

ITWAY GROUP
DRAFT CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

CONSOLIDATED INCOME STATEMENT

<i>Euro thousand</i>	Exercise at	
	December 31, 2024 Itway Group	December 31, 2023 Itway Group
Sales revenue *	56.700	47.388
Other operating income *	1.978	1.698
Product Costs *	(44.625)	(39.046)
Service Charges *	(4.152)	(3.315)
Personnel costs	(7.171)	(4.766)
Other operating expenses	(452)	(268)
Gross operating profit (EBITDA) **	2.278	1.691
Depreciation, amortization and impairment	(988)	(2.253)
Operating result (EBIT) **	1.290	(562)
Financial income *	39	32
Financial charges	(960)	(672)
Other financial income and expenses	139	721
Income and expenses from the closure and sale of equity investments	-	-
Profit before tax	508	(481)
Taxes for the year	(43)	151
Profit for the year	465	(330)
Attributable:		
Shareholders of the parent company	641	(275)
Third-party interests	(176)	(55)
Earnings per share		
<u>From activities in operation:</u>		
Base	0,05	(0,03)
Diluted	0,05	(0,03)

STATEMENT OF COMPREHENSIVE INCOME

<i>Euro thousand</i>	Year ended	
	December 31, 2024 Itway Group	December 31, 2023 Itway Group
Profit for the year	465	(330)
Components that can be reclassified to the Income Statement:		
Profit/loss from the translation of the financial statements of a foreign subsidiary	(196)	(685)
Components that cannot be reclassified to the Income Statement:		
Actuarial gains/(losses) from employee benefit plans	44	(68)
Aggregate	313	(1.083)
Attributable:		
Shareholders of the parent company	490	(1.031)
Third-party interests	(176)	(52)

STATEMENT OF FINANCIAL POSITION

<i>Euro thousand</i>	Year ended	
	31/12/24	31/12/23
ACTIVITY		
Non-current assets		
Property, plant and equipment	1.160	897
Starting	3.376	1.845
Other intangible assets	6.150	4.913
Rights of use	2.679	2.700
Investments	603	603
Deferred tax assets	2.638	2.504
Non-current financial assets	23	-
Other non-current assets	18	17
Total	16.547	13.479
Current Assets		
Inventories	617	836
Trade receivables	26.007	20.774
Other current activities	1.183	750
Cash and cash equivalents	1.227	2.109
Current financial assets	1.219	1.163
Total	30.253	25.632
Total assets	46.800	39.111
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital and reserves	11.724	11.893
Profit for the year	641	(275)
Total Group Shareholders' Equity	12.365	11.618
Social capital and minority reserves		
Minority profit for the year	1.213	1.149
	(176)	(55)
Total Shareholders' Equity	13.402	12.712
Non-current liabilities		
Employee benefits	920	621
Non-current trade payables	10	130
Provisions for risks and charges	13	13
Deferred tax liabilities	181	175
Non-current financial liabilities	4.619	3.259
Total	5.743	4.198
Current liabilities		
Current financial liabilities	1.723	727
Current trade payables	19.703	15.094
Tax debts	3.744	3.516
Other current liabilities	2.485	2.864
Total	27.655	22.201
Total liabilities	33.398	26.399
Total shareholders' equity and liabilities	46.800	39.111

Statement of changes in consolidated equity accounts

Euro thousand	Cumulative gains (losses)								Group PN	Third-party PNs	Group and third-party PNs
	Share capital	Treasury share reserve	Reserve from over. Stocks and other operations	Legal reserve	Voluntary reserve	Other reserves	Translation reservation	Profit for the year			
Balance as of 01/01/2023	5.200	(320)	20.172	485	4.792	(12.330)	(5.329)	(403)	12.267	1.132	13.399
Capital increases from P.O. conversion	108	-	177	-	-	-	-	-	285	-	285
Total transactions with shareholders	108	-	177	-	-	-	-	-	285	-	285
Allocation of the result for the year	-	-	-	-	-	(403)	-	403	-	-	-
Other Movements/Application of IAS 8	-	-	-	-	-	49	-	-	49	16	65
Other Movements/Application of IAS 32	-	-	-	-	-	32	-	-	32	14	46
Profit for the year	-	-	-	-	-	-	-	(275)	(275)	(55)	(330)
<i>Other components of the Comprehensive Income as at 31 December 2023:</i>											
Actuarial gains/(losses) on employee benefits	-	-	-	-	-	(55)	-	-	(55)	(13)	(68)
Exchange rate differences from balance sheet translation into foreign currency	-	-	-	-	-	-	(685)	-	(685)	-	(685)
Aggregate	-	-	-	-	-	(55)	(685)	(275)	(1.015)	(68)	(1.083)
Balance as of 31/12/2023	5.308	(320)	20.349	485	4.792	(12.707)	(6.014)	(275)	11.618	1.094	12.712

Euro thousand	Cumulative gains (losses)								Group PN	Third-party PNs	Group and third-party PNs
	Share capital	Treasury share reserve	Reserve from over. Stocks and other operations	Legal reserve	Voluntary reserve	Other reserves	Translation reservation	Profit for the year			
Balance as of 01/01/2024	5.308	(320)	20.349	485	4.792	(12.707)	(6.014)	(275)	11.618	1.094	12.712
Capital increases from P.O. conversion	-	-	315	-	-	-	-	-	315	135	450
Change in scope	-	-	(58)	-	-	-	-	-	(58)	(15)	(73)
Total transactions with shareholders	-	-	257	-	-	-	-	-	257	120	377
Allocation of the result for the year	-	-	-	-	-	(275)	-	275	-	-	-
Profit for the year	-	-	-	-	-	-	-	641	641	(176)	465
<i>Other components of the Comprehensive Income as at 31 December 2024:</i>											
Actuarial gains/(losses) on employee benefits	-	-	-	-	-	42	-	-	42	2	44
Other variations	-	-	-	-	-	(6)	-	-	(6)	(1)	(7)
Exchange rate differences from balance sheet translation into foreign currency	-	-	-	-	-	-	(187)	-	(187)	(2)	(189)
Aggregate	-	-	-	-	-	36	(187)	641	490	(176)	313
Balance as of 31/12/2024	5.308	(320)	20.606	485	4.792	(12.946)	(6.201)	641	12.365	1.037	13.402

CONSOLIDATED CASH FLOW STATEMENT

Euro thousand	Year ended	
	31/12/24	31/12/23
"Itway Group Net" result	465	(330)
<u>Adjustments for items that do not affect liquidity:</u>		
Non-monetary economic components	(215)	168
Depreciation and amortization of tangible assets	126	81
Depreciation and amortization of intangible assets	667	500
Depreciation of rights of use	196	172
Provision for doubtful accounts	127	1.500
Provision for risks	-	-
Provision for employee benefits net of payments vso ist. provid.	265	148
Taxes	43	(151)
<u>Cash flow from operating activities before changes in working capital</u>	1.674	2.088
Employee benefit payments	34	(106)
Change in trade receivables and other current assets	(5.464)	1.392
Change in inventories	219	(368)
Change in trade payables and other current liabilities	4.672	427
Effects of deconsolidation of Itway Iberica	-	-
Taxes paid	-	(16)
<u>Cash flow from operating activities generated (absorbed) by changes in NCC</u>	(539)	1.329
<u>Cash flow from operating activities (A)</u>	1.135	3.417
Investments in tangible and intangible assets	(2.469)	(952)
(Investments)/Divestments in other equity investments and financial assets	(108)	(741)
Change in trade payables and other non-current liabilities	(120)	130
Investment for business combination in Seacom S.r.l.	(1.050)	-
Change in cash and cash equivalents due to the combination of Seacom S.r.l.	151	-
<u>Cash flow from investing activities (B)</u>	(3.596)	(3.300)
Origination/(Repayments) of current financial liabilities	590	31
Origination/(Repayments) of non-current financial liabilities	1.176	(50)
Other differences	-	351
<u>Cash flow from financing activities (C)</u>	1.766	332
Net change in the translation reserve of non-Euro currencies	(187)	(685)
<u>Cash flow from discontinued assets (D)</u>	-	-
<u>Increase/(decrease) in cash and cash equivalents (A+B+C+D)</u>	(882)	(236)
Cash and cash equivalents at the beginning of the period	2.109	2.345
Cash and cash equivalents at the end of the period	1.227	2.109

ITWAY S.P.A.

**DRAFT SEPARATE BUDGET
AS OF 31 DECEMBER 2024**

INCOME STATEMENT

<i>Euro units</i>		Year ended	
		December 31, 2024	December 31, 2023
Sales revenue		5.953.369	4.135.203
	<i>of which due to Group companies</i>	<i>1.371.008</i>	<i>1.107.808</i>
Other operating income		1.023.307	765.239
	<i>of which due to Group companies</i>	<i>1.000</i>	<i>13.300</i>
Costs per product		(1.634.879)	(1.383.316)
Service fees		(2.373.527)	(1.922.716)
	<i>of which due to Group companies</i>	<i>(115.000)</i>	<i>(108.000)</i>
Personnel costs		(2.001.414)	(1.389.579)
Other operating expenses		(200.107)	(133.310)
	<i>of which due to Group companies</i>	<i>(70.000)</i>	<i>(70.000)</i>
Gross operating profit (EBITDA)		766.749	71.521
Depreciation, amortization and impairment losses		(497.919)	(1.871.672)
Operating profit (EBIT)		268.829	(1.800.151)
Financial income		15.428	23.966
Financial charges		(235.417)	(209.429)
	<i>of which due to Group companies</i>	<i>(56.284)</i>	<i>(63.118)</i>
Other financial income and expenses		4.983	(7.407)
Result of subsidiaries/associates accounted for using the equity method		434.583	1.421.701
Profit before tax		488.407	(571.320)
Taxes for the year		114.608	609.408
Result for the year from continuing operations		603.015	38.088

STATEMENT OF COMPREHENSIVE INCOME

<i>Euro units</i>	December 31, 2024	December 31, 2023
Profit for the year	603.015	38.088
Components that cannot be reclassified to the Income Statement:		
Actuarial gains/(losses) from employee benefit plans	37.095	(15.662)
Components that can be reclassified to the Income Statement:		
Comprehensive Income/(Loss) from the application of IAS27	(188.039)	(681.235)
Profit for the year	452.071	(658.809)

STATEMENT OF FINANCIAL POSITION

	31/12/24	31/12/23
<i>Euro units</i>		
ACTIVITY		
Non-current assets		
Property, plant and equipment	233.251	52.243
Other intangible assets	3.197.080	2.671.036
Rights of use	2.580.218	2.685.977
Investments	8.200.229	7.857.420
Deferred tax assets	2.545.087	2.435.005
Total	16.755.865	15.701.681
Current Assets		
Inventories	58.053	28.587
Trade receivables	2.113.152	2.430.629
Receivables from subsidiaries of a financial nature	8.174.653	8.095.102
Trade receivables from subsidiaries	862.806	261.747
Other current activities	460.630	155.333
Other financial receivables	-	-
Cash and cash equivalents	318.584	768.589
Total	11.987.878	11.739.987
Total assets	28.743.743	27.441.668
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	5.306.935	5.306.935
Treasury share reserve	(321.103)	(321.103)
Share premium reserve	18.430.546	18.430.546
Legal reserve	486.808	484.904
Retained earnings/(losses)	(13.882.299)	(13.767.539)
Profit for the year	603.015	38.088
Total	10.623.902	10.171.831
Non-current liabilities		
Employee benefits	343.908	339.071
Non-current trade payables	10.000	130.000
Provisions for risks and charges	8.246.820	8.150.556
Deferred tax liabilities	12.048	8.425
Non-current financial liabilities	2.223.015	1.810.238
Total	10.835.791	10.438.290
Current liabilities		
Current financial liabilities	590.298	327.364
Current trade payables	2.245.235	1.835.981
Payables to subsidiaries	2.614.434	2.801.465
Tax debts	474.707	370.222
Other current liabilities	1.359.376	1.496.515
Total	7.284.050	6.831.547
Total liabilities	18.119.841	17.269.837
Total shareholders' equity and liabilities	28.743.743	27.441.668

Statement of changes in equity accounts

The following table summarises the changes in the Company's shareholders' equity:

Euro units	Share capital	Treasury share reserve	Reserve from over. Stocks and other operations	Profit Reserves		Result for the year	Equity
				Legal reserve	Retained earnings/losses ¹		
Balance as of January 1, 2023	5.199.367	(321.103)	18.253.316	484.904	(12.661.897)	(408.745)	10.545.842
Capital increases from P.O. conversio	107.568	-	177.230	-	-	-	284.798
Total transactions with shareholder	107.568	-	177.230	-	-	-	284.798
Allocation of profit for the year	-	-	-	-	(408.745)	408.745	-
Profit for the year	-	-	-	-	-	38.088	38.088
<i>Other components of the comprehensive result as at 31 December 2023:</i>							
Comprehensive Income/(Loss) from the application of IAS 27 R	-	-	-	-	(681.235)	-	(681.235)
Actuarial gains/(losses) on employee benefit plans	-	-	-	-	(15.662)	-	(15.662)
Aggregate	-	-	-	-	(696.897)	38.088	(658.809)
Balance as at 31 December 2023	5.306.935	(321.103)	18.430.546	484.904	(13.767.539)	38.088	10.171.831

¹ The retained earnings/(losses) reflects the effects of the transition to IAS/IFRS.

Euro units	Share capital	Treasury share reserve	Reserve from over. Stocks and other operations	Profit Reserves		Result for the year	Equity
				Legal reserve	Retained earnings/losses ¹		
Balance as of January 1, 2024	5.306.935	(321.103)	18.430.546	484.904	(13.767.539)	38.088	10.171.831
Capital increases from P.O. conversio	-	-	-	-	-	-	-
Total transactions with shareholder	-	-	-	-	-	-	-
Allocation of profit for the year	-	-	-	1.904	36.184	(38.088)	-
Profit for the year	-	-	-	-	-	603.015	603.015
<i>Other components of the overall result as at 31 December 2024:</i>							
Comprehensive Income/(Loss) from the application of IAS 27 R	-	-	-	-	(188.039)	-	(188.039)
Actuarial gains/(losses) on employee benefit plans	-	-	-	-	37.095	-	37.095
Aggregate	-	-	-	-	(150.944)	603.015	452.071
Balance as at 31 December 2024	5.306.935	(321.103)	18.430.546	486.808	(13.882.299)	603.015	10.623.902

¹ The retained earnings/(losses) reflects the effects of the transition to IAS/IFRS.

STATEMENT OF CASH FLOWS

The following table summarises the performance of the Company's cash flows:

<i>Thousands of Euro</i>	Financial year ended 31/12/2024	Financial year ended 31/12/2023
Profit for the year	452	38
<i>Adjustments for items that do not affect liquidity:</i>		
Non-monetary economic components	(229)	(3)
Depreciation of tangible assets	56	26
Amortization of intangible assets	259	182
Depreciation of rights of use	123	102
Provision for doubtful accounts	-	1.500
Provision for severance pay and retirement benefits	91	51
Controlled results assessed by the PN method	(435)	(1.422)
Taxes	(115)	(609)
<i>Cash flow from operating activities before changes in working capital</i>	202	(135)
Severance payments	(87)	(19)
Change in trade receivables from third parties	317	(1.726)
Change in financial and trade receivables from subsidiaries	(681)	599
Change in inventories	(29)	(29)
Change in other current assets and liabilities	(338)	729
Change in current trade payables	333	668
<i>Cash flow from operating activities generated (absorbed) by changes in NCC</i>	(485)	222
<i>Cash flow from operating activities (A)</i>	(283)	87
Change in financial and non-financial non-current assets	(110)	(717)
Investments in tangible assets (net of divestments)	(237)	(62)
Investment in other intangible assets (net of divestments)	(685)	(1.030)
Rights of use	(17)	(6)
Change in financial receivables	-	2.110
<i>Cash flow from investing activities (B)</i>	(1.049)	295
Origination/(Repayments) of current financial liabilities	507	12
Origination/(Repayments) of non-current financial liabilities	169	(171)
IAS 27	206	427
Convertible P.O. issue	-	-
<i>Cash flow from financing activities (C)</i>	882	268
<i>Cash flow from discontinued assets (D)</i>	-	-
<i>Increase/(decrease) in cash and cash equivalents (A+B+C+D)</i>	(450)	650
Cash and cash equivalents at the beginning of the period	769	119
Cash and cash equivalents at the end of the period	319	769