

TECHBAU S.P.A.

Financial Statements as at 30 June 2021

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY
"TECHBAU S.p.A." ON 20 SEPTEMBER 2021**

In the year two thousand and one, on the twentieth day of September - 20/09/2021 - at 5:00 p.m., in Milan, at the company's registered office, the Board of Directors of the company met, in compliance with the physical separation required by current health regulations, in the persons of Messrs:

- Mr Andrea Marchiori, Chairman;
- Mr Tiziano Cortella, Managing Director;

to deal with the following

Agenda

- 1) Formation of the Financial Statements for the period ended 30/06/2021;
- 2) Call of the Ordinary Shareholders' Meeting to approve the financial statements for the period ended 30/06/2021.

Also present are Mr Guglielmo Foglia, Chairman of the Board of Statutory Auditors, Ms Tatiana Mariani and Ms Laura Daverio, Statutory Auditors.

By unanimous designation of the participants, the meeting is chaired by Mr Andrea Marchiori, in his capacity as Chairman of the Board of Directors. Mr Andrea Marchiori appoints Mr Tiziano Cortella as Secretary of the meeting, who accepts, and moves on to the first item on the Agenda and reads out the draft company financial statements as at 30/06/2021, which are attached to these minutes under A), and are unanimously approved by the Board of Directors. The Board of the Directors proceeds with the preparation of the following:

**"MANAGEMENT REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2021**

Dear Shareholders,

the financial statements as at 30.06.2021, which are submitted for your review, show a net profit of €23,377,739, a little less than three times that of the previous year (€8.5 million). Provisions and depreciation for the year amounted to €1 million (€3.4 million in the previous year).

Before commenting on the management under review, we believe it would be useful to provide you with some indications on the impact that the Covid19 pandemic has had on your company, which has had negative effects across the board for almost the entire financial year; suffice it to mention the security measures introduced in the period from November 2020 to May 2021. As already experienced in the first half of 2020, the negative consequences of the pandemic were felt mainly due to organisational inefficiencies and widespread diseconomies induced by the closure periods and the strict pandemic regulations. The effort made to deal with this difficulty was considerable, but the results were encouraging: it was possible to comply with all the contracts signed at the time, with the consequent appreciation of the market, and at the same time it was possible to maintain, with great rigour, the protective measures against the virus, gradually introduced by legislative provisions. In a nutshell, the company structure has once again demonstrated an extreme capacity to adapt and overcome difficulties, even the most unexpected, that gradually emerge in the performance of its core business.

Turning to the financial statements for the period ended 30 June 2021, the results achieved confirmed the strategic lines that have been adopted for some time, which can be summarised as offering the market technical expertise, efficiency and guarantees in the broadest sense. The value of production increased slightly, despite the difficulties of the pandemic, from €311.6 million to €333.9 million. A brief clarification is useful here. Revenues in the strict sense of the word more than doubled (from €122.3 million to €273.2 million), while the increase in work in progress decreased to one third (from €185.5 million

at 30.06.2020 to €58.4 million at 30.06.2021). However, it must also be said that they are two sides of the same coin, since revenues in the technical sense depend on the sale of the property or the final liquidation of the work site, events which occur at times independent of the periodicity of the financial years. What is relevant is the sum of the two items, which gives evidence of the productive and commercial capacity of the corporate structure.

The increase in revenue (+8.7%) was also influenced by some price increases, but these cannot be compared with the prices for the period ended 30 June 2020, as it is very rare that constructions have the same degree of complexity and finish and therefore the same price level. In any case, taking the above into account, we believe that the average price level has not changed compared to the previous year and some of the price increases suffered have also been offset by the continuous efficiency improvements of the company structure, without the need to transfer them to sales prices.

Revenues were entirely realised on the domestic market, although a certain focus was maintained on foreign European markets, all of which were strongly affected by pandemic events.

Other revenues and income increased significantly, entirely due to non-ordinary income. This item mainly relates to certain services provided by the company for the management of real estate.

Production costs were also affected by the difficulties induced by the pandemic; however, the slowdown in demand kept unit price levels of almost all production factors broadly stable. Purchasing expenses decreased (from €131.9 million to €116.7 million), but this decrease was offset by an increase in service expenses, which rose from €150.4 million to €177.1 million. It should be noted that it is sometimes more cost-effective to contract out a more or less significant part of the construction work entirely to an external structure than to purchase the materials and then contract out only part of the work. Among other things, operational dynamics are often influenced by contingent market situations. Overall, the increase in direct production costs, represented by the two items under observation, was about 4% and was due to the increase in volumes.

Lease and rental costs decreased due to the decrease in rentals related to the various construction sites (down from € 4 million to € 2.6 million); the other items under review remained essentially unchanged.

Personnel costs increased from € 7.6 million to € 8.9 million. The increase was mainly due to the increase in the number of employees, which is reported in the relevant section of the Notes to the Financial Statements. The continuous focus on staff training and the strong spirit of cooperation within the company are among the success factors of your company. Another element to which much attention is paid is safety at work. In this regard, we must mention a very serious accident that occurred at a work site in relation to which we did not make any provision because the dynamics of the accident and all the other elements that emerged during the investigation lead to the exclusion of responsibility for the company and its management.

Depreciation charged for the period increased slightly, but remained low in absolute terms; as already mentioned at the beginning of this report, no further allocations to the risk provisions were made in the period under review, as the existing ones were considered adequate to cover existing disputes. As an exception to the above, the maximum provision allowed by the tax law, which is considered prudent, was allocated to the income statement.

Other operating expenses decreased slightly.

The financial management recorded a strong increase in the positive area determined by the dividend distributed by the subsidiary company "Logi-tech Srl" at the end of an important real estate operation carried out in partnership with third parties. Net of this item (€5.6 million), net financing costs amounted to approximately €450 thousand,

substantially unchanged from the previous year.

Income taxes for the year increased as a direct consequence of the higher income produced.

We would also like to briefly review your company's assets and financial structure.

Intangible fixed assets decreased as a result of the amortisation charged for the year; tangible fixed assets remained substantially unchanged: the increases for the year were offset by the depreciation of capital goods. The Notes to the Financial Statements provide more details of the items allocated to fixed assets.

Financial fixed assets decreased following the sale of the shareholding in the company "ARP" (which resulted in a capital gain reported in the Income Statement) and the full repayment of receivables from that company (€2.1 million). On the other hand, receivables from subsidiaries increased as a result of certain payments made to them. As we will see shortly, a company has also been set up to specialise in plant engineering activities for the efficiency of your company.

Inventories, which are all determined by work in progress, show an increase due to those contingent factors that we have already mentioned when commenting on revenues. In any case, we believe it is useful to add, also to what is reported in the Notes to the Financial Statements, that they are offset in the accounts by advances received from customers (€314.8 million).

Receivables from customers remained substantially unchanged, in line with the value of production.

Tax receivables decreased due to lower corporate income tax (IRES) receivables.

Receivables from others, on the other hand, recorded a significant increase in which we would like to point out the following. Credit for deposits for real estate transactions rose from €4.1 million to €6.1 million; moreover, we paid a total of €5.1 million to support a particular real estate transaction carried out through the acquisition of trade receivables from a company undergoing debt restructuring pursuant to Article 67, paragraph 3, of the Finance Law, made with the support of a company specialising in the management of these receivables. This is an operation that will be completed during the year under review.

Financial assets not constituting fixed assets increased as a result of the decision to make a slight increase in this liquidity reserve.

Cash and cash equivalents increased as a result of the company's positive financial performance.

As regards accruals and deferrals, we refer you to the Notes to the Financial Statements. The items under Shareholders' Equity are also fully described in the Notes to the Financial Statements.

As regards the risk provisions, we have already had the opportunity to confirm their adequacy; the provision relating to derivative financial instruments liabilities relates to the coverage of the rate on the long-term loan taken out to support the restructuring costs of the Castelletto Ticino operating headquarters.

Payables to employees for severance pay due directly from your company is negligible.

Payables to lending banks increased significantly due to the ongoing industrial development. In this respect, I refer you to the relevant section of this report.

Advance payments received from customers show a slight increase, which relates to the dynamics of orders in progress.

Trade payables rose from € 83.8 million to € 108.4 million, due to the increase in business in the last quarter of the year.

Payables to subsidiary companies halved, due to repayments made during the year.

Tax payables increased sharply as a result of higher VAT payables (duly paid when due) and direct tax payables.

The other debt positions showed increases, mainly with regard to payables related to

personnel management, mainly due to the increase in number of workforce. The item "Other payables" includes payables for guarantee deposits of € 0.9 million.

Activities carried out by subsidiary companies

Below we provide you with information on the activities of subsidiary companies, limiting ourselves to those that have carried out activities that have influenced your company's financial statements, even if only in potential terms.

Subsidiary companies:

LOGI-TECH S.r.l.

The company "Logi-Tech S.r.l." with the distribution of the dividend mentioned above, closed a cycle of activities, the operational phases of which were completed in the financial year 2020/2021. It is currently evaluating possible operational developments, which have been slowed down by the Covid pandemic. The financial statements for the year ended 30 June 2021 show a positive result, but a significant decrease compared to the previous year, due to the above.

MILANO SVILUPPO S.r.l.

As you know, the company has retained ownership of a strategically located property at the Milan-Malpensa airport, and activities to promote the development of that area have slowed down, again due to the Covid pandemic. The financial year ending 31.12.2021 shows a modest loss.

VIGEVANO RETAIL S.r.l. and IVREA RETAIL S.r.l.

As already mentioned in the commentary on the financial year as at 30.06.2020, the two subsidiary companies under review had to discontinue their previously started activities and the possibility of reactivation was also slowed down by the Covid19 pandemic. At the moment, they have limited themselves to evaluating potential transactions while awaiting an overall more stable market situation.

GALLARATE SVILUPPO S.r.l.

As you know, the company owns a prestigious area in the municipality of Gallarate, which cannot currently be used for building purposes since it is designated as an agricultural area and for which a dispute is pending before the Council of State. The company has therefore limited itself to administering that area, in a static sense, trusting in a future recovery of its high potential.

MEP WORKS S.r.l.

The company in question was established during the financial year; it carries out plant engineering activities and has Techbau Spa as its main customer. The company was set up and activated in connection with an opportunity that arose. It closed its first financial year on 30.06.2021, with essentially a break-even result.

With regard to the other subsidiary companies, we would like to remind you that they are "vehicles" to be activated for real estate transactions to be carried out also with third parties and in the absence of such transactions the companies in question are limited to a static management.

Affiliated company:

MTM HOTELS S.r.l.

The hotel management company is the one most vulnerable to the Covid19 pandemic; the company ended the year to 31.12.2020 with essentially a break-even result, despite the halt in core business due to the Covid19 pandemic. However, the management's determination and proven skills suggest the possibility of a recovery, perhaps even a development of that company, and the first post-pandemic figures for 2021 confirm this scenario.

GERMAN BRANCH

As we have already informed you when commenting on the financial statements for the

year ended 30.06.2020, the business of the German branch has slowed down sharply due to the ongoing litigation. During the year under review, the company's debt collection activities continued and we are confident that we will be able to close those activities during the current financial year.

For reasons of prudence, we have not changed the provisions previously made to cover any contingencies.

Economic indicators

In order to provide you with an overview of the company's performance, here are some indicators that we consider significant (values x1000).

Indicator	Financial Year 2020/2021	Financial Year 2019/2020
Value of production	€333,840	€311,657
Revenues for the year	€273,242	€122,308
EBITDA	€26,356	€15,495
EBITDA / Value of production	7.89%	4.97%
Profit for the year	€23,378	€8,488
Profit for the year / Revenues	8.56%	6.94%
Liquidity ratio (quick ratio)	0.20	0.16
Current assets / current liabilities	1.159	1.047

As regards the financial dynamics, we refer you to the financial statements drawn up in accordance with accounting principle OIC No 10.

Below we provide you with some additional information on the financial management of your company. As you know, financial balance is considered a key strategic element to be pursued consistently. For this reason, all real estate transactions carried out have financial coverage within the same planned operation. With regard to the financing of investments, a long-term loan was taken out to finance the renovation of the Castelletto Ticino operating headquarters, against which a rate hedging contract was entered into, in order to reduce the risk of rate changes.

In a nutshell, the financial risk of your company's activities is considered by us to be in line with the best practice in our market and adequately controlled on an ongoing basis. As regards the other risks referred to in Article 2428, paragraph 6-bis, of the Italian Civil Code, please note that they are also constantly monitored; in particular, the price risk is managed by means of a close correlation between the closure of active contracts and supply contracts; as regards the market risk, as already mentioned, the company strategy is to rely mainly on technical skills, efficiency and overall guarantee for customers and principals and the results are confirming the validity of these choices. Among other things, competence and efficiency also allow diversification with consequent mitigation of market risk.

The risks associated with treasury management and cash flows are strongly related to the overall financial management approach, about which we have already told you. We believe that these latter risks are lower for your company than the average risks in our reference market.

Privacy

Pursuant to paragraph 26, attachment B, of Legislative Decree no. 196 of 30.06.2003, we hereby inform you that the company has updated its information security policy document in the light of the provisions of the Technical Specifications on minimum security measures referred to in the aforementioned Legislative Decree.

Ongoing management performance

The management currently in place, while maintaining the uncertainties induced by the

Covid19 pandemic, does not suffer, at least so far, from periods of closure and the inconveniences resulting from them. As we have already explained in the previous report, the search for development opportunities for the core business continued with great determination, with positive and encouraging results. The high growth recorded in the 2019/20 financial year, despite the pandemic event, has been confirmed and consolidated in the 2020/21 financial year; ongoing orders and production planning predict further development for the financial year currently underway, both in terms of value of production as well as in terms of the economic result.

We are therefore confident that we will be able to close the 2021/22 financial year with further substantial improvements, not only economic and financial.

Conclusions

Dear Shareholders,

in view of the above, we invite you to approve the financial statements just examined and to allocate the profit realised as proposed in the Notes to the financial statements.

With regard to the second item on the Agenda, the Chairman invites the Directors to set the date of the Ordinary Shareholders' Meeting for the approval of the financial statements. After a brief discussion, it was decided that the Meeting would be convened at 5 p.m. on 20 October 2021. The Chairman is entrusted with the task of carrying out all operations necessary for convening the Shareholders' Meeting.

Having completed the discussion of the Agenda, and with none of those present requesting the floor, the Chairman declared the meeting closed at 5:55 p.m., after these minutes had been drawn up, read and signed.

THE CHAIRMAN
(Andrea Marchiori)

THE SECRETARY
(Mr Tiziano Cortella)

Annex A) follows

TECHBAU SPA

Financial statements as at 30-06-2021

Company details	
Registered office in	PIAZZA GIOVINE ITALIA, 3 - MILAN (MI) 20123
Tax code	06336690968
R.E.A. (Register of Economic & Administrative information) no.	MI 1922561
VAT reg. no.	06336690968
Share Capital Euro	9,698,833 fully paid-up
Legal status	Joint stock company
Classification of Economic Activity (ATECO)	412000
Company in liquidation	no
Company with sole shareholder	yes
Company subject to third party management and coordination	no
Group membership	yes
Name of group parent company	Techbau Holding Srl
Country of group parent company	Italy

Balance Sheet

	30-06-2021	30-06-2020
Balance sheet		
Assets		
B) Fixed Assets		
I - Intangible fixed assets		
3) Industrial patent and intellectual property rights	38,433	18,116
7) other	4,865,480	5,201,348
Total intangible fixed assets	4,903,913	5,219,464
II - Tangible fixed assets		
1) Land and buildings	21,966	21,966
3) Industrial and commercial equipment	652,563	599,400
Total tangible fixed assets	674,529	621,366
III - Financial fixed assets		
1) equity investments in:		
a) subsidiary companies	454,493	433,115
b) affiliated companies	520,000	524,400
d-bis) other companies	1	1
Total equity investments	974,494	957,516
2) Receivables		
a) from subsidiary companies		
due within the next year	568,500	274,500
Total receivables from subsidiary companies	568,500	274,500
b) from affiliated companies		
due within the next year	-	2,110,000
Total receivables from affiliated companies	-	2,110,000
d-bis) from others		
due within the next year	256,309	163,621
Total receivables from others	256,309	163,621
Total receivables	824,809	2,548,121
Total financial fixed assets	1,799,303	3,505,637
Total fixed assets (B)	7,377,745	9,346,467
C) Current assets		
I - Inventories		
3) Contract work in progress	377,412,685	318,985,390
5) Advances	2,252,074	4,184,869
Total inventories	379,664,759	323,170,259
II - Receivables		
1) from customers		
due within the next year	45,952,410	47,196,739
Total customer receivables	45,952,410	47,196,739
2) from subsidiary companies		
due within the next year	235,460	356,321
Total receivables from subsidiary companies	235,460	356,321
3) from affiliated companies		
due within the next year	-	10,521
Total receivables from affiliated companies	-	10,521
5-bis) tax receivables		
due within the next year	1,027,106	1,402,013

Total tax receivables	1,027,106	1,402,013
5-ter) prepaid taxes	717,466	849,295
5-Quarter) other receivables		
due within the next year	11,370,158	4,167,601
Total receivables from others	11,370,158	4,167,601
Total receivables	59,302,600	53,982,490
III - Financial assets not classified as fixed assets		
6) other securities	7,072,263	6,169,901
Total financial assets other than fixed assets	7,072,263	6,169,901
IV - Cash and cash equivalents		
1) Bank and post office deposits	81,440,423	60,077,058
3) cash and other valuables on hand	1,993	5,964
Total cash and cash equivalents	81,442,416	60,083,022
Total current assets (C)	527,482,038	443,405,672
D) Accruals and deferrals	246,273	206,904
Total assets	535,106,056	452,959,043
Liabilities		
A) Shareholders' Equity		
I - Share Capital	9,698,833	9,698,833
II - Share premium reserve	759,852	759,852
IV - Legal reserve	1,234,579	810,162
VII - Other reserves, specified separately		
Extraordinary reserve	6,376,639	4,312,709
Sundry other reserves	1	1
Total other reserves	6,376,640	4,312,710
VII - Reserve for forecast cash flow hedges	(163,605)	(156,500)
IX - Profit (loss) for the year	23,377,739	8,488,347
Total shareholders' equity	41,284,038	23,913,404
B) Provisions for risks and charges		
3) financial derivative instruments liabilities	163,605	156,500
4) other	1,072,000	1,000,000
Total provisions for risks and charges	1,235,605	1,156,500
C) Employees' severance pay	30,566	29,919
D) Payables		
4) Payables to banks		
due within the next year	14,327,071	17,442,775
due beyond the next year	37,420,478	4,389,924
Total payables to banks	51,747,549	21,832,699
6) Advances		
due within the next year	314,872,054	310,480,975
Total advances	314,872,054	310,480,975
7) trade payables		
due within the next year	108,372,331	83,788,498
Total trade payables	108,372,331	83,788,498
9) Payables to subsidiary companies		
due within the next year	4,770,825	8,297,258
Total payables to subsidiary companies	4,770,825	8,297,258
11) Payables to parent companies		
due within the next year	-	10,980

Total payables to parent companies	-	10,980
12) Tax payables		
due within the next year	9,831,489	1,213,020
Total tax payables	9,831,489	1,213,020
13) payables to welfare and social security institutions		
due within the next year	645,581	562,330
Total payables to welfare and social security institutions	645,581	562,330
14) other payables		
due within the next year	2,316,018	1,673,460
Total other payables	2,316,018	1,673,460
Total payables	492,555,847	427,859,220
Total liabilities	535,106,056	452,959,043

Income statement

	30-06-2021	30-06-2020
Income statement		
A) Value of production		
1) revenues from sales and services	273,241,827	122,307,601
3) changes in work in progress on order	58,438,430	185,516,165
4) Increase in fixed assets for internal work	-	2,139,245
5) other revenues and proceeds		
others	2,159,697	1,694,096
Total other revenues and income	2,159,697	1,694,096
Total value of production	333,839,954	311,657,107
B) Cost of production		
6) raw and ancillary materials, consumables and goods	116,737,290	131,890,620
7) services	177,067,395	150,438,190
8) use of third-party assets	3,516,280	4,805,309
9) personnel		
a) salaries and wages	6,332,848	5,418,796
b) welfare and social security	1,993,635	1,684,937
c) employee severance pay	391,786	342,814
e) other costs	152,555	136,204
Total personnel costs	8,870,824	7,582,751
10) amortisation/depreciation and write-downs		
a) Amortisation of intangible fixed assets	361,594	346,248
b) depreciation of tangible fixed assets	311,868	287,083
d) Write-downs of receivables included in current assets and of cash and cash equivalents	251,346	1,747,000
Total amortisation/depreciation and write-downs	924,808	2,380,331
13) other provisions	83,135	1,000,000
14) other operating charges	1,290,711	1,444,938
Total production costs	308,490,443	299,542,139
Difference between value and costs of production (A - B)	25,349,511	12,114,968
C) Financial income and charges		
15) Income from equity investments		
from subsidiary companies	5,580,000	-
from affiliated companies	45,600	-
Total proceeds from equity investments	5,625,600	-
16) other financial income		
c) from securities classified as current assets which are not equity investments	19,789	25,614
d) Proceeds other than the above		
from affiliated companies	-	21,158
others	88,266	101,824
Total income other than the above	88,266	122,982
Total other financial income	108,055	148,596
17) interests and other financial charges		
from subsidiary companies	10,005	10,192
others	548,248	608,931
Total interests and other financial charges	558,253	619,123

17 bis) currency exchange gains and losses	103	(921)
Total financial income and charges (15 + 16 - 17 + - 17-bis)	5,175,505	(471,448)
D) Value adjustments of financial assets and liabilities		
19) write-downs		
c) of securities classified as current assets which are not equity investments	244	5,286
Total write-downs	244	5,286
Total value adjustments of financial assets and liabilities (18 - 19)	(244)	(5,286)
Result before taxes (A - B + - C + - D)	30,524,772	11,638,234
20) Income tax for the year (current, deferred and prepaid)		
current taxes	7,015,204	3,884,198
deferred and prepaid taxes	131,829	(734,311)
Total income tax for the year (current, deferred and prepaid)	7,147,033	3,149,887
21) Profit (loss) for the year	23,377,739	8,488,347

Cash Flow statement, indirect method

	30-06-2021	30-06-2020
Cash flow statement, indirect method		
A) Financial flows deriving from operating activities (indirect method)		
Profit (loss) for the year	23,377,739	8,488,347
Income taxes	7,147,033	3,149,887
Interest payable/(interest receivable)	450,198	470,527
(Dividends)	5,580,000	-
(Capital gains)/Capital losses from transfer of assets	(594,670)	(592,908)
1) Profit (loss) for the year before income taxes, interest, dividends and capital gains /losses from disposals	35,960,300	11,515,853
Adjustments for non-cash items that had no counterpart in net working capital		
Allocations to reserves	1,117,632	2,747,652
Amortisation and depreciation of fixed assets	673,462	633,331
Other increases/(decreases) for non-monetary elements	(413,876)	(247,063)
Total adjustments for non-monetary elements with no contra-entry in net working capital	1,377,218	3,133,920
2) Financial flow before variations of the net working capital	37,337,518	14,649,773
Changes in net working capital		
Decrease/(increase) of inventories	(56,494,500)	(181,377,202)
Decrease/(increase) of receivables from customers	1,124,365	(13,876,542)
Increase/(decrease) of trade payables	21,489,391	17,059,731
Decrease/(increase) in accrued income and prepayments	(68,220)	177,771
Other decreases/(other increases) in net working capital	6,907,707	196,418,740
Total variations in net working capital	(27,041,257)	18,402,498
3) Financial flow after variations of the net working capital	10,296,261	33,052,271
Other adjustments		
Interest received/(paid)	59,546	23,015
(Income tax paid)	(7,015,204)	(3,884,198)
Dividends received	(5,580,000)	-
(Uses of the funds)	(793,639)	(3,440)
Other collections/(payments)	88,266	122,982
Total other adjustments	(13,241,031)	(3,741,641)
Financial flow of operating activities (A)	(2,944,770)	29,310,630
B) Financial flows deriving from investment activities		
Tangible fixed assets		
(Investments)	(368,628)	(238,417)
Disinvestments	5,451	165,125
Intangible fixed assets		
(Investments)	(46,043)	(2,134,306)
Financial fixed assets		
(Investments)	(408,067)	(111,617)
Disinvestments	2,160,000	1,254,688
Financial assets not held as fixed assets		
(Investments)	(1,402,606)	(3,318,037)
Disinvestments	498,968	750,000
Financial flow of investment activity (B)	439,075	(3,632,564)
C) Cash flows from financing activities		

Third-party means		
Increase (decrease) in short-term payables to banks	531	3,070
Loans taken out	33,871,993	21,829,628
(Loans repayment)	(4,007,436)	(28,229,422)
Equity		
(Dividends and advances on paid dividends)	(6,000,000)	(5,001,689)
Cash flow of financing activity (C)	23,865,088	(11,398,413)
Increase (decrease) of cash and cash equivalents (A ± B ± C)	21,359,393	14,279,653
Cash and cash equivalents at year start		
Bank and postal deposits	60,077,058	45,800,502
Cheques	0	0
Cash and equivalents on hand	5,964	2,868
Total cash and cash equivalents at year start	60,083,022	45,803,370
Cash and cash equivalents at year end		
Bank and postal deposits	81,440,423	60,077,058
Cash and equivalents on hand	1,993	5,964
Total cash and cash equivalents at year end	81,442,416	60,083,022

Notes to the financial statements for the year ended 30-06-2021

Notes to the financial statements, first part

Accounting principles

PREPARATION PRINCIPLES

The financial statements for the year ended 30/06/2021, consisting of the Balance Sheet, Income Statement, Cash Flow Statement and Notes to the Financial Statements, correspond to the results of the accounting records duly kept and have been prepared in accordance with the provisions of Articles 2423 and 2423-bis of the Italian Civil Code, as well as the accounting principles and recommendations issued by the Italian Accounting Organisation (O.I.C.).

Its structure complies with that outlined by the Italian Civil Code in Articles 2424 and 2425, based on the premises set out in Article 2423-ter, while the Notes to the Financial Statements, which are an integral part of the Financial Statements, comply with the content set out in Articles 2427, 2427-bis and all other provisions that refer to them.

The entire document, in the parts of which it is composed, has been drawn up in such a way as to give a true and fair view of the equity and financial position of the Company, as well as of the economic result for the year, providing, where necessary, additional information for this purpose.

Pursuant to Art. 2423-ter, the amount for the previous year is shown for each item.

The structure and composition of the Financial Statements were changed by Legislative Decree 139

/2015 (implementation of Directive 34/2013), which also updated certain valuation criteria. As a result, the Italian Accounting Organisation (O.I.C., Organismo Italiano di Contabilità) revised the accounting standards in force, issuing updated versions of them during 2016.

Pursuant to and for the purposes of Articles 2423 paragraph 4 and 2423 bis no. 6 of the Italian Civil Code, it is hereby stated that no derogation was made from the valuation criteria provided for by the Law and adopted in previous years.

The valuation of the various items is made on a prudent basis and with a view to the continuation of the business. In particular, the criteria adopted took into account the going concern basis: referring to O.I.C. standard no. 11 (Financial Statements, Purpose and Postulates), with regard to the "prospective evaluation of the company's ability to continue as a functioning economic complex intended to produce income for a reasonable period of time (12 months)", no uncertainties emerged on the going concern basis.

As a result of the rounding off of the amounts to the unit of Euro, it may occur that in certain tables, containing breakdown figures, the sum of the details differs from the amount indicated in the total line.

These notes have been prepared in accordance with the constraints of the XBRL taxonomy currently in force.

Exceptional cases pursuant to Article 2423, paragraph 5, of the Italian Civil Code

EXCEPTIONAL CASES PURSUANT TO ARTICLE 2423, PARAGRAPH 5, OF THE ITALIAN CIVIL CODE

It is acknowledged that no exceptional cases occurred in these financial statements that led to the recourse to the derogation provided for in the fifth paragraph of Article 2423.

Changes in accounting principles

CHANGES IN ACCOUNTING PRINCIPLES

In the year under review, no valuation criteria were changed compared to the previous year.

Correction of material misstatements

CORRECTION OF MATERIAL MISSTATEMENTS

No material misstatements were found during the year relevant to these financial statements.

Comparability and adaptation issues

COMPARABILITY AND ADJUSTMENT ISSUES

No comparability and adjustment issues were identified during the year under review.

Evaluation criteria applied

BASIS OF EVALUATION

The valuation criteria adopted are those specifically provided for in Article 2426 and in the other provisions of the Italian Civil Code.

For the evaluation of specific cases not expressly regulated by the above-mentioned regulations, recourse was made to the national accounting standards prepared by the Italian Accounting Organisation (OIC, Organismo Italiano di Contabilità).

Other information

OTHER INFORMATION

In addition to completing the information required by Article 2427 of the Italian Civil Code, further information required by law, or complementary information, is set out below, in order to provide a true and fair view of the company's equity, financial and economic situation.

Conversion criteria for amounts denominated in foreign currencies

Receivables and payables originally expressed in foreign currency have been converted into the account currency at the exchange rates in force at the date of the relevant transactions. Exchange rate differences realised on collection of receivables and payment of payables in foreign currencies are recorded in the Income Statement.

All receivables and payables in foreign currency existing at 30/06/2021 were valued on the basis of the exchange rates in force at the closing date of the financial year. This adjustment gave rise to positive and negative exchange rate differences, which were recorded in the Income Statement.

Any significant effects of changes in currency exchange rates occurring after the end of the financial year (Article 2427 paragraph 1 no. 6-bis of the Italian Civil Code)

After the end of the financial year, there were no changes in currency exchange rates that would have a significant effect on foreign currency assets and liabilities.

Notes to the Financial Statements, Assets

ASSETS

This section of the Notes to the Financial Statements provides comments on the items that make up the Assets of the Balance Sheet in the financial statements for the year ended 30/06/2021, in accordance with the XBRL taxonomy and in compliance with Article 2427 of the Italian Civil Code.

Receivables from shareholders for payments still due

A) RECEIVABLES FROM SHAREHOLDERS FOR PAYMENTS STILL DUE

There are no receivables from shareholders for payments still due.

Fixed assets

Intangible fixed assets

B) I - INTANGIBLE FIXED ASSETS

Intangible fixed assets are booked in the assets, with the consent of the Board of Auditors, where necessary, at their purchase cost reduced by the relevant amortisation charge, calculated taking into account the multi-year usefulness of the fixed assets themselves, and in any case for a period not exceeding 5 years.

"Other intangible assets" are made up of "incremental expenses on third party assets" and are amortised on the basis of the duration of the relevant rental contract, as this principle, expressly provided for in Article 103 paragraph 2 of Presidential Decree 917/86, is also consistent with O.I.C. accounting principle no. 24.

Changes to intangible fixed assets

Changes to intangible fixed assets

Balance at 30/06/2021	4,903,913
Balance at 30/06/2020	5,219,464
Changes	-315,551

The following table shows the changes in intangible fixed assets during the year.

	Start-up and expansion costs	Development costs	Industrial patents and intellectual property rights	Concessions, licenses, trademarks and similar rights	Goodwill	Intangible fixed assets in progress and advances	Other intangible fixed assets	Total intangible fixed assets
Value at start of year								
Cost	-	-	246,588	-	2,728,000	-	5,587,949	8,562,536
Revaluations	-	-	-	-	-	-	-	0
Amortisation and depreciation	-	-	228,472	-	2,728,000	-	386,601	3,343,073

(Provision for amortisation and depreciation)									
Write-downs	-	-	-	-	-	-	-	-	0
Book Value	-	-	18,116	-	-	-	-	5,201,348	5,219,464
Changes in the year									
Increases through acquisitions	0	0	46,043	0	0	0	0	0	46,043
Reclassifications (of the book value)	-	-	-	-	-	-	-	-	0
Reductions for disposals and divestments (of book value)	0	0	0	0	0	0	0	0	0
Revaluations during the year	-	-	-	-	-	-	-	-	0
Amortisation/depreciation for the year	0	0	25,726	0	0	0	0	335,868	361,594
Write-downs during the year	-	-	-	-	-	-	-	-	0
Other changes	0	0	0	0	0	0	0	0	0
Total changes	0	0	20,317	0	0	0	0	(335,868)	(315,551)
Value at end of year									
Cost	-	-	292,631	-	2,728,000	-	-	5,587,948	8,608,579
Revaluations	-	-	-	-	-	-	-	-	0
Amortisation and depreciation (Provision for amortisation and depreciation)	-	-	254,198	-	2,728,000	-	-	722,468	3,704,666
Write-downs	-	-	-	-	-	-	-	-	0
Book Value	-	-	38,433	-	-	-	-	4,865,480	4,903,913

Tangible fixed assets

B) II - TANGIBLE FIXED ASSETS

Tangible fixed assets are recorded at acquisition cost, adjusted by appropriate depreciation that takes into account technical and economic deterioration over time.

The maintenance costs have been booked in full to the Income Statement during the year in which they were incurred.

Movements of tangible fixed assets

Changes in tangible fixed assets

Balance at 30/06/2021	674,529
Balance at 30/06/2020	621,366

Changes	53,163
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The following table shows the changes in tangible fixed assets during the year.

	Land and buildings	Plants and machinery	Industrial and commercial equipment	Other tangible fixed assets	Tangible fixed assets in progress and advances	Total tangible fixed assets
Value at year start						
Cost	21,966	-	1,766,806	-	-	1,788,772
Revaluations	-	-	-	-	-	0
Amortisation and depreciation (Provision for amortisation and depreciation)	-	-	1,167,406	-	-	1,167,406
Write-downs	-	-	-	-	-	0
Book Value	21,966	-	599,400	-	-	621,366
Changes in the year						
Increases through acquisitions	0	0	368,628	0	0	368,628
Reclassifications (of the book value)	-	-	-	-	-	0
Reductions for disposals and divestments (of book value)	0	0	3,597	0	0	3,597
Revaluations during the year	-	-	-	-	-	0
Amortisation/depreciation for the year	0	0	311,868	0	0	311,868
Write-downs during the year	-	-	-	-	-	0
Other changes	0	0	0	0	0	0
Total changes	0	0	53,163	0	0	53,163
Value at end of year						
Cost	21,966	-	2,063,218	-	-	2,085,184
Revaluations	-	-	-	-	-	0
Amortisation and depreciation (Provision for amortisation and depreciation)	-	-	1,410,655	-	-	1,410,655
Write-downs	-	-	-	-	-	0
Book Value	21,966	-	652,563	-	-	674,529

Finance leasing operations

FINANCIAL LEASING TRANSACTIONS

The following table sets out the information required by No. 22 paragraph 1 of Article 2427 of the Italian Civil Code.

	Amount
Total amount of financially leased assets at year end	413,032
Depreciation that should have been recognised during the year	102,621
Valuation adjustments and write-backs that would have been booked in the year	1
Current value of the instalments not yet due at year end	266,477

Financial charges accruing to the year on the basis of the effective interest rate	7,183
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Financial fixed assets

B) III - FINANCIAL FIXED ASSETS

1 - Equity investments

Equity investments in subsidiary companies

Equity investments in LOGI-TECH SRL, MILANO SVILUPPO SRL, VIGEVANO RETAIL SRL, IVREA RETAIL SRL, GALLARATE SVILUPPO SRL, TB04 SRL, TB05 SRL, TB06 SRL, TB07 SRL, TB08 SRL and TB09 SRL are measured at purchase or subscription cost (plus capital contributions and waivers of loans to cover losses).

Equity investments in affiliated companies

The investment in the company MTM HOTELS SRL is valued according to its purchase or subscription cost (increased by capital contributions).

Equity investments in other companies

The investment in SP TECHBAU LLC is valued at purchase or subscription cost and is used to carry out real estate transactions in your Company's reference markets.

2 - Receivables

Long-term receivables (represented by Guarantee Deposits and loans to subsidiary companies) are valued on an analytical basis and recorded at their estimated realisable value, which is equal to their nominal value.

Changes in financial fixed assets

Balance at 30/06/2021	1,799,303
Balance at 30/06/2020	3,505,637
Changes	-1,706,334

Movements of equity investments, other securities and financial derivative instruments assets held as fixed assets

The following table shows the changes in financial fixed assets (participations, other securities, financial derivative instruments assets) during the year.

	Equity investments in subsidiary companies	Equity investments in affiliated companies	Equity investments in parent companies	Equity in companies controlled by parent companies	Equity investments in other companies	Total equity investments	Other securities	Financial derivative instruments assets
Value at year start								
Cost	433,115	524,400	-	-	1	957,516	-	-
Book Value	433,115	524,400	-	-	1	957,516	-	-
Changes in the year								
Increases through acquisitions	21,378	-	-	-	-	21,378	-	-
Decreases due to disposals (of book value)	-	4,400	-	-	-	4,400	-	-

Total changes	21,378	(4,400)	0	0	0	16,978	0	0
Value at end of year								
Cost	454,493	520,000	-	-	1	974,494	-	-
Book Value	454,493	520,000	-	-	1	974,494	-	-

The changes refer to the subscription of the share capital of the subsidiary company MEP WORKS SRL, the increase in value of the equity investment in the subsidiary company TB04 SRL, following the waiver of part of the receivable for non-interest-bearing loan, and the sale of the equity investment in the affiliated company ARP SRL.

Variations and maturity of non-current receivables

The following table in the XBRL taxonomy shows the totals of non-current receivables for each item separately.

	Value at year start	Changes in the year	Value at end of year	Portion due within the year
Non-current receivables from subsidiary companies	274,500	294,000	568,500	568,500
Non-current receivables from affiliated companies	2,110,000	(2,110,000)	-	-
Non-current receivables from parent companies	-	0	-	-
Non-current receivables from companies controlled by parent companies	-	0	-	-
Non-current receivables from others	163,621	92,688	256,309	256,309
Total non-current receivables	2,548,121	(1,723,312)	824,809	824,809

Details of equity investments held as fixed assets in subsidiary companies

EQUITY INVESTMENTS IN SUBSIDIARY COMPANIES

In compliance with the provisions of Article 2427 paragraph 1 no. 5 of the Italian Civil Code, details of equity investments held directly or indirectly in subsidiary companies are provided below, based on the situation at the date of the last approved financial statements.

Name	City, if in Italy, or foreign country	Tax code (for Italian businesses)	Share capital in euros	Profit (loss) from last year in Euro	Shareholders' equity in Euro	Stake held in euros	Stake % held	Book value or corresponding receivable
LOGI-TECH SRL	Milan	01922050032	20,000	9,814,468	9,868,769	12,000	60.00%	22,198
MILANO SVILUPPO SRL	Milan	05634280969	90,000	2,635,645	3,565,488	72,000	80.00%	301,000
VIGEVANO RETAIL SRL	Milan	10144390969	10,000	3,617	5,467	10,000	100.00%	13,617
IVREA RETAIL SRL	Milan	10144400966	10,000	880	9,759	10,000	100.00%	13,000
GALLARATE SVILUPPO SRL	Milan	10144410965	40,000	1,481	32,789	20,800	52.00%	20,800
TB04 SRL	Milan	10396080961	10,000	2,157	12,375	10,000	100.00%	12,500
TB05 SRL	Milan	10705410966	10,000	(3,235)	10,000	10,000	100.00%	18,417
TB06 SRL	Milan	10705760964	10,000	(4,266)	4,880	10,000	100.00%	10,000
TB07 SRL	Milan	10803250967	10,000	(2,144)	7,856	10,000	100.00%	10,000
TB08 SRL	Milan	10803660967	10,000	(3,472)	5,171	10,000	100.00%	10,000
TB09 SRL	Milan	10803940963	10,000	(1,997)	8,003	10,000	100.00%	10,961

MEP WORKS SRL	Milan	11390300967	20,000	-	-	12,000	60.00%	12,000
Total								454,493

All equity investments in subsidiary companies are directly owned.
Please note the following:

- for the companies TB05 SRL and TB08 SRL, data relevant to the financial statements for the period ended 30/6/2021 have been indicated, as they have already been prepared and approved;
- the company MEP WORKS SRL closed its first financial statements on 30/6/2021, the figures relevant to the financial statements have not been indicated, as they are still being prepared;
- for the other companies, the figures of the financial statements for the period ended 30/6/2020 are shown, as the financial statements for the year ended 30/6/2021 are still being prepared.

Details of equity investments held as fixed assets in affiliated companies

EQUITY INVESTMENTS IN AFFILIATED COMPANIES

In compliance with the provisions of Article 2427 paragraph 1 no. 5 of the Italian Civil Code, details of equity investments held directly or indirectly in affiliated companies are provided below, based on the situation at the date of the last approved financial statements.

Name	City, if in Italy, or foreign country	Tax code (for Italian businesses)	Share capital in euros	Profit (loss) from last year in Euro	Shareholders' equity in Euro	Stake held in euros	Stake % held	Book value or corresponding receivable
MTM HOTELS SRL	Torri del Benaco	04239940234	60,000	12,557	1,627,972	20,000	33.33%	520,000
Total								520,000

All equity investments in affiliated companies are directly owned.

Breakdown of non-current receivables by geographic area

Breakdown of non-current receivables by geographical area

There are no non-current receivables from foreign entities.

Non-current receivables relevant to operations with obligation of repurchase at maturity.

Fixed receivables relevant to operations with obligation of repurchase at maturity.

There are no receivables of this type.

Value of financial fixed assets

Value of financial fixed assets

In compliance with the provisions of Article 2427-bis paragraph 1, no. 2 of the Italian Civil Code, it should be noted that there are no financial fixed assets recorded at a value higher than their fair value.

Current assets

C) CURRENT ASSETS

The valuation criteria and movements for each of the items making up current assets are provided below, in accordance with the XBRL taxonomy.

Inventories

C) I - INVENTORIES

Contracts in progress comprise both contracts that are completed within one year and contracts that are completed in more than one year.

As in the past, job orders with interim completion are valued at cost (expenses incurred), as expressly provided for by the tax law (art. 2 paragraph 6 of Presidential Decree 917/1986) and considered more prudent for the purposes of the value of the financial statements.

Contracts with a duration of more than one year are valued using the percentage of completion method.

Changes in inventories

Inventories are recognised in the financial statements for a total amount of € 379,664,759. The following table details the changes that occurred during the year.

	Value at year start	Change in the year	Value at end of year
Raw materials, ancillary materials and consumables	-	0	-
Products in progress and semi-finished products	-	0	-
Contract work in progress	318,985,390	58,427,295	377,412,685
Finished products and goods	-	0	-
Advances	4,184,869	(1,932,795)	2,252,074
Total inventories	323,170,259	56,494,500	379,664,759

The change is due both to the development of the core business and to the planning of the various construction sites.

Receivables booked as current assets

C) II - RECEIVABLES

Receivables in current assets are recorded in the financial statements at their nominal value minus the allowance for doubtful debts, set up during the year and during previous years on an analytical and flat-rate basis, and considered adequate to express their estimated realisable value.

Changes and due date of the receivables booked as current assets

Variations in receivables

Receivables in current assets are recorded in the balance sheet for a total amount of € 59,302,600.

The following table gives details of the changes during the year.

	Value at year start	Change in the year	Value at end of year	Portion due within the year
Trade receivables from customers booked as current assets	47,196,739	(1,244,329)	45,952,410	45,952,410
Receivables from subsidiary companies recognised as working capital	356,321	(120,861)	235,460	235,460
Receivables due from affiliated companies recognised as working capital	10,521	(10,521)	-	-
Receivables due from parent companies recognised as current assets	-	0	-	-
Receivables from companies subject to the control of the parent companies included in current assets	-	0	-	-
Tax receivables booked as current assets	1,402,013	(374,907)	1,027,106	1,027,106
Prepaid tax assets booked as current assets	849,295	(131,829)	717,466	
Receivables due from others booked as current assets	4,167,601	7,202,557	11,370,158	11,370,158
Total receivables booked as current assets	53,982,490	5,320,110	59,302,600	58,585,134

As regards trade receivables, the decrease was due to normal operating events; tax receivables decreased in relation to the utilisations of the year; finally, sundry receivables relate to a real estate transaction initiated during the year.

It should be noted that the provision for credit risks as at 30/6/2021 amounts to € 2,253,191. The breakdown of "Receivables from others" is as follows:

Receivables from parent company for tax credits	€	34,958
Receivables for liability security	€	6,130,000
Receivables from others	€	5,184,000
Receivables for personnel management	€	21,200

Breakdown of receivables included in current assets by geographical area

Breakdown of receivables included in current assets by geographical area

Below is a breakdown of receivables recorded in current assets by geographical area.

Geographical area	Italy	Abroad	Total
Trade receivables from customers booked as current assets	42,371,671	3,580,739	45,952,410
Receivables from subsidiary companies recognised as working capital	235,460	-	235,460
Tax receivables booked as current assets	743,653	283,453	1,027,106
Prepaid tax assets booked as current assets	717,466	-	717,466
Receivables due from others booked as current assets	11,370,158	-	11,370,158
Total receivables booked as current assets	55,438,408	3,864,192	59,302,600

Receivables stated as current assets relating to transactions with term repurchase agreement.

Receivables stated as current assets relevant to transactions with obligation of repurchase at maturity.

There are no receivables of this type.

Financial assets not classified as fixed assets

Variations in financial assets not classified as fixed assets

C) III - FINANCIAL ASSETS OTHER THAN FIXED ASSETS

They are recorded at the lower cost between the purchase cost, determined using the LIFO method with annual increments, and the realisable value based on market trends.

Variations in financial assets not classified as fixed assets

They are recognised in the financial statements for a total amount of € 7,072,263. The table below provides details of the changes during the year.

	Value at year start	Changes in the year	Value at end of year
Equity investments not held in fixed assets in subsidiary companies	-	0	-
Equity investments not included in fixed assets in affiliated companies	-	0	-
Equity investments not held in fixed assets in parent companies	-	0	-
Equity investments not included in fixed assets in companies controlled by parent companies	-	0	-
Other long-term equity investments	-	0	-
Financial derivative instruments assets not held as fixed assets	-	0	-
Other securities not held as fixed assets	6,169,901	902,362	7,072,263
Financial assets for centralised treasury management	-	0	-
Total financial assets other than fixed assets	6,169,901	902,362	7,072,263

The change is due to purchases and sales during the year. This item constitutes a cash reserve.

It should be noted that these items are not impaired compared to their purchase cost.

Cash and cash equivalents

C) IV - CASH AND CASH EQUIVALENTS

They are recorded at their nominal or cash value.

Change in cash and cash equivalents

Cash and cash equivalents are recognised in the financial statements for a total of € 81,442,416.

The following table details the changes that occurred during the year.

	Value at year start	Change in the year	Value at end of year
Bank and postal deposits	60,077,058	21,363,365	81,440,423
Cheques	-	0	-
Cash and other valuables on hand	5,964	(3,971)	1,993
Total cash and cash equivalents	60,083,022	21,359,394	81,442,416

The change is due to normal changes in cash flows.

Accrued income and prepayments

D) ACCRUED INCOME AND PREPAYMENTS

They are determined on an accrual basis in accordance with Article 2424 bis, paragraph 5 of the Italian Civil Code.

Change in accrued income and prepayments

Accrued income and prepayments are recorded in the balance sheet for a total of € 246,273. The following table details the changes that occurred during the year.

	Value at year start	Change in the year	Value at end of year
Accrued income	0	0	0
Prepayments	206,904	39,369	246,273
Total accrued income and prepayments	206,904	39,369	246,273

Breakdown of Accrued income and prepayments (art. 2427 paragraph 1 no. 7 of Italian Civil Code)

The composition of prepayments is as follows:

Insurance	€	44,257
Membership contributions	€	2,257
Subscriptions	€	6,087
Rental	€	43,672
Technical assistance	€	61,249
Leasing	€	28,852
Maintenance	€	15,412
Car tax	€	509
Licences	€	43,978

Capitalised financial expenses

CAPITALISED FINANCIAL EXPENSES

No financial charges were charged to values entered on the assets side of the balance sheet during the year.

Notes to the financial statements, Liabilities and Shareholders' Equity

SHAREHOLDERS' EQUITY AND LIABILITIES

This section of the Notes to the Financial Statements provides comments on the items that make up the Shareholders' Equity and Liabilities of the Balance Sheet, in accordance with the XBRL taxonomy and in compliance with the provisions of Article 2427 of the Italian Civil Code.

Shareholders' Equity

Changes in the Shareholders' Equity items

A) SHAREHOLDERS' EQUITY

Shareholders' equity amounts to € 41,284,038, and increase of € 17,370,634.

The changes in shareholders' equity items are shown below, as required by Article 2427, paragraph 4, of the Italian Civil Code, as well as the composition of the item "Other reserves".

	Value at year start	Allocation of last year's result	Other changes	Year result	Value at end of year
		Other allocations	Decreases		
Share Capital	9,698,833	-	-		9,698,833
Share premium reserve	759,852	-	-		759,852
Legal reserve	810,162	424,417	-		1,234,579
Other reserves					
Extraordinary reserve	4,312,709	8,063,930	6,000,000		6,376,639
Sundry other reserves	1	-	-		1
Total other reserves	4,312,710	8,063,930	6,000,000		6,376,640
Reserve for hedges of expected cash flows	(156,500)	-	-		(163,605)
Profit (loss) for the year	8,488,347	(8,488,347)	-	23,377,739	23,377,739
Total shareholders' equity	23,913,404	-	6,000,000	23,377,739	41,284,038

The increase in the Legal Reserve and the Extraordinary Reserve is due to the allocation of the previous year's profit, net of dividend distribution, as per the resolution of 2 December 2020.

It should be noted that there are no limitations, as per Article 2426, paragraph 1, point 5 of the Italian Civil Code, on the distribution of dividends.

Availability and use of Shareholders' Equity

ANALYSIS OF SHAREHOLDERS' EQUITY ITEMS

Pursuant to Article 2427, number 7-bis, of the Italian Civil Code, the following table shows the origin, possibility of utilisation and distributability, as well as their utilisation, with regard to the individual items of Shareholders' Equity.

	Amount	Origin / nature	Possibility of utilisation	Available amount
Share Capital	9,698,833			-

Share premium reserve	759,852	Capital reserves	A B C	759,852
Legal reserve	1,234,579	Profit reserve	B	1,234,579
Other reserves				
Extraordinary reserve	6,376,639	Profit reserve	A B C	6,376,639
Sundry other reserves	1			1
Total other reserves	6,376,640			6,376,640
Reserve for hedges of expected cash flows	(163,605)			-
Total	17,906,299			8,371,071
Residual distributable portion				8,371,071

Legend: A: for capital increase; B: to cover losses; C: for distribution to shareholders; D: for other statutory constraints; E: other

Changes in the reserve for expected cash flow hedges

RESERVE FOR EXPECTED CASH FLOW HEDGES

There are ongoing transactions involving derivative instruments for cash flow hedging purposes, and therefore a Reserve for expected cash flow hedging transactions is included in the Shareholders' Equity.

	Reserve for expected cash flow hedges
Value at year start	(156,500)
Changes in the year	
Increase due to change in fair value	64,144
Decrease due to change in fair value	57,039
Value at end of year	(163,605)

Provisions for risks and charges

B) PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges were set aside to cover losses or payables whose existence is certain or probable but which are not directly related to specific asset items, and whose nature and amount could however be determined at the end of the financial year, albeit not their date of occurrence. The provisions reflect the best possible estimate on the basis of the elements available.

The following table details the movements during the year.

	Provision for pensions and similar obligations	Provision for taxes, including deferred	Financial derivative instruments liabilities)	Other provisions	Total provisions for risks and charges
Value at year start	-	-	156,500	1,000,000	1,156,500
Changes in the year					
Provision for the year	-	-	7,105	72,000	79,105
Total changes	0	0	7,105	72,000	79,105
Value at end of year	-	-	163,605	1,072,000	1,235,605

The increase in the Provision for risks and charges is due to the recognition of the Mark to Market (MTM) value for existing derivative contracts.

The increase in "Other provisions" reflects a provision following a contingency arising during the year.

Breakdown of Other provisions

Details of the "Other provisions" item are provided in accordance with the provisions of Article 2427 paragraph 1 no. 7 of the Italian Civil Code:

- Provision for litigation risks	€	1,000,000
- Provision for miscellaneous risks	€	72,000

Employees' severance pay

C) EMPLOYEES' SEVERANCE PAY

It reflects the actual debt existing at the balance sheet date towards all employees and is determined in accordance with the provisions of Article 2120 of the Italian Civil Code and the provisions of current labour legislation and contractual agreements, net of advances paid.

The following table details the movements during the year.

	Employees' severance pay
Value at year start	29,919
Changes in the year	
Provision for the year	391,786
Use during financial year	391,139
Total changes	647
Value at end of year	30,566

Utilisations include the amounts of the liability for severance pay transferred to the INPS treasury fund, to supplementary pension funds and to employees following advances and/or resignations.

Payables

D) PAYABLES

They are recorded at their nominal value according to the securities from which they are derived.

Changes in and maturity of payables

The total amount of payables is € 492,555,847.

The following table gives details of the changes during the year.

	Value at year start	Change in the year	Value at end of year	Portion due within the year	Portion due beyond the year	Of which with a residual duration of more than 5 years
Bonds	-	0	-	-	-	-
Convertible bonds	-	0	-	-	-	-
Payables to shareholders for loans	-	0	-	-	-	-
Payables to banks	21,832,699	29,914,850	51,747,549	14,327,071	37,420,478	2,338,621
Payables to other lenders	-	0	-	-	-	-
Advances	310,480,975	4,391,079	314,872,054	314,872,054	-	-
Trade payables	83,788,498	24,583,833	108,372,331	108,372,331	-	-
Payables represented by securities	-	0	-	-	-	-
Payables to subsidiary companies	8,297,258	(3,526,433)	4,770,825	4,770,825	-	-
Payables to affiliated companies	-	0	-	-	-	-
Payables to parent companies	10,980	(10,980)	-	-	-	-
Payables to companies subject to the control of the parent companies	-	0	-	-	-	-
Tax payables	1,213,020	8,618,469	9,831,489	9,831,489	-	-
Payables to welfare and social security institutions	562,330	83,251	645,581	645,581	-	-
Other payables	1,673,460	642,558	2,316,018	2,316,018	-	-
Total payables	427,859,220	64,696,627	492,555,847	455,135,369	37,420,478	2,338,621

The changes are due to normal operating events: trade payables are due after the end of the financial year; as regards payables for advance payments, as already mentioned, this is related to inventories for work in progress.

Other payables are broken down as follows:

Other payables	€	110,040
Credit card payables	€	5,869
Payables for deposits received	€	931,019
Personnel management payables	€	1,265,340
Payables due to directors	€	3,750

Breakdown of payables by geographical area

Breakdown of payables according to geographical area

The breakdown of payables by geographical area is shown below.

Geographical area	Italy	Abroad	Total
Payables to banks	51,747,549	-	51,747,549
Advances	314,872,054	-	314,872,054
Trade payables	108,023,708	348,623	108,372,331
Payables to subsidiary companies	4,770,825	-	4,770,825

Tax payables	9,831,489	-	9,831,489
Payables to welfare and social security institutions	645,581	-	645,581
Other payables	2,316,018	-	2,316,018
Payables	492,207,224	348,623	492,555,847

Payables secured by collateral securities on corporate assets

PAYABLES SECURED BY COLLATERAL SECURITIES ON CORPORATE ASSETS

In relation to the provisions of paragraph 1 no. 6 of Article 2427 of the Italian Civil Code, it should be noted that there are no debts secured by collateral securities on corporate assets. However, for the sake of completeness, it should be noted that there are debts secured by collateral securities on corporate assets owned by the parent company Techbau Holding Srl.

	Payables backed by collateral securities		Payables not backed by collateral securities	Total
	Payables backed by mortgages	Total payables backed by collateral securities		
Payables to banks	4,052,960	4,052,960	47,694,589	51,747,549
Advances	-	-	314,872,054	314,872,054
Trade payables	-	-	108,372,331	108,372,331
Payables to subsidiary companies	-	-	4,770,825	4,770,825
Tax payables	-	-	9,831,489	9,831,489
Payables to welfare and social security institutions	-	-	645,581	645,581
Other payables	-	-	2,316,018	2,316,018
Total payables	4,052,960	4,052,960	488,502,887	492,555,847

The following table provides details of debts backed by collateral securities:

Creditor	Banco BPM
Guarantee issued	Mortgage on property in Castelletto Ticino owned by the parent company Techbau Holding Srl
Residual amount	€ 4,052,960

Notes to the financial statements, Income statement

INCOME STATEMENT

This section of the Notes to the Financial Statements provides comments on certain items that make up the income statement in the financial statements for the year ended 30 June 2021, in accordance with the XBRL taxonomy and the provisions of Article 2427 of the Italian Civil Code.

Value of production

RECOGNITION OF REVENUES

Revenues, consisting of services, are credited to the income statement when the service is rendered.

Revenues from construction contracts are recognised, together with costs, in relation to the state of progress at the closing date of the reporting period. Variations to the contract, price revisions and incentives are included where reasonably certain.

Break-down of revenue from sales and services by activity category

BREAK-DOWN OF REVENUES FROM SALES AND SERVICES BY ACTIVITY CATEGORY

In relation to the requirements of Article 2427 paragraph 1 no. 10 of the Italian Civil Code, breaking down revenues by category of activity is deemed not significant as the company essentially carries out only one activity.

Breakdown of revenues from sales and services by geographical area

BREAKDOWN OF REVENUES FROM SALES AND SERVICES BY GEOGRAPHICAL AREA

In relation to the requirements of Article 2427 paragraph 1 no. 10 of the Italian Civil Code, breaking down revenues by geographical area is deemed not significant as revenues are essentially referred to entities resident in Italy.

Financial income and charges

Composition of proceeds from equity investments

AMOUNT OF PARTICIPATION INCOME OTHER THAN DIVIDENDS

Pursuant to Article 2427, paragraph 1, no. 11 of the Italian Civil Code, it should be noted that no income from equity investments other than dividends was received during the year.

Breakdown of interest and other financial expenses by type of payable

BREAKDOWN OF INTEREST AND OTHER FINANCIAL CHARGES

In accordance with Article 2427 paragraph 1 no. 12 of the Italian Civil Code, details are provided, according to their origin, of the interest and financial charges recorded in item C.17 of the Income Statement.

	Interests and other financial charges
Payables to banks	430,860
Others	117,388
Total	548,248

Amount and nature of individual income/cost items of exceptional size or incidence

AMOUNT AND TYPE OF THE INDIVIDUAL REVENUE ELEMENTS OF EXTRAORDINARY SIZE OR INCIDENCE

During the year, the company did not recognise any revenues of exceptional magnitude or incidence in the income statement.

AMOUNT AND TYPE OF THE INDIVIDUAL COST ELEMENTS OF EXTRAORDINARY SIZE OR INCIDENCE

During the year, the company did not recognise any costs of exceptional magnitude or incidence in the income statement.

Current, deferred and prepaid income taxes for the year

INCOME TAX FOR THE YEAR

They are recorded on the basis of taxable income, in accordance with the tax regulations in force.

In relation to the deferred taxation of significant positive income components, the related taxes have been allocated to the provision for risks and charges, based on current tax rates.

In relation to the deductibility of negative income components in financial years subsequent to that in which they are recognised in the income statement, the related prepaid taxes are recognised as a reduction of current taxes, with a counter-entry in item C.II.05.ter of the balance sheet.

Prepaid taxes, relating to past losses that will also be relevant for tax purposes in future years, in view of the expected positive income trend, were determined on the basis of current rates and charged to the income statement for the year.

Calculation of deferred and prepaid taxes and consequent effects

	Corporate income tax (IRES)
A) Temporary differences	
Total deductible temporary differences	2,989,442
Net temporary differences	(2,989,442)
B) Tax effects	
Provision for deferred (prepaid) taxes at year start	(849,295)
Deferred (prepaid) taxes for the year	131,828
Provision for deferred (prepaid) taxes at year end	(717,466)

Detail of deductible temporary differences

Description	Amount at the end of the previous year	Change during the year	Amount at year end	IRES rate	IRES tax effect
Taxed provision for doubtful debts	1,979,097	10,345	1,989,442	24.00%	477,446
Provision for litigation risks	1,000,000	0	1,000,000	24.00%	240,000

Notes to the financial statements, cash flow statement

CASH FLOW STATEMENT

The cash flow statement provides information useful for assessing the company's financial position, including liquidity and solvency, in the year under review, as well as its development in subsequent years.

Notes to the financial statements, Other information

OTHER INFORMATION

In addition to completing the information required by Article 2427 of the Italian Civil Code, further information required by law, or complementary information, is set out below, in order to provide a true and fair view of the company's equity, financial and economic situation.

Workforce figures

Average number of employees by category (art. 2427 paragraph 1 no. 15 of the Italian Civil Code)

The average number of employees, broken down by category, is shown in the following table:

	Average number
Executives	3
Executives	16
White-collar workers	91
Blue-collar workers	5
Total employees	115

Fees, advances and receivables to directors and auditors and commitments made on their behalf

Total amount of remuneration, advances and credits granted to directors and auditors and commitments undertaken on their behalf (Article 2427 paragraph 1 no. 16 of the Italian Civil Code)

Remunerations, advances and credits granted to Directors and Statutory Auditors during the year under review, as well as commitments made on their behalf as a result of guarantees of any kind given, are shown in the following table:

	Directors	Statutory Auditors
Fees	315,000	24,960

Fees to the statutory auditor or auditing firm

Amount of fees payable to the Auditor

The fees paid to the Auditor for services provided pursuant to Article 2427 no. 16-bis of the Italian Civil Code are shown in the following table:

	Value
Statutory audit of annual accounts	20,000
Total fees payable to the external auditor or auditing firm	20,000

Categories of shares issued by the Company

Number and nominal value of each category of the company shares

In compliance with the provisions of Article 2427 paragraph 1 no. 17 of the Italian Civil Code, the following table provides details of each category of the company's shares.

No change took place in the share capital during the year.

Description	Opening balance, number	Opening balance, face value	Closing balance, number	Closing balance, face value
Ordinary	9,698,833	9,698,833	9,698,833	9,698,833
Total	9,698,833	9,698,833	9,698,833	9,698,833

Securities issued by the company

Enjoyment shares, bonds convertible in shares, securities or similar values issued by the company

The company has not issued any enjoyment shares, convertible bonds, securities or other similar securities.

Commitments, guarantees and contingent liabilities not resulting from the balance sheet

Commitments, guarantees and contingent liabilities not resulting in the balance sheet (Art. 2427 paragraph 1 no. 9 of the Italian Civil Code)

The following table sets out guarantees given by third parties for obligations from which the Company may incur contingent liabilities and which are not reflected in the balance sheet. These are guarantees given by banks to the client at the time of delivery of construction sites, for limited periods, to cover potential contingencies. We would like to point out that experience leads us to believe that the risk of barely appreciable negative events is low.

	Amount
Contingent liabilities	81,765,563

Information about transactions with related parties

Transactions carried out with related parties (art. 2427 paragraph 1 no. 22-bis of the Italian Civil Code)

Transactions with related parties were carried out at market conditions.

Information relating to off-balance sheet agreements

Agreements not stated in the balance sheet (Art. 2427 paragraph 1 no. 22-ter)

Pursuant to Article 2427, number 22-ter, it should be noted that the Company currently has the following ongoing leasing contracts:

- contract no. 1136446/1, signed on 15/05/2019 with "Alba Leasing Spa", expiring on

14/05/2022, concerning the car HYUNDAI TUCSON FL 2.0. The amount of the remaining instalments as at 30/06/2021 was € 9,360

- contract no. A1B84255, signed on 25/02/2020 with "Bnp Paribas Lease Group SA", expiring on 24/01/2025, concerning a Manitou MRT 2550 rotating telescopic lift. The amount of the remaining instalments as at 30/06/2021 amounted to € 120,634
- contract no. A1B99258, signed on 27/05/2020 with "Bnp Paribas Lease Group SA", expiring on 26/04/2025, concerning a Manitou MRT 2150 rotating telescopic lift. The amount of the remaining instalments as at 30/06/2021 was € 127,361
- contract no. 1164446/1, signed on 01/12/2020 with "Alba Leasing Spa", expiring on 30/11/2023, concerning an AUDI car. The amount of the remaining instalments as at 30/06/2021 amounted to € 24,696

Significant facts occurring after the year end

Significant events occurring after the end of the financial year (Article 2427 paragraph 1 no. 22-quater of the Italian Civil Code)

After the end of the financial year, no significant events occurred that would require disclosure in these notes to the financial statements.

Information on the dissemination of the Covid-19 coronavirus

As already highlighted in the management report, the current operation, while maintaining the uncertainties induced by the Covid19 pandemic, does not suffer, at least so far, from the periods of closure and the inconveniences resulting from them.

At present, there are no significant economic or financial effects on the company's financial statements, nor any uncertainties that could entail issues related to the going concern basis.

Companies that draw up the financial statements of the largest/smallest group of companies of which one is a part as it is a subsidiary

The Company has availed itself of the option provided for in Article 27 of Legislative Decree 127 of 9 April 1991 not to prepare consolidated financial statements as it is a subsidiary of "Techbau Holding Srl", which is required to prepare group consolidated financial statements.

	Larger ensemble
Company name	Techbau Holding Srl
City (if in Italy) or foreign country	Milan
Tax code (for Italian businesses)	02096000035
Place of filing of the consolidated financial statements	Milan

Information concerning financial derivative instruments as required by art. 2427-b of the Italian Civil Code

Information concerning financial derivative instruments as required by art. 2427-b of the Italian Civil Code

The company has entered into two interest rate hedging transactions. Based on market evidence, the fair-value (MTM) is € -163,605.14; it has been recognised as a liability in the balance sheet in accordance with the relevant accounting standard (O.I.C. 32).

Summary financial statements of the company that exercises management and coordination

Management and coordination activities

The company is not subject to management and coordination by third party companies or entities.

Information pursuant to Art. 1, paragraph 125, of law no. 124 of 4 August 2017

Information pursuant to Article 1, paragraph 125 of Law No. 124 of 4 August 2017 on contributions, subsidies, economic advantages received

This is a supplementary statement of any sums of money received during the financial year by way of grants, subsidies, benefits, contributions or aid, whether in cash or in kind, not of a general nature and not of a consideration, remuneration or indemnity of any kind, from public administrations and the entities referred to in paragraph 125-bis of the same article, the company attests that it has received, in addition to what is reported in the National Register of State Aid, the following:

- Repayment of the 2019/2020 IRAP balance and the 1st instalment of the 2020/2021 IRAP advance, respectively of € 353,690 and € 250,910, as provided for by Article 24 of Decree-Law 34/2020 - Law 77/2020.

Proposed allocation of profits or cover of losses

Proposed allocation of profits or cover of losses

With regard to the profit achieved of € 23,377,739.07, it is proposed to allocate it as follows:

- € 705,187.76 to the legal reserve, up to a fifth of the share capital; the remaining
- € 22,672,551.31 to the extraordinary reserve.

Notes to the financial statements, final part

Milan, 20 September 2021
The Chairman of the Board of Directors
(Andrea Marchiori)

To the sole shareholder of:

TECHBAU S.p.A. with sole shareholder
Piazza Giovine Italia, 3 - 20123 MILAN

<p style="text-align: center;">INDEPENDENT AUDITORS' REPORT <i>Pursuant to art. 14 of Legislative Decree no. 39 of 27</i></p>
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Report on the audit of the financial statements for the year

Opinion

We have audited the financial statements of **TECHBAU S.p.A. with sole shareholder**, which comprise the balance sheet as at **30 June 2021**, the income statement, the cash flow statement for the year then ended and the notes to the financial statements.

We believe that the financial statements provide a true and fair view of the equity and financial position of **TECHBAU S.p.A. with sole shareholder** as at **30 June 2021** and of the economic result and cash flows for the year ended on that date, in compliance with Italian accounting standards on basis of preparation.

Basis for our opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under these standards are further described in the *Auditing firm's responsibility for the audit of the financial statements* section of this report. We are independent of the Company in accordance with the independence and ethical requirements that are relevant to our audit of the financial statements in the Italian jurisdiction. We believe we have acquired sufficient and appropriate audit evidence on which to base our opinion.

References to corporate disclosures

As indicated in the notes to the financial statements, the company has exercised the option provided by Article 27 of Legislative Decree 127 of 9 April 1991 not to prepare consolidated financial statements as it is a subsidiary of Techbau Holding S.r.l., which is required to prepare Group consolidated financial statements.

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

The directors are responsible for the preparation of the financial statements which would provide a true and fair view in accordance with Italian standards governing their preparation criteria and, as required by law, for that part of internal control deemed necessary by them to enable a drafting of financial statements with no material misstatements due to fraud or unintended conduct or events.

The Directors are responsible for assessing the ability of the company to continue to operate as a going concern and, in preparing the financial statements, for the suitability of using the going concern basis, as well as for adequate disclosure. The directors use the going concern basis in the preparation of the financial statements unless they have assessed that the conditions exist for the liquidation of the Company or for the interruption of the activity or they have no realistic alternatives to such choices.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are the acquisition of reasonable assurance that the financial statements as a whole do not contain material misstatement, due to fraud or unintentional conduct or events, and the issuance of a review 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 auditing standards (ISA Italia) will always detect a material misstatement when it exists. Misstatements may arise from fraud or unintentional conduct or events and are considered significant if they can reasonably be expected to be able to influence - whether individually or collectively - the economic decisions made by the users on the basis of the financial statements.

As part of the audit conducted in accordance with international auditing standards (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 due to fraud is higher than the risk of not detecting a material misstatement deriving from unintended conduct or events, because the fraud may entail the existence of collusion, forgery, deliberate omissions, misleading representations or manipulation 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 Company's internal control.
- We assessed the appropriateness of the accounting principles used and the reasonableness of accounting estimates made by the directors, including the related disclosure.
- We came to a conclusion on the appropriateness of the use by the directors of the going concern basis and, based on the audit evidence, on the possible existence of material uncertainty regarding events or circumstances that may give rise to significant doubts about the ability of the Company to continue operating on a going concern basis. In the event of a significant uncertainty, we are obliged to draw attention in the auditor's report to the relevant financial statement information or, if this information is insufficient, to indicate this when issuing our opinion. Our conclusions are based on the audit evidence obtained up to the date of this report. However, subsequent events or circumstances may result in the Company ceasing to operate on a going concern basis.
- We assessed the presentation, structure and content of the financial statements as a whole,

including the disclosure, and whether the financial statements represent the underlying transactions and events in order to provide a correct representation.

Among other aspects, we communicated to the those in charge the governance activities, identified at an appropriate level as required by the ISA Italia, the scope and timing planned for the audit and the significant results which emerged, including any significant deficiencies in the internal control identified during the audit.

Report on other legal and regulatory provisions

Opinion pursuant to Art. 14, paragraph 2, letter e), of Italian Legislative Decree 39/2010

The directors are responsible for the preparation of the management report of **TECHBAU S.p.A. with sole shareholder** as at **30 June 2021**, including its consistency with the related financial statements and its compliance with applicable laws.

We conducted the procedures indicated in the auditing standard (ISA Italia) no. 720B in order to express an opinion on the consistency of the management report with the financial statements of the company and on their compliance with requirements of the law, as well as to report on any material misstatement.

In our opinion, the management report is consistent with the financial statements of **TECHBAU S.p.A. with sole shareholder** as at **30 June 2021** and has been prepared in accordance with the law.

With reference to the declaration pursuant to art. 14, para. 2, letter e) of Legislative Decree 39/10, issued on the basis of the knowledge and understanding of the company and its context acquired in the course of the audit, we have nothing to report.

Milan, 1 October 2021

Prorevi Auditing S.r.l.

[signature]
An administrator

Mr Marco Scampini

TECHBAU S.P.A.
with sole shareholder
Head office in Milan - Piazza Giovine Italia 3
Share Capital: € 9,698,833.00=fully paid-up

REPORT OF THE BOARD OF STATUTORY AUDITORS ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Dear Shareholders,

the financial statements as at 30 June 2021, comprising the balance sheet, the income statement, the cash flow statement and the notes to the financial statements, show a profit of €23,377,739.09, compared with a profit of €8,488,347.47 for the 2019/2020 financial year, and shareholders' equity of €41,284,037.54.

In the year ended 30 June 2021, the Board of Statutory Auditors carried out the functions provided for by Articles 2403 et seq. of the Italian Civil Code, since those provided for by the subsequent Article 2409 *bis* are entrusted to the auditor, *Prorevi Auditing srl*, responsible for auditing the financial statements and accounting.

This document constitutes the Report of the Supervisory Body on the Administration and Legitimacy with the observations and proposals pursuant to Article 2429, paragraph 2, of the Italian Civil Code.

1) Supervisory activities pursuant to Articles 2403 et seq. of the Italian Civil Code.

Supervision on administration

During the 2020 financial year, by means of four audits, the information received from the administrative body and the heads of company functions, and documentary checks, as well as the information obtained from the independent auditors, we monitored the adequacy of the organisational, administrative and accounting structure and its operation, which the Company has adopted pursuant to Articles 2086 and 2381 of the Italian Civil Code. In particular, we supervised:

- a) on the company's organisational structure, examining the procedures in place and the consequent allocation of tasks; in particular, the company prepares periodic balance sheets and income statements, a budget, and frequent and systematic half-yearly cash flow statements;
- b) on the functioning of the internal control system, in order to prevent actions of non-compliance with the law, the articles of association and the principles of proper administration;
- c) on the functioning of the administrative and accounting system, so that it provides reliable data for the preparation of interim and annual financial statements, which must give a true and fair view of management operations.

We have no particular observations to report with reference to the above activities, also given the fact that the supervision of the auditing company's control activities, through the examination of auditing company's periodic reports, did not show any irregularities highlighted by them nor observations submitted to the corporate bodies.

We took part in the shareholders' meetings, which were held in accordance with the statutory and legislative provisions governing their operation; during the meetings held, we obtained information on the general operating performance and its outlook, as well as on the most significant transactions, in terms of nature and size, carried out by the company. On the basis of these meetings and the information received, we can reasonably affirm that the actions resolved and implemented complied with the law and the company's articles of association and were not imprudent, risky, in conflict of interest or such as to compromise the integrity of the company's assets.

Review of legality

During the year, no complaints were received pursuant to Article 2408 of the Italian Civil Code, nor were there any complaints or requests for specific or formal opinions.

In the course of the supervisory activity, as described above, no significant facts emerged concerning the legitimacy of administrative choices such as to require mention in this report.

2) Comments on the financial statements

The administrative body has drawn up the draft financial statements as at 31.12.2020, consisting of the balance sheet, income statement, cash flow statement and notes to the financial statements; we have verified that the insignificant changes made to the reporting format compared to the previous one do not substantially alter its content, nor do the comparisons with the closing values of the previous year.

In particular, €1,000,000 was allocated to the Provision for Risks in the previous year, to which a further € 72,000 was set aside for a contingency that arose during the year. Moreover:

- the administrative body has prepared the management report referred to in Article 2428 of the Italian Civil Code;
- the draft financial statements and management report were communicated to us in time for us to carry out the necessary checks and prepare this report;
- the auditor filed an unqualified report with a positive opinion on 1 October 2021. In the auditor's report, there is a reference to the company's decision to avail itself of the option provided for in Article 27 of Legislative Decree 127/1991 not to prepare consolidated financial statements since it is controlled by the company Techbau Holding Srl, which is required to prepare group consolidated financial statements.

We provide the following additional information on the draft financial statements:

- the criteria indicated for the valuation of assets and liabilities are correct and substantially in line with those adopted in previous years, in accordance with Article 2426 of the Italian Civil Code;
- we have verified compliance with the rules on the preparation of the management report and its consistency with the information contained in the draft financial statements;
- when preparing the financial statements, the administrative body did not make any exceptions to the provisions of law pursuant to Art. 2423, paragraph 4, of the Italian Civil Code;
- detailed information was provided on the performance of the financial year and of the subsidiary and affiliated companies;
- the draft financial statements are consistent with the facts and information of which the Board of Statutory Auditors has become aware as a result of the performance of its duties.

4) Conclusions

Considering the results of the activities carried out, the board of statutory auditors, pursuant to Article 2429, paragraph 2, of the Italian Civil Code, proposes that the shareholders' meeting approve the financial statements for the year ended 30 June 2021 and allocate the result for the year in accordance with the proposal of the administrative body.

Milan, 5 October 2021

THE BOARD OF STATUTORY
AUDITORS

(Mr Guglielmo Foglia)

(Ms Laura Daverio)

(Ms Tatiana Mariani)

TECHBAU SPA
Sole-shareholder joint-stock company
Registered office in MILAN - Piazza Giovine Italia n. 3
Share capital €9,698,833.00 fully paid-up

MINUTES OF THE ORDINARY SHAREHOLDERS' MEETING HELD ON 20 OCTOBER 2021

In the year two thousand and one, on the twentieth day of October - 20/10/2021 - at 5:00 p.m., in Gallarate, Via Marsala no. 36, at the offices of Studio Associato Costadoni-Ceron-Foglia, the Ordinary Shareholders' Meeting of the company met to discuss the following

Agenda

Sole Article: Fulfilment of obligations under Article 2364, para. 1, point 1 of the Italian Civil Code.

Pursuant to the law and the Articles of Association, the meeting is chaired by Mr Andrea Marchiori, in his capacity as Chairman of the Board of Directors, who notes that the Board of Directors is present in the persons of Messrs:

- Mr Andrea Marchiori, Chairman
- Mr. Tiziano Cortella, Managing Director

that the Board of Statutory Auditors is present, in the persons of Messrs:

- Mr Guglielmo Foglia, President
- Ms Laura Daverio, Statutory Auditor
- Ms Tatiana Mariani, Statutory Auditor

that the entire share capital brought by the shareholder "Techbau Holding Srl", in the person of its Sole Shareholder Mr Andrea Marchiori, is present.

The Chairman therefore declares the present meeting regularly constituted and able to pass resolutions.

At the Chairman's suggestion, and by unanimous designation of the participants, Mr Guido Ceron, here present, is called to act as Secretary, who accepts the task.

The Chairman takes the floor and illustrates the Financial Statements at 30/06/2021, the Management Report and the Independent Auditor's Report, copies of which have already been distributed to those present.

At this point, the Chairman of the Board of Statutory Auditors, Mr Guglielmo Foglia, read out the Board's Report.

An in-depth discussion followed, at the end of which the financial statements were approved by the Sole Shareholder identified above, together with the proposal for the allocation of the result achieved, as indicated in the Notes to the Financial Statements.

Having completed the discussion of the Agenda, and with no one asking to speak, the meeting was closed at 5:50 p.m., after these minutes had been drawn up, read and signed.

THE CHAIRMAN
(Mr Andrea Marchiori)

THE SECRETARY
(Mr Guido Ceron)

**CHAMBER OF COMMERCE
MILAN
MONZABRIANZA
LODI**

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No. PRA/619763/2021/CMIAUTO

AUTOMATIC REF. REG. NO., 29/10/2021

RECEIPT OF ELECTRONIC SUBMISSION TO THE MILAN MONZA BRIANZA
LODI COMPANIES REGISTER OFFICE
OF THE FOLLOWING DEEDS AND APPLICATIONS:

RELEVANT TO THE COMPANY:
TECHBAU S.P.A.

LEGAL FORM: JOINT-STOCK COMPANY
TAX CODE AND REGISTRATION NUMBER: 06336690968

PROVINCE ABBREVIATION AND REGISTER OF ECONOMIC & ADMINISTRATIVE INFORMATION
(R.E.A.) NO: MI-1922561
LIST OF DEEDS SUBMITTED:

1) 711 FINANCIAL STATEMENTS

DATE OF DEED: 30/06/2021

2) 508 COMMUNICATION OF LIST OF
SHAREHOLDERS

CONFIRMATION OF LIST OF SHAREHOLDERS

DATE OF DEED: 20/10/2021

LIST OF FORMS SUBMITTED:

B SUBMISSION OF FINANCIAL STATEMENTS
S LIST OF SHAREHOLDERS AND HOLDERS OF RIGHTS ON SHARES OR STOCK

DATE OF APPLICATION: 29/10/2021 FILE REFERENCE REGISTRATION DATE: 29/10/2021

REFERENCE ADDRESS: FGLGLL61A10D869I-FOGLIA GUGLIELMO-BILANCI

Digital signature details

[omissis: advertisement of Chamber of Commerce services]



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**CHAMBER OF COMMERCE
MILAN
MONZABRIANZA
LODI**

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NO. PRA/619763/2021/CMIAUTO

AUTOMATIC REF. NO., 29/10/2021

DETAILS OF ALL TRANSACTIONS CARRIED OUT ON THE AMOUNTS

PAYMENT ITEM	PAYMENT METHOD	AMOUNT	DATE/TIME
SECRETARIAL FEES	AUTOMATIC TELLER	**62.70**	29/10/2021 18:04:32
STAMP DUTY	AUTOMATIC TELLER	**65.00**	29/10/2021 18:04:32

EXACT RESULTS FOR:

STAMPS	**65.00**	AUTOMATIC TELLER
FEES	**62.70**	AUTOMATIC TELLER
TOTAL EURO	**127.70**	

*** Payment in Euro ***

SIGNATURE OF THE
OFFICER
AUTOMATIC REFERENCE
NUMBER

THE PERSON IN CHARGE OF THE PROCEDURE
MARINELLA ROCCA

Date and time of ref. no. registration: 29/10/2021 18:04:32
Date and time of this receipt printout: 29/10/2021 18:04:32

[omissis: advertisement of Chamber of Commerce services]



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