

MEDIA LAB S.P.A.

Financial statements to 31-12-2024

Name and id code	
Company site	PIAZZA IV NOVEMBRE 4 20124 MILANO(MI)
Fiscal code	01228050116
Registration number	MI 1979161
VAT number	01228050116
Share capital Euro	734.700 f.p.
Legal form	(03) Societa' per Azioni
Activity Code (ATECO)	(582900) EDIZIONE DI ALTRI SOFTWARE A PACCHETTO (
Company being wound up	no
Company with a single shareholder	no
Company subject to the management and coordination of others	no
Belonging to a group	no

Balance sheet (mandatory scheme)

	31-12-2024	31-12-2023
Balance sheet (mandatory scheme)		
Assets		
B) Fixed assets		
I - Intangible fixed assets		
3) industrial patents and intellectual property rights	3.595	5.954
7) other	106.430	164.330
Total intangible fixed assets	110.025	170.284
II - Tangible fixed assets		
1) land and buildings	446.989	462.230
2) plant and machinery	7.956	6.158
3) industrial and commercial equipment	(14)	76
4) other assets	29.528	32.155
Total tangible fixed assets	484.459	500.619
Total fixed assets (B)	594.484	670.903
C) Current assets		
II - Receivables		
1) trade accounts		
due within the following year	672.832	441.542
Total trade accounts	672.832	441.542
5-b) tax receivables		
due within the following year	49.679	36.311
Total receivables due from tax authorities	49.679	36.311
5-d) other receivables		
due within the following year	118.476	7.947
Total receivables due from third parties	118.476	7.947
Total receivables	840.987	485.800
IV - Liquid funds		
1) bank and post office deposits	488.723	487.569
3) cash and equivalents on hand	10.630	10.174
Total liquid funds	499.353	497.743
Total current assets (C)	1.340.340	983.543
D) Accrued income and prepayments	6.626	16.683
Total assets	1.941.450	1.671.129

Liabilities and shareholders' equity

A) Shareholders' equity		
I - Share capital	734.700	734.700
IV - Legal reserve	33.857	29.312
VI - Other reserves, indicated separately		
Extraordinary reserve	176.860	175.587
Contributions for future capital increase	2.300	2.300
Miscellaneous other reserves	(1)	(2)
Total other reserves	179.159	177.885
IX - Net profit (loss) for the year	421.926	90.902
Total shareholders' equity	1.369.642	1.032.799
B) Reserves for contingencies and other charges		
1) pension and similar commitments	5.000	-
Total reserves for contingencies and other charges	5.000	-
Total reserve for severance indemnities (TFR)	16.018	18.030
D) Payables		
4) due to banks		
due beyond the following year	28.919	53.433
Total payables due to banks	28.919	53.433
6) advances		
due within the following year	16.591	8.300
Total advances	16.591	8.300
7) trade accounts		
due within the following year	371.221	343.054
Total trade accounts	371.221	343.054
12) due to tax authorities		
due within the following year	94.599	86.268
Total payables due to tax authorities	94.599	86.268
13) due to social security and welfare institutions		
due within the following year	14.892	17.438
Total payables due to social security and welfare institutions	14.892	17.438
14) other payables		
due within the following year	24.568	111.807
Total other payables	24.568	111.807
Total payables (D)	550.790	620.300
Total liabilities and shareholders' equity	1.941.450	1.671.129

Income statement (value and cost of production)

	31-12-2024	31-12-2023
Income statement (value and cost of production)		
A) Value of production		
1) Revenues from sales and services	1.820.163	1.356.074
5) Other income and revenues		
other	108	106
Total Other income and revenues	108	106
Total value of production	1.820.271	1.356.180
B) Costs of production		
6) Raw, ancillary and consumable materials and goods for resale	82.317	59.173
7) Services	624.215	573.116
8) Use of third party assets	40.340	41.328
9) personnel		
a) wages and salaries	296.583	311.463
b) related salaries	109.903	106.907
c) severance	19.890	21.460
Total payroll and related costs	426.376	439.830
10) depreciation, amortisation and write downs		
a) amortisation of intangible fixed assets	60.259	59.187
b) depreciation of tangible fixed assets	27.582	27.177
Total Amortisation, depreciation and write-downs	87.841	86.364
13) Other provisions	5.000	5.000
14) Other operating expenses	74.628	11.010
Total cost of production	1.340.717	1.215.821
Difference between value and cost of production (A - B)	479.554	140.359
C) Financial income and charges		
17) Interest and other financial expense		
other	2.262	2.541
Total interest and other financial expense	2.262	2.541
17-bis) Currency gains and losses	(4)	-
Total financial income and expense (15 + 16 - 17 + - 17-bis)	(2.266)	(2.541)
Pre-tax result (A - B + - C + - D)	477.288	137.818
20) Income tax for the year, current, deferred and prepaid		
Current taxes	55.362	46.916
Total taxes on the income for the year	55.362	46.916

21) Profit (loss) for the year	421.926	90.902
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Financial statement, indirect method

31-12-2024 31-12-2023

Financial statement, indirect method		
A) Cash flows from current activities (indirect method)		
Profit (loss) for the year	421.926	90.902
Income tax	55.362	46.916
Payable (receivable) interest	2.261	2.541
(Capital gains)/Capital losses from business conveyance	-	130
1) Profit (loss) for the year before income tax, interest, dividends and capital gains/losses from conveyances.	479.549	140.488
Adjustments to non monetary items that were not offset in the net working capital.		
Allocations to preserves	24.890	26.460
Fixed asset depreciation/amortisation	87.841	86.364
total adjustments for non-monetary items that were not offset in the net working capital	112.731	112.824
2) Cash flow before changing net working capital	592.280	253.312
Changes to the net working capital		
Decrease/(increase) in payables to customers	(231.290)	(90.794)
Increase/(decrease) in trade payables	28.167	(31.689)
Increase/(decrease) from prepayments and accrued income	10.057	2.294
Other decreases/(other increases) in net working capital	(197.060)	125.099
Total changes to net working capital	(390.126)	4.910
3) Cash flow after changes to net working capital	202.154	258.222
Other adjustments		
Interest received/(paid)	(2.261)	(2.541)
(Income tax paid)	(55.362)	(46.916)
(Use of reserves)	(21.902)	(56.323)
Total other adjustments	(79.525)	(105.780)
Cash flow from current activities	122.629	152.442
B) Cash flows from investments		
Tangible fixed assets		
(Investments)	(11.422)	(8.469)
Intangible fixed assets		
Disposals	-	4.576
Financial fixed assets		
Disposals	-	15.000
Cash flows from investments (B)	(11.422)	11.107
C) Cash flows from financing activities		
Loan capital		
New loans	(24.514)	(46.556)

Equity		
(Dividends and advances on dividends paid)	(85.083)	(50.000)
Cash flows from financing activities (C)	(109.597)	(96.556)
Increase (decrease) in liquid assets (A ± B ± C)	1.610	66.993
Liquid assets at the start of the year		
Bank and post office deposits	487.569	411.784
Cash and valuables in hand	10.174	18.965
Total liquid assets at the start of the year	497.743	430.749
Liquid assets at the end of the year		
Bank and post office deposits	488.723	487.569
Cash and valuables in hand	10.630	10.174
Total liquid assets at the end of the year	499.353	497.743

Information at the foot of the balance sheet

Pursuant to Art. 2425-ter of the Italian Civil Code, the cash flow statement shows, for the current and previous year, the amount and composition of cash and cash equivalents at the beginning and at the end of the year, and the financial flows for the year arising from operating, investing and financing activities, including, with separate indication, transactions with shareholders.

Supplementary Notes to the Financial statements to 31-12-2024

Supplementary notes, initial part

Introduction

Dear Shareholders, the financial statements for the year ended 31/12/2024 have been prepared in accordance with Articles 2423 et seq. of the Italian Civil Code, integrated with the accounting principles issued by the Italian Accounting Organization, on the basis of the provisions contained in Legislative Decree 139/2015 and the amendments introduced thereby.

The financial statements close with a net profit of EUR 421,926 at the time of drafting, net of current, deferred, and prepaid income taxes.

The general clauses for the preparation of the financial statements (Art. 2423 of the Italian Civil Code), the principles for drafting the statements (Art. 2423-bis of the Italian Civil Code), and the valuation criteria for the individual items (Art. 2426 of the Italian Civil Code) have been complied with.

Pursuant to Art. 2423, paragraph 2, of the Italian Civil Code, it should be noted that the financial statements have been prepared with clarity and present a true and fair view of the company's financial position and performance. Pursuant to Art. 2423, paragraph 3, of the Italian Civil Code, the following supplementary information required by specific legal provisions for a true and fair representation is provided:

Pursuant to Art. 2423, paragraph 6, of the Italian Civil Code, it should be noted that the financial statements for the year ended have been prepared in euro units, without decimal figures; any differences resulting from rounding the values expressed in euro units are allocated to the specific equity reserve.

Classification Conventions

In preparing the financial statements, the following classification conventions have been adopted:

1. The asset items of the balance sheet have been classified according to their intended business use, while the liabilities have been classified according to their origin. With reference to items requiring separate disclosure of receivables and payables due within or beyond the following financial year, the criterion of actual collectability was followed, based on forecasts of the effective possibility of collection within the following year.
2. The income statement was prepared taking into account three distinct reclassification criteria, in particular: the subdivision of the entire management area into the four sub-areas identified in the statutory scheme; the preference for classifying costs by nature rather than by function; and the need to correctly highlight the intermediate results in the formation of the year's result.

Activities Carried Out

Your company operates in the production of software, particularly in the biomedical sector.

During the year, operations were carried out regularly; no events occurred that significantly altered business performance, nor required recourse to the exceptions provided under Art. 2423, paragraph 4, of the Italian Civil Code.

Publishing Principles

Pursuant to Art. 2423-bis of the Italian Civil Code, the following principles have been observed in the preparation of the financial statements.

The valuation of the balance sheet items has been carried out prudently and on the assumption of going concern.

The recognition and presentation of the items have been made taking into account the substance of the transaction or contract.

Only profits realized by the closing date of the financial year have been recognized.

Income and expenses pertaining to the year have been considered, regardless of the date of collection or payment.

Risks and losses pertaining to the year have been taken into account, even if they became known after its closing.

Heterogeneous elements included under individual items have been evaluated separately. The valuation criteria have not been changed compared to the previous year.

Exceptional Cases Pursuant to Art. 2423, Fifth Paragraph, of the Civil Code

Pursuant to Art. 2423, paragraph 5, of the Italian Civil Code, it should be noted that none of the exceptions provided therein were applied.

Comparability and Adaptability Problems

In compliance with the provisions of Art. 2423-ter of the Italian Civil Code, for each item of the Balance Sheet and the Income Statement, the corresponding amount from the previous year has been indicated.

Applied Evaluation Criteria

The criteria used in the preparation of the financial statements as at 31/12/2024 comply with the provisions of Art. 2426 of the Italian Civil Code.

Pursuant to Art. 2427, paragraph 1, no. 1), of the Italian Civil Code, the criteria applied in the valuation of the items in the financial statements, in value adjustments, and in the conversion of values not originally expressed in the legal currency of the State, are set out below.

Fixed Assets

Fixed assets are recognized at purchase or production cost; purchase cost also includes ancillary costs.

Production cost includes all costs directly attributable to the product; it also includes, for the portion reasonably attributable to the product, other costs relating to the period of manufacture up to the time when the asset can be used; using the same criteria, charges relating to the financing of production, whether internal or by third parties, have been included. Fixed assets represented by securities are recognized in the financial statements at amortized cost, where applicable.

The cost of tangible and intangible fixed assets with a limited useful life is systematically amortized each year in relation to their residual useful life.

Changes to the amortization criteria and applied coefficients are indicated and justified below.

Fixed assets that, at the closing date of the year, are permanently of a lower value than that determined pursuant to numbers 1) and 2) of Art. 2426 of the Italian Civil Code have been recognized at this lower value.

This lower value has not been maintained for those fixed assets for which the reasons for the adjustment no longer exist (this provision does not apply to value adjustments relating to goodwill).

Start-up and expansion costs and development costs with multi-year utility are recognized under assets with the approval, where applicable, of the Board of Statutory Auditors.

Start-up and expansion costs are amortized over a period not exceeding five years.

Development costs are amortized according to their useful life; in exceptional cases where it is not possible to reliably estimate their useful life, they are amortized over a period not exceeding five years.

Until the amortization of start-up, expansion, and development costs has been completed, dividends are distributed only if there are sufficient available reserves to cover the amount of unamortized costs.

Goodwill is recognized under assets with the approval, where applicable, of the Board of Statutory Auditors, if acquired for consideration, up to the cost incurred.

Goodwill is amortized according to its useful life; in exceptional cases where it is not possible to reliably estimate its useful life, it is amortized over a period not exceeding ten years. The amortization period of goodwill is explained below.

Receivables and Payables

Receivables and payables are recognized in the financial statements at amortized cost, taking into account the time factor and, for receivables, their presumed realizable value.

Monetary Assets and Liabilities in Foreign Currency

Monetary assets and liabilities in foreign currency are recognized at the spot exchange rate on the balance sheet date; the resulting exchange gains or losses are charged to the income statement, and any net gain is allocated to a specific non-distributable reserve until realized.

Non-monetary assets and liabilities in foreign currency are recognized at the exchange rate in effect at the time of their acquisition.

Revenues, Income, Costs, and Expenses

Revenues and income, costs and expenses are recorded net of returns, discounts, allowances, and bonuses, as well as taxes directly connected to the sale of products and the provision of services.

Revenues and income, costs and expenses relating to foreign currency transactions are determined at the exchange rate in effect on the date the transaction was carried out.

Income and expenses relating to forward repurchase agreements, including the difference between the forward price and the spot price, are recognized in proportion to the share attributable to the year.

Capital gains arising from sale-and-leaseback transactions are allocated according to the duration of the lease contract.

Supplementary Notes – Assets

The assets of the financial statements are analyzed below, with evidence pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, of the changes in the consistency of the other asset items.

Fixed Assets

The following section provides an analysis of intangible, tangible, and financial fixed assets.

Intangible Fixed Assets

The following section provides an analysis of intangible fixed assets.

Changes in Intangible Fixed Assets

Pursuant to Art. 2427, paragraph 1, no. 2) of the Italian Civil Code, the following schedule shows the movements in intangible fixed assets, specifying for each item: cost, previous revaluations, depreciation and write-downs; acquisitions, transfers from one item to another, disposals during the year, revaluations, depreciation and write-downs carried out during the year, and the total revaluations relating to intangible fixed assets existing at the end of the year.

	Industrial patents and intellectual property rights	Other intangible fixed assets	Total intangible fixed assets
Year opening balance			
Cost	46.308	440.374	486.682
Amortisation (amortisation fund)	40.354	276.044	316.398
Balance sheet value	5.954	164.330	170.284
Changes during the year			
Depreciation/amortisation for the year	2.358	57.901	60.259
Total changes	(2.359)	(57.901)	(60.260)
Year closing balance			
Cost	46.308	440.374	486.682
Amortisation (amortisation fund)	42.713	333.945	376.658
Balance sheet value	3.595	106.430	110.025

Intangible Fixed Assets

Intangible fixed assets consist of research and development costs and other costs with multi-year use.

Tangible Fixed Assets

The following section provides an analysis of tangible fixed assets.

Changes in Tangible Fixed Assets

Pursuant to Art. 2427, paragraph 1, no. 2) of the Italian Civil Code, the following schedule shows the movements in tangible fixed assets, specifying for each item: cost, previous revaluations, depreciation and write-downs; acquisitions, transfers from one item to another, disposals during the year, revaluations, depreciation and write-downs carried out during the year, and the total revaluations relating to tangible fixed assets existing at the end of the year.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible fixed assets	Total tangible fixed assets
Year opening balance					
Cost	597.726	23.614	13.449	139.771	774.560
Amortisation (amortisation fund)	135.495	17.456	13.372	107.616	273.939

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible fixed assets	Total tangible fixed assets
Balance sheet value	462.230	6.158	76	32.155	500.619
Changes during the year					
Increases for purchases	-	3.420	1.833	6.170	11.423
Reclassifications (of the balance sheet value)	(1)	-	(1)	-	(2)
Depreciation/amortisation for the year	15.241	1.621	1.923	8.797	27.582
Total changes	(15.242)	1.799	(91)	(2.627)	(16.161)
Year closing balance					
Cost	597.726	27.034	15.282	145.941	785.983
Amortisation (amortisation fund)	150.737	19.077	15.296	116.413	301.523
Balance sheet value	446.989	7.956	(14)	29.528	484.459

Tangible fixed assets consist of the company building, plants, office furniture and furnishings, and various equipment.

Current Assets

The current assets are analyzed below.

Receivables Included among Current Assets

The following section provides an analysis of receivables recorded under current assets.

Changes and Maturity of Receivables Posted to Current Assets

Pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, the changes in receivables recorded under current assets are shown below, with evidence of amounts falling due within and beyond the financial year and, pursuant to Art. 2427, paragraph 1, no. 6), of those with a residual maturity exceeding five years.

	Year opening balance	Change during the year	Year closing balance	Amount due within 12 months
Trade receivables included among current assets	441.542	231.290	672.832	672.832
Tax receivables included among current assets	36.311	13.368	49.679	49.679
Other receivables included among current assets	7.947	110.529	118.476	118.476
Total receivables included among current assets	485.800	355.187	840.987	840.988

Receivables are recorded at their presumed realizable value.

Liquid funds

Pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, the changes in cash and cash equivalents during the year are presented below, with the balance representing the existence of cash and cash equivalents at the closing date of the financial year.

	Year opening balance	Change during the year	Year closing balance
Bank and post office deposits	487.569	1.154	488.723
Cash and other cash in hand	10.174	456	10.630
Total liquid funds	497.743	1.610	499.353

Cash and cash equivalents are measured at nominal value..

accrued income and prepayments

Accrued income and prepaid expenses include income accruing to the current year but collectible in subsequent years, and costs incurred before the year-end but pertaining to subsequent years. Only portions of income and costs common to two or more years, the amount of which varies over time, are recorded under these items.

Pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, the changes that occurred during the year are presented below.

	Year opening balance	Change during the year	Year closing balance
Deferred income	16.683	(10.057)	6.626
Total accrued income and prepaid expenses	16.683	(10.057)	6.626

This item essentially consists of the deferral of costs already recorded.

Supplementary notes, liabilities and net equity

The liabilities and shareholders' equity of the financial statements are analyzed below, with evidence pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, of the changes in the consistency of the other liability items and, in particular, for shareholders' equity, provisions, and severance indemnity, regarding their formation and utilizations.

Shareholders' equity

Shareholders' equity consists of the company's own resources employed for the conduct of business activities.

Changes in shareholders' equity

Pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, the items of shareholders' equity are analytically presented in the following statements, showing their formation and utilizations. Pursuant to Art. 2427, paragraph 1, nos. 7 and 7-bis) of the Italian Civil Code, the items of shareholders' equity and other reserves are analytically presented in the following statements, specifying their origin, possibilities of utilization and distribution, as well as their utilization in previous years.

	Year opening balance	Other changes		Result for the year	Year closing balance
		Increases	Decreases		
Capital	734.700	-	-		734.700
Legal reserve	29.312	4.545	-		33.857
Other reserves					
Extraordinary reserve	175.587	1.273	-		176.860
Contributions for future capital increase	2.300	-	-		2.300
Miscellaneous other reserves	(2)	1	-		(1)
Total other reserves	177.885	1.274	-		179.159
Profit (loss) for the year	90.902	421.926	90.902	421.926	421.926
Total shareholders' equity	1.032.799	427.745	90.902	421.926	1.369.642

It is worth noting that, by notarial deed Patanè, rep. no. 92,168 of 05.04.2017, the company carried out an initial capital increase from EUR 100,000.00 to EUR 171,250.00, partly free of charge through the allocation of the extraordinary reserve of EUR 37,000.00 and partly for consideration, by offering said shares to a new shareholder for EUR 34,250.00, in addition to a share premium of EUR 65,750.00, for a total amount of EUR 100,000.00. Subsequently, by notarial deed Patanè, rep. no. 92,315 of 25.05.2017, the company further increased its share capital free of charge from EUR 171,250.00 to EUR 237,000.00 using the share premium reserve of EUR 65,750.00, and furthermore was transformed into a joint stock company (S.p.A.) with share capital divided into 2,370,000 shares with a nominal value of EUR 0.10 each. In addition, a payment by shareholders was made into a future capital increase reserve amounting to EUR 500,000.00. On 23.03.2018, the company was listed on the Euronext Stock Exchange in Paris. Finally, by notarial deed Infantino, rep. no. 44,942 of 19.12.2019, the company further increased its share capital from EUR 237,000.00 to EUR 734,700.00 through the use of the aforementioned reserve for a future capital increase, increasing the nominal value of the outstanding shares from EUR 0.10 to EUR 0.31 each.

Use of shareholders' equity

Pursuant to Art. 2427, paragraph 1, nos. 7 and 7-bis) of the Italian Civil Code, the following details are provided for each item of shareholders' equity and for the other reserves: their origin/nature, possibilities of utilization, available portion, and distributability, as well as their utilization in the previous three years for the coverage of losses or for other purposes.

	Amount	Origin / nature	Possible use	Available amount
Capital	734.700			-
Legal reserve	33.857	U	B	-

	Amount	Origin / nature	Possible use	Available amount
Other reserves				
Extraordinary reserve	176.860	U	A,B,C,D,E	176.860
Contributions for future capital increase	2.300	C	A,B,C,D,E	2.300
Miscellaneous other reserves	(1)			-
Total other reserves	179.159			179.160
Total	947.716			179.160
Residual available share				179.160

Key: A: for capital increase, B: to cover losses, C: distribution to shareholders, D: for other articles of association restrictions, E: other

Pursuant to Art. 2426, no. 5 of the Italian Civil Code, profits and reserves are not distributable in an amount equal to the start-up, expansion, and development costs with multi-year utility that have not yet been amortized.

Provisions for risks and charges

Pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, the following information is provided on provisions for risks and charges, showing their formation and utilizations.

	Provisions for pension liabilities and similar obligations	Total provisions for risks and charges
Changes during the year		
Operating accrual	5.000	5.000
Total changes	5.000	5.000
Year closing balance	5.000	5.000

The amount essentially consists of the provision for the directors' severance indemnity fund (TFM).

Staff severance fund

Pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, the following information is provided on the severance indemnity for employees, showing its formation and utilizations. The amount has been calculated in accordance with Art. 2120 of the Italian Civil Code.

	Staff severance fund
Year opening balance	18.030
Changes during the year	
Operating accrual	19.890
Use in the financial year	21.902
Total changes	(2.012)
Year closing balance	16.018

The severance indemnity liability changed as a result of the provisions and utilizations indicated above.

Payables due to companies controlled by parent companies

The composition of the company's liabilities is analyzed below.

Payables changes and due date

Pursuant to Art. 2427, paragraph 1, no. 4) of the Italian Civil Code, the changes in liabilities are analyzed below, showing the amounts falling due within and beyond the financial year and, pursuant to Art. 2427, paragraph 1, no. 6) of the Italian Civil Code, those with a residual maturity exceeding five years.

	Year opening balance	Change during the year	Year closing balance	Amount due within 12 months	Amount due beyond 12 months
Payables to banks	53.433	(24.514)	28.919	-	28.919
Advances	8.300	8.291	16.591	16.591	-
Payables to suppliers	343.054	28.167	371.221	371.221	-
Tax payables	86.268	8.331	94.599	94.599	-
Payables due to social security and welfare institutions	17.438	(2.546)	14.892	14.892	-
Other payables	111.807	(87.239)	24.568	24.568	-
Total payables (D)	620.300	(69.509)	550.790	521.871	28.919

Liabilities are recorded at nominal value.

Liabilities due beyond the financial year consist of certain loans entered into with Banca Carispezia – Crédit Agricole, repayable in 60 monthly instalments.

Supplementary notes, income statement

The company's income statement shows a significantly positive trend, with an increase in production value of more than 25% compared to the previous year.

Value of production

The production value consists of revenues from sales and services, changes in inventories of work in progress, semi-finished and finished products, changes in contract work in progress, increases in fixed assets for internal work, and other revenues and income.

Cost of production

The components of production costs are analyzed below.

Costs for raw materials, supplies, consumables and goods, costs for services, and costs for the use of third-party assets. These are closely related to the trend in point A (production value) of the income statement.

Personnel costs

This item includes the total cost of employees, including merit increases, promotions, contingency increments, the cost of unused vacation, and accruals required by law and collective agreements.

Depreciation of tangible fixed assets

As regards depreciation, it should be noted that it has been calculated based on the useful life of the asset and its utilization in the production phase.

Financial income and charges

Financial income and expenses for the year are analyzed below.

Breakdown of interest and other financial liabilities by payables type

Pursuant to Art. 2427, paragraph 1, no. 12) of the Italian Civil Code, the breakdown of interest and other financial charges referred to in Art. 2425, no. 17) of the Italian Civil Code, relating to bond loans, bank borrowings, and others, is detailed below.

	Interest and other financial liabilities
Payables to banks	1.949
other	313
Total	2.262

Income tax for the year, current, deferred and prepaid

Taxes are allocated based on the expected liability for the year and consist of current taxes.

It is worth noting that the company adhered to the two-year preventive agreement for the years 2024 and 2025 pursuant to Legislative Decree no. 13 of 12.02.2024; therefore, the IRES and IRAP tax liability for 2024 has been accrued on the basis of the aforementioned legislation.

Supplementary notes, financial statement

With regard to the company's cash flow statement, it is considered useful to point out that it has been prepared using the indirect method.

Supplementary notes, other information

It is considered that there is no further information to be highlighted.

Employment data

Pursuant to Art. 2427, paragraph 1, no. 15) of the Italian Civil Code, the average number of the company's employees, broken down by category, is shown below.

	Average number
Office staff	11
Other employees	1
Total employees	12

Remuneration, advances and credits granted to directors and auditors and commitments on their behalf

Pursuant to Art. 2427, paragraph 1, no. 16) of the Italian Civil Code, the amount of compensation, advances, and loans granted to directors and statutory auditors, cumulatively for each category, is shown below, specifying the interest rate, the main conditions, and the amounts repaid, canceled, or waived, as well as the commitments undertaken on their behalf as a result of guarantees of any kind provided, indicating the total for each category.

	Directors	Auditors
Remuneration	121.538	7.500

The remuneration of the Board of Statutory Auditors is determined on the basis of the professional fee schedule.

Proposed use of profits or hedging of losses

Pursuant to Art. 2427, paragraph 1, no. 22-septies) of the Italian Civil Code, the decision regarding the allocation of the net result for the year of EUR 421,926.36 is referred to the shareholders' meeting.

Supplementary notes, final part

These financial statements, consisting of the balance sheet, income statement, cash flow statement, and notes, present a true and fair view of the company's financial position and performance and correspond to the results of the accounting records. This explanatory note forms an integral part of the financial statements, and the accounting information contained herein corresponds to the company's accounting records kept in compliance with current regulations. It is considered that there is no further information to be provided, beyond that required by specific legal provisions, in order to give a true and fair representation of the company's financial position and performance. It is reiterated that the valuation criteria set out herein comply with civil law regulations, and the results of the financial statements correspond to the balances of the accounting records kept in compliance with current regulations.

Milano, 28.02.2025.

The Chairman of the Board of Directors
(Dr. Massimo Ivani)

Balance sheet conformity statement

It is hereby declared that the electronic document in XBRL format containing the balance sheet and the income statement is consistent with the corresponding original documents filed with the company.

The undersigned sole director declares that this electronic document in XBRL format is consistent with that which will be transcribed and signed in accordance with the law in the company's statutory books kept pursuant to law.

Copy on electronic media consistent with the original document on paper, pursuant to Articles 38 and 47 of Presidential Decree 445/2000, transmitted for use by the Companies Register.