 2023 to 30,958 in 2024. This growth is tangible proof of the Group's excellent capacity for market penetration. It should also be noted that 2024 was one of the wettest years in recent history, both in Europe in general and in the Middle East. The French company contributed revenues for approximately €5.6 million, while the Spanish company added €2.03 million in revenues during the year. The Enigma Group in Dubai brought in revenues of €12.37 million. Revenues generated by Acrobatica Energy S.r.l. amounted to approximately €1 million, as did those of the Monaco company. Operating costs, however, rose by 7% from €134,755 thousand to €143,596 thousand.

Consolidated EBITDA amounted to €10,869 thousand against €24,002 thousand in the previous period.

The Parent Company's EBITDA amounted to €12.5 million, while Acrobatica Energy S.r.l. contributed negatively with an EBITDA of €648 thousand. The French company made a negative contribution to EBITDA for €1.6 million. The growth of the French company should therefore be considered as ongoing and under consolidation, with the organisational process yet to be completed and the Group's philosophy and principles yet to be adopted. The Spanish company, in operation since the start of 2022, and still in a strong start-up phase, recorded negative EBITDA of approximately €557 thousand. There was a similar occurrence for the Monegasque company, which recorded negative EBITDA of €30 thousand, since it had only become operational in September 2023. However, the operating companies in the United Arab Emirates continued to make positive contributions, amounting to €1.3 million in 2024.

The item "Amortisation and depreciation" amounted to €7,665 thousand, of which €443 thousand related to the amortisation of intangible fixed assets, €4,803 thousand related to the depreciation of leased assets, and €2,418 thousand related to the amortisation of tangible fixed assets.

Note also how the Group has carried out several significant depreciation, which mainly refer to trade receivables/job orders. For details, please see the Note to the Financial Statements.

This value brought the EBIT to €1,574 thousand against €14,350 thousand in the previous year.

Balance Sheet

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

RECLASSIFIED BALANCE SHEET	12/31/2024	12/31/2023
Inventories	2,053	1,567
Trade receivables	48,309	41,691
Trade payables	(23,693)	(33,937)
Operating NWC	**26,669**	**9,321**
Tax assets	15,804	51,637
Other current receivables	6,568	4,582
Tax liabilities	(11,738)	(8,465)
Other current payables	(14,563)	(9,162)
Net Working Capital	**22,740**	**47,913**
Tangible fixed assets (including rights of use)	26,886	24,926
Intangible fixed assets (including goodwill)	13,383	12,866
Financial fixed assets	55	46
Fixed assets	**40,324**	**37,838**
Other non-current assets	14,000	6,488
Other non-current liabilities (including employee benefits)	(7,563)	(5,494)
TOTAL Net Invested Capital	**69,501**	**86,745**

Equity	**(25,915)**	**(29,666)**
Cash and cash equivalents	24,262	11,831
Current financial receivables	906	2,882
Current financial liabilities (including leasing commitments)	(25,141)	(33,098)
Non-current financial liabilities (including leasing commitments)	(43,613)	(38,694)
Net Financial Position	**(43,586)**	**(57,079)**
TOTAL Equity and Net Financial Indebtedness	**(69,501)**	**(86,745)**
Short-term Net Financial Position	**27**	**(18,385)**

The net financial position ("NFP"), following the aforementioned changes, improved compared to the previous year, increasing from €43 million to €57 million.

This improvement is closely related to drop in net working capital mainly related to the decrease in tax assets and the obtaining of new loans towards the end of 2024.

Finally, it should be noted that the Net Financial Position includes the debt for leased assets amounting to €22,915 thousand (€20,809 thousand in 2023) and the option to purchase 49% of Enigma Capital Investment LLC for an amount of €6,462 thousand.

DESCRIPTION	12/31/2024	12/31/2023
CURRENT (non-financial) ASSETS		
Inventories	2,053	1,567
Trade receivables	48,309	41,691
Tax assets	15,804	51,637
Other current receivables	6,568	4,582
CURRENT (non-financial) LIABILITIES		
Trade payables	(23,693)	(33,937)
Tax payables	(11,738)	(8,465)
Other current payables	(14,563)	(9,162)
Net Working Capital	**22,740**	**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	12/31/2024	12/31/2023
Non-current assets		
a) Weight of non-current assets = -------------------------	35.69%	27.96%
Total assets		
Current assets		
b) Weight of current assets = -------------------------	64.31%	72.04%
Total assets		
Equity		
c) Weight of equity = ------------------------	17.02%	18.71%
Total liabilities		
Liabilities		
d) Weight of third-party equity = -------------------------	82.98%	81.29%
Total liabilities		

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.

DESCRIPTION	Year 2024	Year 2023
ROE (return on equity)	(10.81%)	20.53%
ROE before taxes	(12.95%)	(11.65%)
ROI (return on investment)	1.03%	9.05%
ROS (return on sales)	7.15%	15.15%

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 the years 2023 and 2024.

DESCRIPTION	12/31/2024	12/31/2023
Current assets		
a) Current Ratio = -------------------------	130.30%	134.88%
Current Liabilities		
Current Fin. Assets		
b) Liquidity Ratio = -------------------------	100.11%	44.45%
Current Liabilities		
Equity		
c) Equity to Fixed Assets Ratio = ------------------------	47.70%	66.93%
Non-current assets		

Risks related to the sector of activity and level of competition

As noted, the Group operates in the building renovation sector in Italy, France, Spain, the Principality of Monaco and United Arab Emirates within the macro-segment of the outdoor renovation construction market.

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, as mentioned previously, the Group has had to address the sudden freeze on the credit transfers through other sources of 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 on the ESG Policy, please refer to the specific section of this document, as well as the company 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. The Company paid out the last tranche of stock options for 81,540 shares during the financial year 2024.

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, relations were maintained between the Parent Company and its Subsidiaries; these commercial and financial transactions took place under normal market conditions, which were disclosed in the Explanatory Notes.

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

At 31 December 2024, the Parent Company directly held 27,190 treasury shares, equal to 0.3% of the share capital.

Stock value

The Ediliziacrobatica stock (ISIN IT0005351504) has been listed:

- on the Euronext Growth Market (ticker EDAC) since 19 November 2018; the price of the share at 31 December was €7.52 market capitalisation of over approximately €50 million, compared to the initial capitalisation of the Company for approximately €25.7 million.

- on the Euronext Growth Market in Paris (ticker ALEAC) since 22 February 2019; the price of the share on 31 December 24 was €7.50.

Shareholding structure on 31 December 2024:

- Arim Holding Sarl 72.3%
- Treasury shares 0.3%
- Market 27.4%

Training

Human resources training has always been at the core of the Group's activities. Training classes were organised and training webinars were introduced across Italy. Thanks to the technology available, relations with the network of customers were also maintained. Targeted video calls were organised by the Sales network with all of our B2B customers, ensuring presence and the opportunity to plan future actions. Moreover, periodic training webinars were created for long-standing customers.

Research and Development

There were no Research and Development activities during the year.

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.

Creation of the new IT system

In early 2023, implementation began of the new ERP Oracle and the new management software developed in-house, which required significant effort in terms of human and economic resources, and continued throughout 2023 and early 2024. The project, also with a view to new acquisitions, has the aim of providing all Group Companies with a state-of-the-art information technology environment;

Environment, Social, Governance

The Group has integrated the principles of sustainability into its Business Model, guaranteeing a naturally sustainable service and a responsible approach that targets the well-being and satisfaction of its internal and external stakeholders. In 2021, it obtained an ESG rating that placed it among the lowest-risk companies in its cluster of reference.

Following its initial success, over the course of 2022 it adopted the Organisation, Management and Control Model pursuant to Italian Legislative Decree n. 231/2001 and created a Supervisory Board;

Over the coming years, it will continue to implement actions with a strong focus on strengthening the internal framework and developing resources, in addition to attention to the environment. At the same time, during the year Group voluntarily prepared three sustainability reports and will soon approve the fourth sustainability report on 31 December 2024.

As part of its sponsorship activities, EdiliziAcrobatica S.p.A. has embarked on a new adventure by becoming Main Partner of the women's First Team of Torino FC, confirming the synergy with the men's First Team, of which EdiliziAcrobatica S.p.A. has already been the jersey sponsor for several seasons.

In 2024 EdiliziAcrobatica S.p.A. officially launched its new brand, Acrobatica. A new Concept Point was created for this purpose which saw its first application in September 2023 with the inauguration of the first Acrobatica branding and interiors point, following by the opening of other new points.

Secondary Offices

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

The Parent Company also has a sales network of 61 EdiliziAcrobatica SpA points and 89 ware-houses.

Significant events in the year

The main and most important events of the financial year 2024 are highlighted in this section.

- Incorporation of NewCo Acrobatica Smart Living S.r.l. with partner Italsoft S.p.A. The company has been established to work in the field of energy renovation of buildings, the creation of energy communities and the transformation of buildings into smart buildings;

- In terms of corporate governance, 2024 was a year of important change; in fact, following the resignation of the Chairperson of the Board of Directors, Simonetta Simoni, Dr. Riccardo Banfo, formerly the CFO of the Acrobatica Group, was appointed as a board member and Chairman.

- During 2024, the number of contracts signed increased by +16.6%, from 26,550 contracts in 2023 to over 30,000.

- The number of clients increased by 73.8%, confirming Acrobatica as the leading choice for a growing number of families, companies, and institutions that place their trust in the Group.

Business outlook

Economic growth in 2025 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 necessary actions to achieve its targets, maintaining a positive performance and improving the consolidated operating margin.

In 2025 the Group will maintain a focus on managing costs and investments, with the aim of further optimising net profit for the year.

In addition, thanks to its organisational flexibility, the Group intends to pursue its growth strategy, consolidating its locations in Italy and continuing its expansion abroad on the other, having already identified some very interesting foreign target companies. 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. In view of the operating performance expected in the coming months, the Directors believe that the Group will be able to meet its operating, financial and tax liabilities. Therefore, on the basis of these considerations, these Consolidated Financial Statements for the year have been prepared on a going concern basis.

Genoa, 26th March 2025

The Board of Directors

Riccardo Banfo (Chairperson)

Anna Marras (Managing Director)

Simone Muzio (Director)

Fortunato Seminara (Director)

Marco Caneva (Independent Director)

INCOME STATEMENT	Year 2024	Year 2023
(amounts in thousands of Euros)		
Revenue from sales and services	151,910	158,470
Other income	2,555	287
Cost for consumption	(13,828)	(16,483)
Cost for services	(36,327)	(51,479)
Personnel expense	(86,294)	(61,836)
Other Operating Costs	(7,147)	(4,957)
Gross Operating Margin	**10,869**	**24,002**
Amortisation	(7,665)	(7,679)
Depreciation and Provisions	(1,630)	(1,973)
Net Operating Margin	**1,574**	**14,350**
Financial Income	82	263
Financial Charges	(3,343)	(3,720)
Share of Results of Joint Ventures	(94)	0
Forex income and expenses	(2)	0
Net financial income (expense)	**(3,357)**	**(3,457)**
Net profit (loss) before taxes	**(1,783)**	**10,893**
Income taxes	(1,018)	(4,802)
Net Profit (loss) for the year including non-controlling interests)	**(2,801)**	**6,091**
of which: results of non-controlling interests	*(101)*	*(193)*
of which: profit attributable to the owner of the Parent	*(2,700)*	*6,284*

STATEMENT OF CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE	Year 2024	Year 2023
Profit (loss) for the Period (Group)	(2,700,000)	6,284,000
Average weighted shares	8,387,700	8,296,002
Earnings per Share, Basic *(amounts in Euros)*	**(0.32)**	**0.76**
Result for the Period (Group)	(2,700,000)	6,284,000
Average weighted shares	8,410,263	8,317,225
Earnings per Share, Diluted *(amounts in Euros)*	**(0.32)**	**0.76**

STATEMENT OF OTHER COMPREHENSIVE INCOME	Year 2024	Year 2023
(amounts in thousands of Euros)		
Profit (loss) for the Period	**(2,801)**	**6,091**
Actuarial gain / (losses)	(5)	82
Foreign exchange effect on goodwill and Dubai put&call	86	0
Change in Fair Value of CFH Reserve	(47)	(4)
Related tax	11	1
Comprehensive income for the year	**(2,756)**	**6,170**

STATEMENT OF FINANCIAL POSITION	12/31/24	12/31/23
(amounts in thousands of Euros)		
Intangible assets	1,229	1,300
Goodwill	12,154	11,566
Rights of use assets	22,221	20,275
Tangible fixed assets	4,665	4,651
Financial fixed assets	55	46
Other non-current assets	14,000	6,488
Non-current assets	**54,324**	**44,326**
Inventories	2,053	1,567
Trade receivables	48,309	41,691
Tax assets	15,804	51,637
Other Current assets	6,568	4,582
Cash and cash equivalents	24,262	11,831
Other current financial assets measured at fair value	906	2,882
Current assets	**97,902**	**114,190**
TOTAL ASSETS	**152,226**	**158,516**
Non-current financial liabilities	25,537	21,780
Non-current lease liabilities	18,076	16,914
Employee benefits	6,857	4,946
Other non-current liabilities	706	548
Non-current liabilities	**51,176**	**44,188**
Current financial liabilities	20,302	29,203
Current lease liabilities	4,839	3,895
Trade payables	13,034	23,881
Advances from customers	10,659	10,056
Tax liabilities	11,738	8,465
Other Current liabilities	14,563	9,162
Current Liabilities	**75,135**	**84,662**
Share capital	842	832
Statutory reserves	11,422	11,075
FTA Reserve	(4,500)	(4,500)
OCI Reserve	237	192
Retained earnings	20,704	15,866
Profit for the year	(2,700)	6,284
Equity attributable to the owners of the Parent	***26,005***	***29,749***
Share Capital and Reserves (Non-controlling interests)	11	110
Net profit (loss) for the Period (non-controlling interests)	(101)	(193)
Equity of non-controlling interests	***(90)***	***(83)***
Equity	**25,915**	**29,666**
TOTAL EQUITY AND LIABILITIES	**152,226**	**158,516**

STATEMENT OF CASH FLOWS	Year 2024	Year 2023
(amounts in thousands of Euros)		
Profit for the year	(2,801)	6,094
Amortisation	7,665	7,679
Changes post- employment benefits	1,825	1,318
Change in advances from customers	603	(21,407)
Income taxes	1,018	4,802
Other changes in non-monetary items	528	695
Cash flows before changes in Net Working Capital	***8,838***	***(819)***
Changes in inventories	(487)	(377)
Changes in trade receivables	(6,619)	(14,728)
Change in trade payables	(10,847)	13,244
Changes in other credits/debts or other assets/liabilities	34,735	(12,734)
Tax payment	(646)	(2,718)
Cash flows from changes in Net Working Capital	***16,136***	***(17,313)***
Cash flows from operating activities	**24,974**	**(18,132)**
Acquisition of intangible assets	(395)	(504)
Acquisition of property, plant and equipment	(2,416)	(2,764)
Acquisition of investments and other assets	(109)	(117)
Change in the Consolidation scope due to business combination	0	(4,681)
Cash flows from investing activities	**(2,920)**	**(8,066)**
New financing	23,750	23,100
Decrease of financial assets	1,976	9,367
Repayments of loans	(29,493)	(6,605)
Repayments of lease liabilities	(4,636)	(4,009)
Dividends paid	(1,220)	(10,689)
Sale/(Purchase) of treasury shares	0	0
Cash flows from financing activities	**(9,623)**	**11,164**
NET CASH FLOW FOR THE YEAR	**12,431**	**(15,034)**
Cash and cash equivalents at beginning of the year	**11,831**	**26,865**
Net cash flow for the year	12,431	(15,034)
Cash and cash equivalents at end of the year	**24,262**	**11,831**

INCOME STATEMENT	2024	2023
(amounts in thousands of Euros)		
Revenue from sales and services	151,910	158,470
Other income	2,555	287
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Financial expenses	(3,343)	(3,720)
Share of Results of Joint Ventures	(94)	0
Forex income and expenses	(2)	0
Net financial income (expense)	**(3,357)**	**(3,457)**
Net profit (loss) before taxes	**(1,783)**	**10,893**
Income taxes	(1,018)	(4,802)
Net Profit (loss) for the Period including non-controlling interests)	**(2,801)**	**6,091**
of which: non-controlling interests result	*(101)*	*(193)*
of which: profit attributable to the owner of the Parent	*(2,700)*	*6,284*

STATEMENT OF CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE	2024	2023
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STATEMENT OF OTHER COMPREHENSIVE INCOME	2024	2023
(amounts in thousands of Euros)		
Net profit (loss) for the Period	**(2,801)**	**6,091**
Actuarial gain / (losses)	(5)	82
Foreign exchange effect on goodwill and Dubai put&call	86	0
Change in Fair Value of CFH Reserve	(47)	(4)
Related tax	11	1
Comprehensive income for the Period	**(2,756)**	**6,170**

STATEMENT OF FINANCIAL POSITION	31/12/2024	31/12/2023
(amounts in thousands of Euros)		
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Current Liabilities	**75,135**	**84,662**
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Net profit (loss) for the Period (Group)	(2,700)	6,284
Equity attributable to the owners of the Parent	***26,005***	***29,749***
Share Capital and Reserves (Non-controlling interests)	11	110
Net profit (loss) for the Period (non-controlling interests)	(101)	(193)
Non-controlling interests	***(90)***	***(83)***
Equity	**25,915**	**29,666**
TOTAL LIABILITIES	**152,226**	**158,516**

STATEMENT OF CHANGES IN EQUITY	Share capital	Statutory reserves	FTA Reserve	OCI Reserve	Retained earnings	Net profit (loss) 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)											
Opening balance as of 01/01/2023	**824**	**10,698**	**(4,500)**	**113**	**12,063**	**14,653**	**33,851**	**63**	**(104)**	**(41)**	**33,810**
Allocation of prior Period profit		2			14,651	(14,653)		(104)	104		
Dividends					(10,689)		**(10,689)**				**(10,689)**
Treasury shares											
Share-based payments	8	462			(8)		**462**				**462**
Change in the Consolidation scope											
Change/Translation		(87)					**(87)**				**(87)**
Net profit (loss) for the Period						6,284	**6,284**		(193)	**(193)**	**6,091**
Other comprehensive income				79			**79**				**79**
Other movements					(151)		**(151)**	151		**151**	
Final balance at 12/31/2023	**832**	**11,075**	**(4,500)**	**192**	**15,866**	**6,284**	**29,749**	**110**	**(193)**	**(83)**	**29,666**

STATEMENT OF CHANGES IN EQUITY	Share capital	Statutory reserves	FTA Reserve	OCI Reserve	Retained earnings	Net profit (loss) for the Period	Equity attributable to the owners of the Parent	Non- controlling interestsy Capital &Reserve	Non controlling interests result	Non-controlling interests	Total Equity
(amounts in thousands of Euros)											
Opening 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 Period profit		2			6,282	(6,284)		(193)	193		
Dividends		39			(1,259)		**(1,220)**				**(1,220)**
Treasury shares											
Share-based payments	8				(8)						
Change in the Consolidation scope					(94)		**(94)**	94		**94**	
Change/Translation		90		86			**176**				**176**
Net profit (loss) for the Period						(2,700)	**(2,700)**		(101)	**(101)**	**(2,801)**
Other comprehensive income				(41)			**(41)**				**(41)**
Other movements	2	216			(83)		**135**				**135**
Final balance at 12/31/2024	**842**	**11,422**	**(4,500)**	**237**	**20,704**	**(2,700)**	**26,005**	**11**	**(101)**	**(90)**	**25,915**

EQUITY	31/12/2024	31/12/2023
Share capital	842	832
Statutory reserves	11,422	11,075
FTA Reserve	(4,500)	(4,500)
OCI Reserve	237	192
Retained earnings	20,704	15,866
Net profit (loss) for the Period (Group)	(2,700)	6,284
Equity attributable to the owners of the Parent	***26,005***	***29,749***
Share Capital and Reserves (Non-controlling interests)	11	110
Net profit (loss) for the Period (non-controlling interests)	(101)	(193)
Non-controlling interests	***(90)***	***(83)***
Total Equity	**25,915**	**29,666**

NON-CONTROLLING INTERESTS	EQUITY	Profit (loss) for the Period	Total
EdiliziAcrobatica Ibérica SL (90%)	38	(51)	(13)
EdiliziAcrobatica Monaco S.A.M. (60%)	(56)	(43)	(99)
Acrobatica Energy S.r.l. (99%)	29	(7)	22
Non-controlling interests	**11**	**(101)**	**(90)**

Statutory reserves	31/12/2024	31/12/2023
Share premium	7,423	7,207
Shares Allocated	4,150	4,150
Legal	166	165
Extraordinary	124	85
Translation	3	(87)
Merger Surplus	4	4
Treasury shares	(450)	(450)
Total Statutory Reserves	**11,420**	**11,074**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Basis of preparation

The Consolidated 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 the Other 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 Statements.

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 date of the balance sheet. The Notes to the Consolidated Financial Statements have been supplemented, on a voluntary basis, with the additional information required by Consob and the measures issued by the same in implementation of Article 9 of Legislative Decree 38/2005 (Resolutions 15519 and 15520) of 27 July 2006 and communication DEM/6064293 of 28 July 2006, pursuant to Article 78 of the Issuers' Regulation, the EC document of November 2003 and, where applicable, the Italian Civil Code. 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 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").

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.

Subsequent events

On 31 January 2025, the closing of the acquisition 80% of the share capital of Verticaline S.r.l. was finalised, implementing the binding agreement signed on 23 December 2024. Through the completion of this transaction, Acrobatica became the owner of 80% of the share capital of Verticaline.

On 6 February 2025, the Company entered into a new loan agreement with Banca Intesa San Paolo for the amount of €8,000 thousand (6-month Euribor + spread) to support the Company's growth and expansion.

ESG

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 accordance 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 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 was calculated based on an estimate of Total consumption for EdiliziAcrobatica S.p.A. and Acrobatica Energy S.r.l. locations in Italy.

The Group's commitment to sustainability was honoured by IRTOP Consulting in the 2nd edition of the "**ESG Awards**" assigned by the ECM ESG Observatory, where the Parent Company came out on top. The ESG Award was presented as part of the event presenting the main findings of the ECM ESG Observatory, the first Italian observatory dedicated to investigating the non-financial reporting practices of companies listed on the Euronext Growth Milan market of Borsa Italiana.

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 Rivesaltes, with Share Capital of €550,509, 100% owned
- Acrobatica Energy S.r.l., Location: Milan, with Share Capital of €100,000, 99% owned
- EdiliziAcrobatica Ibérica SL, Location in Barcelona, with Share Capital of €3,000, 90% owned
- EdiliziAcrobatica Monaco S.A.M., Location in Monaco, with Share Capital of €150,000, 60% owned
- Enigma Capital Investments LLC, based in Dubai, with Share Capital of €325,505 as translated on the date of acquisition (from 1,300,000 Dirham, the original currency), acquired in 2023 and 51% owned but considered wholly owned by the group following the cross transaction for the transfer of the remaining 49%.

Despite the company not being a subsidiary, the financial statements of Acrobatica Smart Living S.r.l. are included in the Consolidated Financial Statements. The company is valued using the equity method in its capacity as a jointly controlled business (joint venture).

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.

Operating 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;
- Revenues from products and services: revenues are recognised on the basis of when the service is rendered;
- 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.

Share-based payments

The Parent Company, EdiliziAcrobatica S.p.A., adopted a plan for the free assignment of its ordinary shares to certain categories of employees. This plan, which provides for the allocation of a total of 244,620 shares in three equal tranches, runs from the financial years 2021-2023 (with actual allocation in the financial years 2022-2024). To calculating the fair value of these allocations, the market value of the stock on the date of adoption of the plan, equal to €17.00 per share, was taken as a reference, thus arriving at a total plan value of €4,159 thousand. This value is recognised in the income statement on an accrual basis, considering the life of the plan, under personnel costs.

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 described in the Business Combinations section above.

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.

This also includes the work kits given to operators.

After initial recognition, these 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), 25% (other) as appropriate, and 50% (kit).

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 7-10 year maturity 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, converted 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. Assets (Goodwill) and liabilities (cross-option price) formed because of business combinations, as described in the respective, previous paragraph, are translated into Euro at the exchange rate of the balance sheet date. Exchange differences arising from the translation are charged to the translation reserve.

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

For the purposes of these financial statements, the following exchange rates were used in the translation from Emirati Dirhams to Euros:

- exchange rate at 12/31/2023 (for determining closing asset balances and the translation reserve) = 4.0581 (Dirham)
- exchange rate at 12/31/2023 (for determining closing asset balances and the translation reserve) = 4.1438 (Saudi Riyal)
- exchange rate at 12/31/2024 (for determining closing asset balances and the translation reserve) = 3.8154 (Dirham)
- exchange rate at 12/31/2024 (for determining closing asset balances and the translation reserve) = 3.8959 (Saudi Riyal)
- average exchange rate for the period January-December 2024 (for determining the net profit (loss) for the year to be consolidated and the translation reserve) = 3.8483 (Dirham)

- average exchange rate for the period January-December 2024 (for determining the net profit (loss) for the year to be consolidated and the translation reserve) = 3.9295 (Saudi Riyal)

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:

- determination of allowance for doubtful accounts;
- definition of the useful life of tangible and intangible fixed assets;
- goodwill impairment test (the main assumptions for determining the carrying amount values relate to the identification of sales volumes and exchange rates);
- valuation of employee benefits;
- recoverability of deferred tax assets (the recoverability of which is supported by future taxable profit as forecast by business plan);
- valuation of provisions and contingent liabilities related to civil, administrative and tax proceedings (based on complex elements and that by their nature imply the use of Directors' judgement, also taking into account the information acquired from external consultants, and concern both the determination of the degree likelihood of the occurrence of conditions that may entail a cash outlay and therefore the classification among liabilities or among contingent liabilities);
- valuation of any impairment of tangible, intangible and financial fixed assets (including investments);
- determination of discount rates for tax credit and valuation of renewal options for rights of use assets.

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 23 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 31 October 2022 published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Non-Current Assets and 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 22 September 2022, the IASB published an amendment entitled “Amendments to IFRS 16 Leases: Lease Liabilities 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 this amendment had no impact on the Group's consolidated financial statements.

• On 25 May 2023, the IASB published an amendment entitled “Amendments to IAS 7 Statement of Cash flows and IFRS 7 Financial Instruments: Disclosures on 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 30 May 2024, the IASB published “Amendments to the Classification and Measurement of Financial Investments – 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 1 January 2026. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment. The directors are currently assessing the possible effects of the introduction of this new amendment on the Group’s consolidated financial statements.

• On 18 July 2024, the IASB published a document entitled “Annual Improvements Volume 11” on improving the clarity and internal consistency of the adopted accounting standards . The modified standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and related guidance on the implementation of IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and

- IAS 7 Statement of Cash Flows.

The changes will apply from 1 January 2026, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of these amendments.

• On 18 December 2024, the IASB published an amendment entitled "Contracts Referencing Nature-dependent Electricity - Amendment to IFRS 9 and IFRS 7". The document aims to support entities in reporting the financial effects of renewable electricity acquisitions (often structured as Power Purchase Agreements). On the basis of these contracts, the amount of electricity generated and purchased can vary depending on uncontrollable factors such as weather conditions.

The IASB made targeted amendments to IFRS 9 and IFRS 7. The amendments include:

- a clarification regarding the application of the "own use" requirements to this type of contract;
- the criteria for allowing such contracts to be accounted for as hedging instruments; and,
- new disclosure requirements to enable users of financial statements to understand the effect of these contracts on an entity's financial performance and cash flows.

The change will apply from 1 January 2026, 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 9 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 financial statements, with particular reference to the income statement. In particular, the new standard 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;
  - 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 1 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 9 May 2024, the IASB published a new standard "IFRS 19 Subsidiaries without Public Accountability: Disclosures." The new standard introduces some simplifications with regard to the disclosure required by the IFRS Accounting Standard in the financial statements of subsidiaries that meet the following requirements:
  - it has not issued equity or debt instruments listed on a regulated 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 1 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 30 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, France, Spain, Monaco and the United Arab Emirates.

Reporting by Operating Segment 2024	Italy	France	Spain	Monaco	United Arab Emirates	Total
Operating Revenues	133,403	5,628	2,043	1,023	12,367	154,464
Operating Costs	(123,013)	(5,943)	(2,606)	(927)	(11,108)	(143,597)
EBITDA	**10,390**	**(315)**	**(563)**	**96**	**1,259**	**10,867**

Reporting by Operating Segment 2023	Italy	France	Spain	Monaco	United Arab Emirates	Total
Revenues	145,000	4,000	1,000	0	8,000	158,000
Operating Costs	(119,000)	(6,000)	(2,000)	0	(7,000)	(134,000)
EBITDA	**26,000**	**(2,000)**	**(1,000)**	**0**	**1,000**	**24,000**

Revenues

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

Revenue from sales and services	2024	2023	Difference
Revenue from contracts	128,167	151,468	(23,301)
Revenue from products and services	19,588	3,417	16,171
Revenue from royalties	4,155	3,585	570
Total revenue from sales and services	**151,910**	**158,470**	**(6,560)**

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

Revenue from sales and services	2024	2023	Difference
Italy	131,096	145,384	(14,288)
Europe	8,501	5,187	3,314
World	12,313	7,899	4,414

Total revenue from sales and services	**151,910**	**158,470**	**(6,560)**

On 31 December 2024, "Revenue from sales and services" mainly includes revenue from productions carried out at construction sites. They are presented net of credit transfer costs for the tax bonus that was deducted from the transfer agreements signed with Banca Intesa San Paolo in 2024, for a total of approximately €549 thousand compared to the approximately €10 million in the previous year.

The decrease is mainly attributable to the subsidiary Acrobatica Energy S.r.l., which in 2023 completed work on tax bonus and in 2024 started a process to reposition itself on the market. This effect was at least partly offset by an increase in revenues contributed by the Parent Company as well as the contribution of the Emirates business unit, which last year only contributed to the results for the April - December period. For more details on trends, please refer to the Directors' Report.

Operating Costs

The breakdown of operating costs by type of cost is as follows:

OPERATING COSTS	2024	2023	Difference
Cost for consumption	13,828	16,483	(2,655)
Cost for services	36,327	51,479	(15,152)
Personnel expense	86,294	61,836	24,458
Other Operating Costs	7,147	4,957	2,190
Total Operating Costs	**143,596**	**134,755**	**8,841**

Costs for consumption amounted to €13,828 thousand (€16,483 thousand in 2023). This item is mainly composed of Costs for Acquisitions of consumables used in the production process. The decrease is mainly attributable to the subsidiary Acrobatica Energy S.r.l.

Costs for services amounted to €36,327 thousand (€51,479 thousand as of 31 December 2023). Costs consist mainly of costs:

- for consulting (mainly consisting of commercial consulting) in the amount of €13,353 thousand
- for services (mainly consisting of transportation and disposal) in the amount of €5,320 thousand
- for commercial services (mainly consisting of advertising, sponsorship and promotion) in the amount of €4,386 thousand
- for services related to personnel (mainly consisting of travel, recruitment and training) amounting to €3,440 thousand
- for services related to job orders (mainly consisting of outsourced processing) in the amount of €3,328 thousand

As noted above, the decrease is mainly attributable to the subsidiary Acrobatica Energy S.r.l.

Personnel expense amounted to €86,294 thousand (€61,836 thousand as at 31 December 2023). The increase in personnel expense is mainly due to the growth in personnel at the Parent Company EdiliziAcrobatica S.p.A. (+698 employees compared to 31 December 2023, including 539 rope access operators). This item includes non-recurring cost items related to the realignment and discontinuation of the previous computer system for accounting for personnel costs.

Amortisation, Depreciation and Provisions.

The breakdown of amortisation, depreciation and provisions is as follows:

AMORTISATION, DEPRECIATION AND PROVISIONS	2024	2023	Difference
Amortisation of intangible fixed assets	443	362	81
Amortisation of rights of use	4,803	4,164	639
Amortisation of tangible fixed assets	2,418	3,153	(735)
Total Amortisation	**7,664**	**7,679**	**(15)**
Depreciation	984	1,453	(469)
Provisions	645	520	125
Total Write-downs and Provisions	**1,629**	**1,973**	**(344)**

Amortisation for the period is calculated according to the indications given in the comments on the evaluation criteria.

Depreciation relates to trade receivables for €845 thousand and securities for €138 thousand. These amounts are deducted from the corresponding assets items. Provisions, amounting to €645 thousand, relate to the establishment of provisions for risks by the Parent Company and some of its subsidiaries, which are presented under Other non-current liabilities.

Financial Expenses

Financial expenses are broken down as follows:

FINANCIAL EXPENSES	2024	2023	Difference
Interest liabilities on financing	1,348	906	442
Interest payable on bond loans	224	357	(133)
Interest on lease liabilities	592	520	72
Interest on employee benefit	166	140	26
Miscellaneous liabilities	790	1,144	(354)
Credit transfer costs	0	497	(497)
Charges on Option for the Acquisition of 49% of Enigma	223	156	67
Total financial expenses	**3,343**	**3,720**	**(377)**

Credit transfer costs were eliminated and the various forms of financial expenses remained largely unchanged.

Income taxes

Income taxes are broken down as follows:

INCOME TAXES	2024	2023	Difference
Current taxes – IRES	495	3,924	(3,429)
Current taxes – IRAP	1,070	1,530	(460)
Current taxes - FOREIGN	48		48
Deferred Taxes	(961)	(755)	(206)
Taxes from previous years	366	103	263
Total Income taxes	**1,018**	**4,802**	**(3,784)**

Current taxes relate to the Parent Company and its subsidiary in Dubai. 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. The item "Deferred taxes" includes, for the foreign subsidiaries, prospective valuation items that have been assessed by the Parent Company's Directors on the basis of the best estimate of the future performance of the foreign subsidiaries and reflected in future five-year growth plans approved by the Directors.

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	Year 2024	Year 2023
Profit (loss) for the period (Group)	(2,700,000)	6,284,000
Average weighted shares	8,387,700	8,296,002
Profit (Loss) per Share, Basic *(amounts in Euros)*	**(0.32)**	**0.76**
Profit (loss) for the Period (Group)	(2,700,000)	6,284,000
Average weighted shares	8,410,263	8,317,225
Profit (Loss) per Share, Diluted *(amounts in Euros)*	**(0.32)**	**0.76**

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	12/31/2024	12/31/2023	Difference
Intangible assets	1,229	1,300	(71)
Goodwill	12,154	11,566	588
Rights of use assets	22,221	20,275	1,946
Tangible fixed assets	4,665	4,651	14
Financial fixed assets	55	46	9
Other non-current assets	14,000	6,488	7,512
Total non-current assets	**54,324**	**44,326**	**9,998**

Changes in non-current assets are as follows:

NON-CURRENT ASSETS	Initial	Acquisitions	Depreciation	Other	Final
Intangible assets	1,300	624	(443)	(252)	1,229
Goodwill	11,566			588	12,154
Rights of use assets	20,275	7,115	(4,803)	(365)	22,221
Tangible fixed assets	4,651	2,416	(2,418)	16	4,665
Financial fixed assets	46	51		(42)	55
Other non-current assets	6,488	181		7,331	14,000
Total non-current assets	**44,326**	**10,387**	**(7,664)**	**7,276**	**54,324**

Below are the comments on the individual items.

Intangible assets

Changes in Intangible assets are as follows:

INTANGIBLE ASSETS	Software	Start Up	Brands	In Progress	Other	Total
Historical Cost	1,158	3,513	9	156	58	4,894
Amortisation Fund	(333)	(3,240)	(5)	0	(16)	(3,594)
Net Book Value as of 12/31/2022	**825**	**273**	**4**	**156**	**42**	**1,300**
Increases for the year	36	424	0	0	164	624
Reclassification for the year	0	0	0	0	0	0
Amortisation for the year	(223)	(207)	(1)	0	(12)	(443)
Changes in scope of consolidation	0	0	0	0	0	0
Other changes during the year	0	(36)	0	(156)	(60)	(252)
Total changes in the year	**(187)**	**181**	**(1)**	**(156)**	**92**	**(71)**
Historical Cost	1,194	3,901	9	0	162	5,266
Amortisation Fund	(556)	(3,447)	(6)	0	(28)	(4,037)
Net Book Value as of 12/31/2023	**638**	**454**	**3**	**0**	**134**	**1,229**

Acquisitions for the period mainly refer to charges incurred in connection with the start-up of certain activities.

Goodwill

Goodwill mainly consists of the acquisition in 2023 of the investment in Enigma Capital Investments LLC. It is not amortised, as indicated in the comments on the valuation criteria.

In relation to this item, the recoverable value was checked and identified in the value in use, which was based on an estimate of expected cash flows based on prospective plans.

As mentioned above, the Goodwill recognised in the financial statements is almost entirely attributable to the Dubai CGU.

The recoverable amount of the assets subject to the Impairment Test was identified as the value in use, determined through the Unlevered Discounted Cash Flow ("UDCF") method based on the 2024-2028 financial business plan of the Enigma Investments LLC Group developed by Management.

For discounting cash flows, in Arab countries was used a discount rate equal to the WACC (post-tax) of 11.24%
.

The Group has adopted a net tax discount rate that reflects current market assessments of Cost of Money and specific risk. In determining the discount rate (or also discount rate), financial parameters Beta and Debt/Equity ratios taken from panels of comparable companies were considered to consider both the market riskiness inherent in companies operating in the same sector and a market financial structure.

With reference to the CGU, for the consolidated Financial Statements the value in use was estimated on the basis of: (i) the current value of the cash flows from the Plan, (ii) the terminal value. This value was compared with the reference CGU.

In view of the results obtained with reference to the application of the UDCF method, the Impairment Test performed by Management shows that the value of Goodwill recognised in the financial statements on 31 December 2024 is still valid.

It should be noted that the impairment test was derived from estimates made by Group Management based on information available to date.

The Directors systematically monitor the development of exogenous and non-controllable variables for any adjustments to the estimates of the recoverability of goodwill in the consolidated financial statements.

Rights of Use Assets

Changes in Rights of Use Assets are as follows:

RIGHTS OF USE ASSETS	Property	Mobile	Total
Historical Cost	19,956	11,310	31,266
Amortisation Fund	(5,471)	(5,520)	(10,991)
Net Book Value as of 12/31/2022	**14,485**	**5,790**	**20,275**
Increases for the year	2,845	4,310	7,115
Depreciation for the year	(1,892)	(2,952)	(4,803)
Other changes during the year	(365)	0	(365)
Total changes in the year	**588**	**1,358**	**1,946**
Historical Cost	21,881	15,620	38,015
Amortisation Fund	(7,173)	(8,472)	(15,794)
Net Book Value as of 12/31/2023	**14,708**	**7,148**	**22,221**

Rights of use assets, divided into the real estate part (mainly points) and the movable part (mainly vehicles) consist mainly of the value of real estate contracts held by the Parent Company EdiliziAcrobatica S.p.A..

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 changed as follows:

TANGIBLE FIXED ASSETS	Installations	Equipment	Furniture	Machinery	Improvements on third party assets	Kit	Other	Total
Historical Cost	394	1,143	1,032	706	2,691	4,537	685	11,188
Amortisation Fund	(293)	(262)	(651)	(307)	(1,195)	(3,558)	(271)	(6,537)
Net Book Value as of 12/31/2022	**101**	**881**	**381**	**399**	**1,496**	**979**	**414**	**4,651**
Increases for the year	(3)	(0)	159	154	641	1,263	202	2,416
Reclassification for the year	0	0	0	0	0	0	0	0
Depreciation for the year	(36)	(196)	(97)	(140)	(529)	(1,204)	(216)	(2,418)
Scope changes	0	0	0	0	0	0	0	0
Other changes during the year	(12)	(181)	0	0	0	(13)	222	16
Total changes in the year	**(51)**	**(377)**	**62**	**14**	**112**	**46**	**208**	**14**
Historical Cost	379	962	1,191	860	3,332	5,787	1,109	13,620
Amortisation Fund	(329)	(458)	(748)	(447)	(1,724)	(4,762)	(487)	(8,955)
Net Book Value as of 12/31/2023	**50**	**504**	**443**	**413**	**1,608**	**1,025**	**622**	**4,665**

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

Acquisitions for the period mainly consist of improvements of third-party assets (€641 thousand) and operator work kits (€1,263 thousand). Amortisation for the period is calculated according to the indications given in the comments on the evaluation criteria.

Financial fixed assets

Financial fixed assets consist of the positive fair value of an interest-rate swap contract held by the Parent Company to hedge cash flows in the amount of €4 thousand and a loan granted to Acrobatica Smart Living (not consolidated as a Joint Venture) for €51 thousand.

In the previous year, these items only included the fair value of derivatives.

Other non-current assets

In line with previous years, other non-current assets mainly consist of: security deposits for €596 thousand, mainly relating to leasing contracts for sales points used to carry out activities; a portion of tax assets related to works performed with discounts on invoices (classified among Other non-current assets and expected to be offset, in future years, and not transferred), in the amount of €13,019 thousand, substantially discounted at a market rate derived from the Group's average rate of indebtedness; by a receivable due from CINE 1 of €385 thousand.

For completeness, it should be noted that, to a lesser extent, these also include €378 thousand from related parties, represented by companies.

Current assets

The breakdown of Current assets, with relative variations, is as follows:

CURRENT ASSETS	12/31/2024	12/31/2023	Difference
Inventories	2,053	1,567	486
Trade receivables	48,309	41,691	6,618
Tax assets	15,804	51,637	(35,833)
Other Current assets	6,568	4,582	1,986
Cash and cash equivalents	24,262	11,831	12,431
Other current financial assets measured at fair value	906	2,882	(1,976)
Total Current assets	**97,902**	**114,190**	**(16,288)**

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.

The value is substantially in line with the previous year.

Trade receivables

Trade receivables, which amount to €48,309 thousand, of which €27,734 not yet past due, 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 a provision for bad debts for a total of €2,957, the adjustment of which resulted in depreciation being recorded in the Income Statement for €845 thousand.

The increase in trade receivables is attributable to the increase in sales volumes. Considering the amount, the Group's management is supplementing normal credit monitoring activities with targeted credit recovery actions both through a specialised third-party company (Cerved) and through the creation of a specific internal department operating in the various regions and dedicated to this specific activity.

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).

The significant decrease from the previous year of €35,883 mainly represents the net effect of a significant reduction in the Company’s tax bonus receivables (which fell from €28,669 thousand to €343 thousand) following the conclusion of activities linked to the 110% bonus regulations.

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.

For completeness, it should be noted that, to a lesser extent, they include €169 thousand from related parties, represented by the parent company.

Cash and cash equivalents

For details on the trend in Cash and cash equivalents, see the Statement of Cash flows, which shows that these increased by €12,431 thousand, consisting of:

- positive cash flows from operating activities for €24,974 thousand, mainly due to collections of tax credits by the subsidiary Acrobatica Energy;
- negative cash flows from investment activity for €2,920 thousand, mainly due to the effects described in the comments on fixed assets;
- negative cash flows from financing activities for €9,623 thousand, mainly due to loan repayments.

Other current financial assets measured at fair value

Other current financial assets measured at fair value consist mainly of investments in capitalisation products, including tradeable securities and other minor investments for €906 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 €138 thousand.

The decrease from the previous year was mainly due to the sale of securities purchased in January 2021 for an amount of €1,980 thousand, which resulted in the recognition of a capital gain of €41 thousand.

Non-current liabilities

Non-Current Liabilities are broken down as follows:

NON-CURRENT LIABILITIES	12/31/2024	12/31/2023	Difference
Non-current financial liabilities	25,537	21,780	3,757
Non-current lease liabilities	18,076	16,914	1,162
Employee benefits	6,857	4,946	1,911
Other non-current liabilities	706	548	158
Total Non-Current Liabilities	**51,176**	**44,188**	**6,988**

Changes in Non-Current Liabilities are as follows:

NON-CURRENT LIABILITIES	Initial	Increases	Payments	Reclass.	Other	Final
Non-current financial liabilities	21,780	10,995	(7,843)	0	604	25,537
Non-current lease liabilities	16,914	5,798	(4,636)			18,076
Employee benefits	4,946	3,261	(1,355)		5	6,857
Other non-current liabilities	548	645	(520)		33	706
Total Non-Current Liabilities	**44,188**	**20,699**	**(14,354)**	**0**	**642**	**51,176**

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	Scope	Increases	Payments	Reclass.	Other	Final
Bond loan	5,066			(1,956)		0	3,110
Debts to Banks	10,751		10,000	(5,887)		0	14,864
Debts to Minority Shareholders – Subsidiaries	100		995				1,095
Fair Value (negative) of Hedging Derivatives	0					5	5
Option to purchase 49% of Enigma	5,863					599	6,462
Total Non-Current Financial Liabilities	**21,780**	**0**	**10,995**	**(7,843)**	**0**	**604**	**25,536**

The bond loan held by the Parent Company relate to financing agreements with credit institutes. It should be noted that new loans totalling €10,000 thousand were taken out during the financial year, of which the portion due after one year is presented in the table.

These are:

- a loan of €2,000 thousand taken out in January 2024 (first repayment in January 2024), repayable by June 2029, of which a balance of €1,714 thousand remains, of which €381 thousand classified under Current financial liabilities;
- a loan of €8,000 thousand taken out in December 2024 (first repayment of capital in March 2025), with a rate equal to the three-month EURIBOR plus 1.20%, repayable by June 2032, of which a balance of €8,000 thousand remains, classified as non-current for €7,132 thousand and as current for the remaining €868 thousand;

It should be noted that the covenants set forth in the loan agreements and the Parent Company's bond loan agreement were fulfilled as of 31 December 2024.

In particular, it should be noted that at the end of the 2024 financial year, the Parent Company revised the financial parameters of the bond loan and loan agreements in order to align the calculation method with the current criteria used by the Parent Company to prepare its separate and consolidated financial statements, i.e., the IAS/IFRS issued by the IASB and endorsed by the European Union.

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

For the sake of completeness, it should be noted that, to a lesser extent, they include €1,095 thousand from related parties, represented by minority shareholders of certain subsidiaries.

Non-current financial liabilities for leased assets

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	Initial	Final	Difference
Real Estate	13,357	13,957	600
Movable	3,557	4,119	562
Total	**16914**	**18,076**	**1,162**

In terms of changes, the net increase of €1,162 thousand was attributable to the non-current portion of the net current value of contractually foreseen cash flows related to the contracts entered into in 2024, net of the capital portions reimbursed during the year (calculated in accordance with the comments on the valuation criteria).

Employee benefits

Employee benefits, whose changes (provided above) mainly show increases for Provisions in the amount of €3,261 thousand and decreases for payments in the amount of €1,355 thousand, mainly consist of the liability for severance indemnities at the Parent Company (6,513 thousand), considered a defined benefit plan for IFRS purposes. The increases represent the cost for the period, calculated using actuarial techniques and detailed mainly in Service Costs for €2,370 thousand (presented under personnel costs) and in Interest Costs of €166 thousand (presented under financial expenses). 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 Parent Company or to reference best practices, were as follows:

ACTUARIAL ASSUMPTIONS	Initial	Final
Annual discount rate	3.17%	3.18%
Annual inflation rate	2.00%	2.00%
Annual rate of TFR Increases	3.00%	3.00%
Annual rate of salary increase	1.00%	1.00%
Frequency of advances	3.50%	3.50%
Turnover frequency	10.00%	10.00%

Also with regard to employee benefits, the sensitivity analysis with respect to actuarial assumptions is as follows:

SENSITIVITY ANALYSIS	TFR	Effect
Turnover + 1.00%	6,471	(9)
Turnover – 1.00%	6,450	12
Inflation + 0.25%	6,526	(64)
Inflation – 0.25%	6,398	64
Discount + 0.25%	6,386	76
Discount – 0.25%	6,539	(77)

Other non-current liabilities

Other non-current liabilities are mainly represented by risk provisions of €706 thousand set up in 2023 by the subsidiary Acrobatica Energy S.r.l. (with utilisation in 2024) and in 2024 by the Parent Company and the French subsidiary in respect of certain warranty work to be carried out in the future, in addition to other specific uncertainties.

Contingent liabilities and litigation

With regard to the Parent Company's contingent liabilities, the following should be noted:

At the end of an audit initiated on 13 December 2023 and closed with the Formal Notice of Findings of 11 October 2024 ("PVC"), the Guardia di Finanza of Genoa formulated a number of findings, concerning direct and indirect taxes, with reference to the periods from 2019 to 2022, arriving at a preliminary request of approximately €500 thousand. At present, the Company is not, however, in receipt of any tax claims from the Italian Internal Revenue Service. The Directors of the Company believe that the formulations set forth in the PVC are completely unfounded and intend to defend the Company's interests in every forum. To this end, a team of experienced lawyers and tax experts was assembled to conduct certain assessments and investigations into the issues raised in the PVC. Based on the current circumstances and the preliminary analyses performed, the Directors, with the support of the experts involved, have assessed the risk of possible loss, and for this reason, no provisions for risks have been set aside in the balance sheet as of 31 December 2024.

There are no other significant contingent liabilities in other group companies

Current Liabilities

Current liabilities, with the relative variations, are broken down as follows:

CURRENT LIABILITIES	12/31/2024	12/31/2023	Difference
Current financial liabilities	20,302	29,203	(8,901)
Current lease liabilities	4,839	3,895	944
Trade payables	13,034	23,881	(10,847)
Advances from customers	10,659	10,056	603
Tax liabilities	11,738	8,465	3,273
Other Current liabilities	14,563	9,162	5,401
Total CURRENT LIABILITIES	**75,135**	**84,662**	**(9,527)**

Below are the comments on the individual items.

Current financial liabilities

Changes in Current financial liabilities are as follows:

CURRENT FINANCIAL LIABILITIES	Initial	Scope	Increases	Payments	Reclass.	Other	Final
Bond loan	2,952			(996)		0	1,956
Debts to Banks	25,863		10,672	(20,428)		0	16,107
Payables to Majority Shareholder – Parent Company	368		2,285	(477)		48	2,224
Other Minor Items	20					(4)	16
Total Current Financial Liabilities	**29,203**	**0**	**12,957**	**(21,901)**	**0**	**44**	**20,303**

Debts to banks held by the Parent Company (as well as those held by the subsidiaries) relate to loan agreements with leading banks.

In particular, it should be noted that during the year, new short-term loans totalling €9,984 thousand were taken out by the Parent Company. These loans relate to the renewal of advance accounts and two short-term loans:

- a bond loan of €3,000 thousand taken out in July 2024 (first repayment of capital in August 2025), repayable by August 2025, of which a balance of €1,864 thousand remains;
- a bond loan of €2,000 thousand taken out in October 2024 (first repayment of capital in January 2025), repayable by October 2025;

As far as the decrease compared to the previous year is concerned, this is mainly attributable to the subsidiary Acrobatica Energy, which in 2023 completed its work on tax bonus and in 2024 started a process to reposition itself on the market.

Current financial liabilities for leased assets

Current financial liabilities for leased 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:

Current Lease liabilities	Initial	Final	Difference
Real Estate	1,611	1,732	121
Movable	2,285	3,108	823
Total	**3,896**	**4,839**	**944**

In terms of changes, the net increase of €944 thousand was attributable to the non-current portion of the net present value of contractually foreseen cash flows related to the contracts entered into in 2024, net of the capital portions reimbursed during the year (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 compared to the previous year is mainly attributable to the subsidiary Acrobatica Energy S.r.l., which in 2023 completed work on tax bonus and in 2024 started a process to reposition itself on the market.

Advances from customers

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

These are 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 tax liabilities outstanding as of 31 December 2024 were settled in January 2025.

Other current liabilities

Other Current liabilities consist mainly of social security and/or employee payables. For the sake of completeness, it should be noted that, to a lesser extent, these include €1,392 thousand from related parties, represented by the parent company. Liabilities related to social security outstanding as of 31 December 2024 were settled in January 2025.

Equity

Details of the items making up equity are as follows:

EQUITY	12/31/2024	12/31/2023	Difference
Share capital	842	832	10
Statutory reserves	11,422	11,075	347
FTA Reserve	(4,500)	(4,500)	0
OCI Reserve	237	192	45
Retained earnings	20,704	15,866	4,838
Profit (loss) for the Period (Group)	(2,700)	6,284	(8,984)
Equity attributable to the owners of the Parent	***26,005***	***29,749***	***(3,744)***
Share Capital and Reserves (Non-controlling interests)	11	110	(99)
Net profit (loss) for the Period (non-controlling interests)	(101)	(193)	92
Non-controlling interests	***(90)***	***(83)***	***(7)***
Total Equity	**25,915**	**29,666**	**(3,751)**

Changes in Equity are shown in the financial statements.

Dividends of €1,221 thousand were distributed during the year. The increase for Exchange/Translation comes from the consolidation of the subsidiary Enigma Capital Investments LLC. The reductions in the profit for the period and Other Comprehensive Income items derive 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 €842,289, represented by 8,422,885 ordinary shares with a nominal value of Euro 10 cents. Compared to the previous year, it increased by €10,566 mainly due to shares allocated (see below).

Statutory reserves are detailed as follows:

Statutory reserves	12/31/2024	12/31/2023	Difference
Share Premium	7,423	7,207	216
Shares Allocated	4,150	4,150	0
Legal	166	165	1
Extraordinary	124	85	39
Translation	3	(87)	90
Merger Surplus	4	4	0
Treasury shares	(450)	(450)	0
Total Statutory Reserves	**11,420**	**11,074**	**346**

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 in the financial statements of previous years.

The OCI reserve includes the accumulated balance of the Other comprehensive income items.

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%:

EQUITY OF NON-CONTROLLING INTERESTS	EQUITY	Profit (loss) for the year	Total
EdiliziAcrobatica Ibérica SL (90%)	38	(51)	(13)
EdiliziAcrobatica Monaco S.A.M. (60%)	(56)	(43)	(99)
Acrobatica Energy S.r.l. (99%)	29	(7)	22
Equity of non-controlling interests	**11**	**(101)**	**(90)**

The reconciliation between the values shown in the Parent Company's separate Financial Statements and the values shown in the consolidated Financial Statements is as follows:

Reconciliation of Separate and Consolidated Financial Statements	Equity	Result
Amounts Reported in the Separate Financial Statements	**30,764**	**1,281**
Contribution of Subsidiaries	(2,267)	(2,564)
Derecognition of Investments	(1,068)	
Merging of InfraGroup Dividends	(1,289)	(1,289)
Costs for M&A Transactions	(283)	(283)
Other Minors	58	54
Amounts reported in the Consolidated Financial Statements	**25,915**	**(2,801)**

More information

Guarantees and Other Commitments

As of 31 December 2024, the company had the following guarantees in place:

Euro thousand	Year 2024
Guarantees given by banking institutions in favour of third parties	61
Guarantees given by the company to financial institutions in favour of third parties	4,500

Related Party Transactions

The data relating to credits, debts, costs and revenues from and to related parties are presented in the Director's Report.

Please also note that, as described in the respective sections of these Explanatory Notes:

- other non-current assets include €378 thousand from related parties, represented by sister companies;
- other current liabilities include €216 thousand from related parties, represented by the parent company;
- non-current financial liabilities include €1,095 thousand due to related parties, represented by minority shareholders of certain subsidiaries;
- other current liabilities include €1,392 thousand from related parties, represented by the parent company.

The remaining positions, towards subsidiaries included in the scope of consolidation, are removed.

DENOMINATION	Financial Receivables	Trade Receivables	Financial Payables	Trade Payables	Revenues	Costs
ARIM Holding S.a.r.l.	0	216	(2,224)	(1,392)	0	(1,226)
Directors	0	0	0	(141)	0	(557)
Sister companies (Edac Italia and Arimimmobilier)	0	378	0	0	0	0
Emirates Capital Investment Partners	0	0	(995)	0	0	0
Monaco Capital Investment Partners	0	0	(100)	0	0	0
Total	**-**	**216**	**(3,319)**	**(1,533)**	**0**	**(1,783)**

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	Initial FV	Final FV	to PN	DTA/DTL	Notional
Interest Rate Swap BPM - 2022	37	4	(32)	(1)	1,350
Interest Rate Swap Deutsche Bank - 2022	9	(5)	(15)	1	882
Total Income taxes	**46**	**(1)**	**(47)**	**0**	**2,232**

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

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	4			4		4		4
Other current financial assets measured at fair value		906		906		906		906
Total Assets	**4**	**906**	**0**	**910**	**0**	**910**	**0**	**910**
Derivative Financial Instruments	(5)			(5)		(5)		(5)
Bond Loans			(5,066)	(5,066)	(5,066)			(5,066)
Total Liabilities	**(5)**	**0**	**(5,066)**	**(5,071)**	**(5,066)**	**(5)**	**0**	**(5,071)**

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.

Information ex art. 1, paragraph 124, of law no. 124 of 4 August 2017

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.

- 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 benefits accessible to all companies that meet certain conditions on the basis of predetermined general criteria, which, moreover, are the subject of specific declarations (see CNDCEC Document March 2019) are not considered relevant for the purposes of the disclosure obligations under Law 124/2017.

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

To the Shareholders of
EdiliziAcrobatica S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of EdiliziAcrobatica S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union.

Basis for Opinion

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

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

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10

The Directors of EdiliziAcrobatica S.p.A. are responsible for the preparation of the report on operations of EdiliziAcrobatica Group as at December 31, 2024, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

– express an opinion on the consistency of the report on operations with the consolidated financial statements;

– express an opinion on compliance with the law of the report on operations;

– make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of EdiliziAcrobatica Group as at December 31, 2024.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

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

DELOITTE & TOUCHE S.p.A.

Signed by
Federico Tarallo
Partner

Genoa, Italy
April 14, 2025

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.