

2020

General information about the company	
Demographics	
naming	EDILIZIACROBATICA S.p.A.
location	20100 MILANO (MI) VIA TURATI, 29
share capital	803.249,80
fully paid-up share capital	Yes
CCIAA code	
VAT number	1438360990
tax code	1438360990
REA number	MI – 1785877
legal form	Joint stock companies
Main business sector (ATECO)	43.99.09
companies in liquidation	No.
a company with a single partner	No.
a company that is subject to management and coordination activities by others	No.
name of the company or body carrying out the management activity and coordination	
group membership	Yes
name of the parent company	Arim Holding srl
country of the parent company	United Kingdom
registration number in the register of cooperatives	

Balance sheet

<u>ASSETS</u>	31.12.2020	31.12.2019
TO YOUR MEMBER'S CREDITS FOR OUTSTANDING PAYMENTS	-	-
B. FIXED ASSETS		
I. Intangible assets		
1) Installation and enlargement costs	2.556.805	2.531.013
2) Development costs	20.000	40.000
3) Industrial patent rights and rights of use of works of ingenuity	326.638	113.717
4) concessioners, licenses, trademarks and similar rights	1.751	-
5) Goodwill	-	-
6) current assets and allowances	304.901	237.919
7) other intangible assets	761.542	594.499
8) difference from consolidation	-	-
Total intangible assets	3.971.637	3.517.148
II. Tangible fixed assets		
1) Land and buildings	-	-
2) plant and machinery	155.849	145.876
3) Industrial and commercial equipment	228.815	176.556
4) other goods	651.089	571.752
5) current assets and allowances	-	-
6) Leasing fixed assets	-	-
Total material assets	1.035.753	894.185
III. Financial fixed assets		
1) Investments		
(a) in subsidiaries	975.000	539.250
(b) in related undertakings	-	-
(c) in parent undertakings	-	-
(d) undertakings under the control of the parent companies	-	-
(d-bis) other undertakings	-	-
2) Credits		
(a) to subsidiaries	209.769	511.001
(b) to related undertakings	-	-
(c) to controlling agents	-	-
(d) undertakings under the control of the parent companies	-	-
(d-bis) other undertakings	-	-
<i>Payable by the financial year</i>	-	-
<i>Payable after the following financial year</i>	-	-
3) other titles	-	-
4) financial derivatives assets	33.224	-
Total financial assets	1.217.993	1.050.251
TOTAL FIXED ASSETS (B)	6.225.383	5.461.584
C. CURRENT ASSETS		
I. Inventories		

1) Raw materials, subsidiaries and consumer products	2.584.992	2.315.757
2) Products in process and semi-finished products	-	-
3) work-in-progress to order	-	-
4) finished goods and goods	-	-
5) advances	-	-
Total inventory	2.584.992	2.315.757
II. Credits		
1) Trade receivables	19.739.287	11.502.077
<i>Due within one year</i>	11.268.386	-
<i>Receivable beyond one year</i>	8.470.900	-
2) to controlled undertakings	196.186	769.385
<i>Due within one year</i>	196.186	769.385
<i>Receivable beyond one year</i>	-	-
3) to related undertakings	-	-
4) to controlling agents	-	-
5) to undertakings under the control of the parent companies	-	-
5-bis) Tax credits	3.295.899	2.503.250
<i>Due within one year</i>	3.295.899	2.503.250
<i>Receivable beyond one year</i>	-	-
5-ter) advance taxes	324.868	148.337
5-c) other	2.417.573	1.765.358
<i>Due within one year</i>	2.417.573	1.765.358
<i>Receivable beyond one year</i>	-	-
Total credits	25.973.813	16.688.407
III. Financial activities that do not cost immobility.		
1) Investments in subsidiaries	-	-
2) Investments in related investigations	-	-
3) Investments in parent companies	-	-
3-bis) Investments in undertakings under the control of the parent companies	-	-
4) Investments in other undertakings	-	-
5) financial derivatives assets	-	-
6) other titles	9.244.404	4.105.749
Total financial Assets that do not cost immobility	9.244.404	4.105.749
IV. Cash in stock		
1) Bank and postal deposits	8.148.241	5.317.467
2) Assign	-	-
3) Cash and cash values	18.457	18.108
Total liquid stock	8.166.698	5.335.574
TOTAL CURRENT ASSETS (C)	45.969.907	28.445.487
D. PREPAYMENTS AND ACCRUED INCOME	703.427	143.287
TOTAL ASSETS	52.898.716	34.050.358
LIABILITIES	31.12.2020	31.12.2019
EQUITY		
I – Capital	803.250	792.424

II - share surcharge reserve	6.680.369	6.255.986
III - evaluation reserves	-	-
IV - Legal reserve	158.485	154.506
V - statutory reserves	-	-
VI - other reserves, cleared stated	4.389	116
VII - reserve for expected hedging operations	- 22.839	-
VIII - profits (losses) carried over	3.773.926	3.313.457
IX - profit (loss) for the financial year	2.293.612	1.225.175
X - negative reserve for Treasury Stock in portfolio	-	-
CONSOLIDATED STAKEHOLDERS' EQUITY OF THE GROUP	13.691.192	11.741.664
Capital and reserves of third parties	-	-
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THIRD PARTIES	-	-
CONSOLIDATED SHAREHOLDERS' EQUITY OF THE GROUP AND THIRD PARTIES	13.691.192	11.741.664
B. FUNDS FOR RISKS AND CHARGES		
1) Funds for retirement treatment and the like	-	-
2) Funds for taxes, whether or not deposited	59.502	28.849
2a) Consolidation Fund for future risks and charges	-	-
3) Financial derivative instruments	56.062	-
4) other	-	-
TOTAL FUNDS FOR RISKS AND CHARGES	115.564	28.849
C. END OF WORK RATIO TREATMENT SUB.	1.663.193	1.038.451
Q. DEBTS		
1) bonds		
<i>Due within one year</i>	-	714.300
<i>Payable beyond one year</i>	9.740.976	4.285.700
2) Convertible bonds	-	-
3) debt to shareholders for financing	-	-
4) debts to banks		
<i>Due within one year</i>	3.850.070	6.281.102
<i>Payable beyond one year</i>	11.057.449	765.013
5) Amounts owed to other financiers		
<i>Due within one year</i>	-	15.493
<i>Payable beyond one year</i>	13.450	-
6) Advances received	1.310.914	1.090.524
<i>Due within one year</i>	1.310.914	1.090.524
<i>Payable beyond one year</i>	-	-
7) Accounts payable	4.911.565	3.621.966
<i>Due within one year</i>	4.911.565	3.621.966
<i>Payable beyond one year</i>	-	-
8) debts represented by credit securities	-	-
9) debt to subsidiaries	142	247.174
<i>Due within one year</i>	142	247.174
<i>Payable beyond one year</i>	-	-
10) debts to related undertakings	-	-

11) debts to parent company	70.028	70.423
<i>Due within one year</i>	70.028	70.423
<i>Payable beyond one year</i>		
11-bis) will have to understand under the control of the parent companies	-	-
12) Tax debts	2.199.912	1.244.543
<i>Due within one year</i>	2.167.339	1.168.539
<i>Payable beyond one year</i>	32.573	76.004
13) debt to social security and social security institutions	1.354.225	1.108.588
<i>Due within one year</i>	1.354.225	1.108.588
<i>Payable beyond one year</i>	-	-
14) other debts	2.578.569	1.501.412
<i>Due within one year</i>	2.578.569	1.501.412
<i>Payable beyond one year</i>	-	-
TOTAL DEBTS	37.087.300	20.946.236
ACCRUALS AND DEFERRED INCOME	341.466	295.158
TOTAL LIABILITIES	52.898.716	34.050.358

Income statement

INCOME STATEMENT	31.12.2020	31.12.2019
SALES		
1) Revenue from sales and services	41.713.474	32.622.440
2) Change in inventories of products in process, semi-finished and finished products	0	0
3) variation of work-in-progress to order	0	0
4) increases in fixed assets for internal works	636.000	2.070.775
5) other income and income		
(a) contributions in the financial year account	275.065	78.334
(b) other	200.914	95.336
Total other revenues and income	475.980	173.670
TOTAL SALES (A)	42.825.453	34.866.884
B. PRODUCTION COSTS		
6) for Raw materials, subsidiaries, consumer goods and other goods	4.836.678	4.405.235
7) for services	9.897.931	7.829.080
8) for the enjoyment of third-party assets	2.765.537	2.247.514
9) for staff:		
(a) wages and salaries	11.727.375	9.330.414
(b) social security contributions	6.388.711	4.972.892

c) end-of-relationship treatment	922.085	599.543
d) quiescent treatment and the like	0	0
e) other costs	236.208	1.392.853
Total personnel costs	19.274.380	16.295.703
10) depreciation and devaluations		
(a) amortization of intangible assets	790.115	1.356.454
(b) amortization of tangible fixed assets	107.635	184.010
(c) impairment of intangible and tangible assets	0	0
(d) depreciations of the receivables included in the Current assets	728.134	215.000
11) variation of the supplies of raw materials, subsidiaries, consumption and goods	269.235	821.519
12) proposals for risks	0	0
13) other propositions	0	0
14) different operating charges	1.037.715	766.043
TOTAL PRODUCTION COSTS (B)	39.168.891	32.477.519
DIFFERENCE BETWEEN VALUE OF PRODUCTION AND COST OF PRODUCTION (A-B)	3.656.563	2.389.365
C. FINANCIAL INCOME AND CHARGES		
15) income from equity investments	0	0
16) other financial income:		
(a) from credits entered in fixed assets	0	0
(b) securities entered in fixed assets which do not substitute holdings	0	0
(c) securities entered in Current assets which do not substitute holdings	0	0
(d) income other than previous income		
- interventions and commissions from subsidiaries	3.255	1.783
- interest and commission from related undertakings	0	0
- interviews and commissions from parent companies	0	0
- interest and commissions from others and miscellaneous income	41.330	19.049
17) Interest and other financial charges		
(a) to subsidiaries	0	0
(b) to related undertakings	0	0
(c) to parent undertakings	0	0
(d) other	419.026	344.582
17-bis) profits and Foreign exchange losses	0	0
TOTAL FINANCIAL INCOME AND CHARGES (C)	374.441	-323.750
Q. ADJUSTED VALUE OF FINANCIAL ASSETS		
18) evaluations		
(a) equity investments	0	0
(b) financial fixed assets which do not substitute holdings	0	0
(c) securities entered in the current assets which do not constant holdings	90.654	87.233
(d) derivative financial instruments	0	0
19) devaluations		
(a) equity investments	0	73.619
(b) financial fixed assets which do not substitute holdings	0	0
(c) securities entered in the working capital which do not constant holdings	0	0

(d) derivative financial instruments	0	0
ADJUSTED TOTAL VALUE OF FINANZ ACTIVITY. (D)	90.654	13.613
PROFIT (LOSS) BEFORE TAXATION (A-B+-C+-D)	3.372.776	2.079.229
20) taxes on income for the period, current, deferred and anticipated		
- currents	1.490.211	1.012.424
- deferred	145.878	64.752
- from previous exercises	265.169	93.619
21) PROFIT (LOSS)	2.293.612	1.225.175

Statement of cash flows

	31.12.2020	31.12.2019
Statement of cash flows, indirect method		
(A) Cash flows raising from the operating activity (indirect method)		
Profit (loss) for the year	2.293.612	1.225.175
Income taxes	1.079.164	854.053
Interest payable/(assets)	374.441	345.962
(Divides)	-	-
(Capital gains)/losses raising from the sale of assets	-	-
1) profit (loss) for the period before taxes on income, interest, divides and plus/or losses from divestiture	3.747.217	2.425.190
Corrections for non-monetary items which have not been counterbalanced net working capital		
Accruals to funds	1.650.219	801.870
Depreciation of fixed assets	897.750	1.540.464
Impairment losses	-	73.619
Value adjustments of financial assets and liabilities of instruments financial derivatives that do not involve monetary movement	(22.839)	(87.233)
Other adjustments increasing/(decreasing) for non-monetary items	(90.654)	-
Total adjustments for non-monetary items that they did not have counterpart in net working capital	2.434.476	2.328.720
2) Financial flow before changes in net working capital	6.181.693	4.753.911
Changes in net working capital		
Decrease/(increase) of inventories	(269.235)	(821.519)
Decrease/(increase) of the accounts receivable	(8.965.344)	(3.465.240)
Increase/(decrease) of the accounts payable	1.289.600	9.833

Decrease/(increase) of accruals and repayments	(560.140)	(67.824)
Increase/(decrease) in accruals and deferred income	46.308	239.553
Other decreases/(other increases) in net working capital	138.198	(810.798)
Total changes in net working capital	(8.320.613)	(4.915.995)
3) Financial flow after changes in net working capital	(2.138.919)	(162.084)
Other corrections		
Interest collected/(paid)	(374.441)	(345.962)
(Income taxes paid)	(220.786)	(269.135)
Divisions received	-	-
(Use of funds)	-	-
Other receipts/(payments)	-	-
Total other corrections	(595.227)	(615.097)
Financial flow of operational activity (A)	(2.734.146)	(777.181)
(B) cash flows raising from the investment activity		
Tangible fixed assets		
(Investments)	(249.203)	(385.081)
Disinvestments	-	-
Intangible assets		
(Investments)	(1.244.604)	(3.141.670)
Disinvestments	-	-
Financial fixed assets		
(Investments)	(167.742)	(837.751)
Disinvestments	-	-
Non-immobilized financial assets		
(Investments)	(5.048.000)	-
Disinvestments	-	-
Acquisition of business branches net of cash and cash equivalents	-	-
Sale of business branches net of cash and cash equivalents	-	-
Financial flow of investment activity (B)	(6.709.549)	(4.364.502)
(C) cash flows raising from the financing activity		
Means of third parties		
Increase/(decrease) short-term debts to banks	(9.017.022)	1.955.357
Turn on financing	22.784.168	2.200.000
(Funding refund)	(1.166.809)	(2.323.275)
Down means		
Capital increase payable	435.209	728.109
(Repayment of capital)	-	-
Sale/(Purchase) of Treasury Stock	-	-
(Divides and advances on dividends paid)	(760.727)	-
Financial flow of financing activity (C)	12.274.819	2.560.191
Increase Cash and cash equivalents (A ± B ± C)	2.831.124	(2.581.492)
Effect of changes on Cash and Cash equivalents	-	-
Cash and cash equivalents at the beginning of the exercise		
Bank and postal deposits	5.317.467	7.902.490
Checks	-	-
Cash and cash values	18.108	14.575
Total Cash and Cash equivalents at the beginning of the exercise	5.335.574	7.917.066
Of which not freely usable	-	-

Cash and cash equivalents at the end of the year		
Bank and postal deposits	8.148.241	5.317.467
Checks		
Cash and cash values	18.457	18.108
Total Cash and Cash equivalents at year-end.	8.166.698	5.335.574
Of which not freely usable		

Notes to the Financial Statements

Introduction, additional note

Asset items in the balance sheet have been classified according to their business destination. The criteria for the valuation of each asset element are in accord with those laid down in art. 2426 of the civil code and national accounting standards. The complete indications provided for in art. 2427 of the civil code, from the other rules of the civil code itself, from the accounting principles, together with the information that it has been deposited to provide for a fully true and correct representation, follow the order of the items of financial statements indicated by art. 2424 of the civil code.

The financial statements as at 31 December 2020 were drawn up in accordance with the rules of the Civil Code, interpreted and supplemented by accounting principles and criteria drawn up by the Italian accounting body (O.I.C.).

The financial statements have been prepared on the basis of business continuity, and there are no significant uncertainties, even on the basis of what is foreseen in the revised version of the O.I.C 11 on 23 March 2018.

The balance sheet consists of the balance sheet, the income statement and the statement of cash flows (prepared in accordance with the schemes set out in Articles 1 and 2 respectively. 2424, 2424 bis c.c., to arts. 2425 and 2425 bis dc and art. 2425 b of the civil code) and from this addendum.

The function of the supplementary note is to provide the disclosure, analysis and in some cases an integration of the budgetary data and to contain the information required by Articles 6 and 6 of the EC Treaty. 2427 and 2427 bis of the civil code, other proposals of the civil code on budgetary matters and other previous laws. In addition, it provides all the additional information deposited necessary to give the most transparent and complete representation, even if not required by specific legal propositions.

No significant events occurred after the close of the financial year.

The amounts are shown in units of euro, unless otherwise indicated.

Business continuity considerations

Article 2423 bis paragraph 1 n.1 establishes the principle of business continuity, which is also one of the principles to be taken into account in the continuous monitoring provided for in the Code of the crisis of the company.

Accounting Standard OIC 11 provides that, when preparing the financial statements, management must carry out a prospective assessment of the company's ability to continue to provide a functioning economic complex for income production for a foreseeable future period, covering a period of at least 12 months from the balance sheet date. In cases where significant uncertainties regarding this capacity are identified as a result of this prospective assessment, the information on risk factors, assumptions made and identified uncertainties must be clearly provided in the Addendum to the Addendum, and future business plans to address these risks and uncertainties.

The addendum must therefore report on the business continuity perspective.

In this respect, it is noted that during the financial year 2020 the health emergency due to Covenant 19, which caused losses for a large number of companies and major uncertainties in the economic context, was shown worldwide. The so-called "Decreto Rilancio" No 34/2020 addressed this subject with Article 38(c), which provides that: "in preparing the balance sheet in progress at 31 December 2020, the evaluation of the items and the perspective of the continuity of the activity referred to in the first paragraph of Art 2423-bis(1), the civil code may in any case be made on the basis of the results of the last financial statements closed by 23 February 2020."

In March 2021, the OIC, with reference to the financial year ended 31.12.2020, published interpretative document no. 8 "Law No 77 of 17 July 2020 "Transitional provisions on the principles for drawing up the financial statements" (business continuity), a document closing the possibility of derogation from the principle of continuity.

A useful analysis of the situation of the company and its prospects for future activities allows to evaluate positively its ability to continue to substitute a functioning economic complex destined to the production of income for a foreseeable future time period, of MU annual duration: therefore, there is no risk to business continuity and there is no need to resort to the above derogation.

Exceptional cases ex Article 2423, fifth paragraph, of the Civil Code

During the financial year there were no cases provided for in the fifth paragraph of Article 2423 of the Civil Code.

Changes in accounting policies

The company did not make any changes in accounting policies compared to the previous year.

Correction of relevant errors

There were no major errors requiring correction in 2019.

Comparison and adaptation issues

There are no problems of comparison or adaptation to the previous financial year for the year 2020.

Subsequent events

Realization of the new IT system: the company has entered into an agreement with Reply that foresees, in the course of 2021, the implementation of ERP and CRM Oracle Cloud; the project, also with a view to new company acquisition operations at international level, aims to provide all the companies in the group with a state-of-the-art information technology environment. Reply (listed on the star of the Italian Stock Exchange) is specialized in the design and realization of solutions based on the new channels of communication and digital media. Formed by a network model of highly specialized companies, Reply joins the main European industrial groups belongs to the Telco & Media, Industry and Services, Banks and Insurance and Public Administration sectors in the definition and development of business models enabled by the new Big Data paradigms, Cloud Computing, Digital Media and Internet of objects. Reply services includes: Consulting, System Integration, and Digital Services.

Start of the transfer of tax credits to the banking system: Pursuant to Article 121 of Decree-Law no. 34 of 2020 (the so-called "Decreto rilancio"), the persons who in the years 2020 and 2021 bear expenses for the restructuring of the building can choose, instead of the direct use of the deduction two, alternately:

- for a contribution, in the form of a discount on the amount due, up to a maximum amount equal to the amount due, advanced by the suppliers who charged out the interventions and received by the matter in the form of a tax credit, of an amount equal to the amount due, may subsequently transfer the credit to other entities, including credit institutions and other financial intermediaries.
- For the transfer of a tax credit of the same amount, with the possibility of subsequent transfer to other entities, including credit institutions and other financial intermediaries.

Following this proposal of Legislative EdiliziAcrobatica S.p.A finds itself to be the holder of a considerable amount of tax credits; Since the certification procedure for tax credits and the different stages of the subsequent sale provided for in the regulations required the Italian banking system for a few months to develop the operating machine, it was only at the end of February 2021 that Ediliziacrobatica Spa began to sell the tax credits in its portfolio to the banks, in order to disinvest the tax credits acquired by the customers. The company has entered into an agreement with Intesa Sanpaolo which provides for a revolving ceiling of Euro 8.000.000 which the company may use for the pro-solute sale of Ecobonus tax credits. Up to now, the credits transferred and already cleared, mostly related to the work ended in 2020, amount to Euro 4.217.562

Evaluation criteria

The following accounting principles have been adjusted with the changes, additions and novelties introduced to the rules of the Civil Code by Legislative Decree no. 139/2015, which implemented in Italy the accounting management 34/2013/EU. In particular, the national accounting standards were applied in the version reworded by the O.I.C on 22 December 2016.

The most significant evaluation criteria opted for the drawing up of the financial statements at 31 December 2020 in compliance with Art. 2426 of the civil code and of the above accounting principles are as follows:

Intangible fixed assets -- are recorded at the purchase or production cost, including ancestral costs and costs directly attributing to the product and amortized systemically in each financial year at constant shares. Intimate assets are entered with the consent of the Board of statutory auditors in the cases provided for by law.

Installation and extension costs are amortized within a period of not more than five years, with amortization at constant shares. Development costs are amortized according to their useful life, in exceptional cases where it is not possible to estimate their useful life properly, they shall be amortized within a period not exceeding five years. Until depreciation is completed divides may be distributed only if sufficient available reserves remain to cover the amount of undepreciated costs.

Advertising and research costs are fully charged at the cost of the period in the period in which they are incurred.

Improvements in third party assets: are capitalist and recorded as "other intangible assets" if they are not separable from the assets themselves (otherwise they are entered as "tangible assets" in the specific item of ownership). They are depreciated systemically to the minor between the period of expected future use and the remaining period of the lease, taking into account the possible renewal period, if dependent on the company.

It should be noted that as of December 31, 2020 the company had itself of the derogation provided for in art. 60 of Law No. 126 of 13 October 2020, with amendments to decree-law no 2020 of 14 august, spending depreciation for the year for a period of six months. The share of amortization not made appropriate to this Article shall be charged to the income statement for the following financial year and, on the same basis, the following shares shall be referred, thus extending the original amortization plan by six months for that share. For further details, please refer to the notes in the paragraph "intangible assets".

If, irrespective of the depreciation already accounted for, there is an impairment loss, the immobilization is correspondently valued; if in subsequent periods the reasons for the depreciation are lost, the original value is restored, Within the limits of the value that the asset would have had if the value adjustment had never taken place, except for item Goodwill and "Multiannual charges" referred to in Article 5 of the EC Treaty. 2426 of the civil code.

Tangible fixed assets -- are recorded at the cost of purchase or internal construction, net of depreciation made in the year and in the previous years. The cost includes ancestral costs and direct and indirect costs for the reasonably attributable part of the asset, relating to the manufacturing period and up to the time from which the asset can be used. Tangible assets may only be reviewed in cases where special laws require or permit it.

Fixed assets recognized at the cost in foreign currency shall be entered at the exchange rate at the time of their purchase or at the rate lower than the date of closure of the financial year, if the reduction is reduced to be durable.

Fixed assets are systematically depreciated in each financial year at constant shares on the basis of the rates provided for in tax legislation, which are considered representative of the residual possibility of using the assets. The applied rates are shown in the asset comment notes section. For fixed assets operating in the financial year, the rates are reduced to 50%, assuming that purchases are distributed over the financial year. Decrease is also calculated on assets that are temporarily not used. Art works and works of art are excluded from depreciation, and their usefulness is not excluded.

It should be noted that as of December 31, 2020 the company had itself of the derogation provided for in art. 60 of Law No. 126 of 13 October 2020, with amendments to decree-law no 2020 of 14 august, spending depreciation for the year for a period of six months. The share of amortization not made appropriate to this Article shall be charged to the income statement for the following financial year and, on the same basis, the following shares shall be referred, thus extending the original amortization plan by six months for that share. For further details, please refer to the notes in the paragraph "material fixed assets".

If, irrespective of the depreciation already accounted for, there is a lasting loss of value, the immobilization is correspondingly valued; if in subsequent periods the reasons for the devaluation are lost, the original value is restored, within the limits of the value that the asset would have had if the value adjustment never taken place.

Maintenance and repair costs of an ordinary nature shall be charged in full to the profit and loss account. Maintenance costs of an incremental nature are attributed to the assets to which they relate and amortized in relation to the residual possibilities of use there.

The costs involved in extending, modernizing or improving the structural elements of a material immobilization are capitalist if they produce a significant and measurable increase in production capacity, safety or useful life. If these costs do not produce these effects, they are treated as routine maintenance and charged to the income statement.

Tangible fixed assets at the time they are destined for disposal are recruited in a specific item in the Current assets and therefore valued at the lower of the net carry amount and the carry amount that can be deduced from the market trend. Goods for sale are no longer the object of amortization.

Plant contributions are recognized when there is reasonable certainty that the conditions for the recognition of the aid are met and that the contributions will be paid. They are indirectly brought to cost reduction as they are charged to the income statement in Item A5 "other income and income" and are then sent back to subsequent financial years by means of the entry of "passive payments".

Equity investments and securities (recorded as fixed assets) -- the equity investments and debt securities included in fixed assets are intended for a lasting permanence in the company's assets. Investments are valued using the adjusted cost of impairment losses method. Debt securities are valued using the amortized cost method.

The cost method assumes that the balance sheet value is determined on the basis of the purchase or subscription price, including accessory costs. The carrying amount of the investment, when the existence of a impairment loss is recognized, is reduced to its lowest recoverable amount, which is determined on the basis of the future benefits expected to flow to the participant's economy.

In the event that the company is obliged or intends to take charge of the covering of the losses raising from the investment (of a non-durable nature), a provision is necessary to the liability in order to be able to meet, for the quota of competence. The original value of the investment will be restored in subsequent periods if the reason for the write-down is lost.

Derivative financial instruments are financial assets and liabilities recognized at fair value. Derivatives are classified as hedging instruments only when, at the beginning of the hedging, there is a close and documented correlation between the characteristics of the hedged item and those of the hedging instrument and this hedging relationship is formally documented and the effectiveness of the hedging, periodically verified, is high. Therefore, changes in the relative fair value of hedging derivatives are charged as follows:

In the income statement in items D18 or D19 in the case of covering the fair value of an asset or liability entered in the balance sheet as well as changes in the fair value of the items covered (where the change in fair value of the hedged item is greater in absolute value than the change in fair value of the hedging instrument, the difference is recognized in the income statement item concerned by the hedged item);

In a special reserve of equity (in item AVII "reserve for transactions covering expected cash flows") in the case of hedge of cash flows in such a way as to offset the effects of hedged flows (the ineffective component, As well as the change in the time value of options and forward, it is classified in items D18 and D19).

Inventories -- inventories are entered at the lower between the purchase or production cost and the value of assumed realization that can be deduced from the market trend (art. 2426 number 9 dc). Purchase cost is the actual purchase price plus ancestral costs, excluding financial charges.

In the case of goods, finished goods, semi-finished products and products in the process of processing, reference is made for the determination of the realization value which can be derived from market developments directly by the net realization value of these goods. Inventories are reduced in the balance sheet when the carrying amount resulting from market performance is less than the carrying amount. Obsolete and slow-running stocks are valued in relation to their possibility of using or realization.

Receivables -- receivables are recognized in the balance sheet according to the amortized cost criterion, taking into account the time factor and the expected value realized. The amortized cost criterion is not applied when the effects are negligible, i.e. when transaction costs, fees paid between the parties and any other difference between initial value and maturity value are of little importance or if the credits are short-term (i.e. less than 12 months).

The value of the claims, as determined above, is adjusted, where necessary, by a special depreciation fund, posed to a direct decrease in the value of the claims shall, in order to adapt them to their presumed realizable value.

The amount of the depreciation is recognized in the income statement.

The credits generated by cash pooling are recognized, if the time limits allow, in a specific item of the Current assets. If short-term time limits are not met, these claims are recognized as financial assets.

Cash and cash equivalents -- Cash and cash equivalents at the end of the financial year are valued at nominal value. Assets denominated in foreign currency are valued at the exchange rate at the end of the year.

Prepayments and accruals -- in the Prepayments and accruals item were entered cost and revenue shares for the financial year, but payable in subsequent financial years and cost and revenue shares incurred by the end of the financial year, but for suffer equal financial years, in agreement with the principle of time competence.

Provisions for risks and charges -- Provisions for risks and charges are allocated to cover losses or losses of a specific nature, of a certain or probable existence, of which, however, at the end of the financial year, the amount or the date of the contingency cannot be determined. The appropriation is the best possible estimate on the basis of the facts available. The risks for which the occurrence of a liability is only possible are indicated in the notes on the funds, without the provision of a risk and burden fund. Provisions for the risks and charges funds are entered primarily in the income statement cost items of the relevant classes (B, C or D). Whenever this correlation between the nature of the provision and one of the items in the above classes is not feasible, submissions for risks and charges are entered in items B12 and B13 of the income statement.

Provisions for employee benefits -- Provisions for employee benefits shows the amount of employment involvement to receive in the event of termination of employment at the date of closure of the financial statements was entered. The seniority allowances forming part of that item, i.e. the accrual portion for the year and the annual evaluation of the pre-existing fund, shall be determined in accordance with the rules in force. The end-of-report treatment is entered in item C of the capabilities and the provision in item B9 of the income statement.

It should be noted that the amendments made to the TFR regulation by Law 27 December 2006 no. 296 ("Financial Law 2007") and subsequent implementing decrees and regulations have had no impact on the accounting criteria applied to the shares of TFR accrued ED on 31 December 2006 and those accrued on 1 January 2007, since, as provided for by the same legislature, in the case of companies which had fewer than 50 employees at the date of entry into force of the regulation, both the shares of TFR accrued until 31 December 2006 and the shares accrued from 1 January 2007, for employees who have not already opted for supplementary retirement provision, they will continue to remain in the company.

Debts -- the debts are entered according to the amortized cost criterion, taking into account the time factor. The amortized cost criterion shall not be applied to debts where its effects are negligible. The effects are considered irrelevant for short-term debts (i.e., with a maturity of less than 12 months). For the amortized cost criterion, see the above with regard to credits.

Debt for leave earned by employees and for deferred salaries, including what is due to social security institutions, are allocated on the basis of the amount that should be paid in the event of termination of employment at the date of the budget.

Leasing transactions -- Lease transactions are represented in the balance sheet according to the equity method, accounting for the income statement for the fees paid in accordance with the principle of competence. The additional information required by law regarding the representation of the lease contracts according to the financial method is provided in the appropriate section of the addendum.

Revenues -- revenues for the sale of goods are recognized when the substantial and non-formal transfer of the property title occurred, assuming as a benchmark, for the substantial transition, the transfer of risks and benefits.

Revenues from the sale of products and goods or from the provision of services related to the characteristic management are recognized net of returns, discounts, rates and awards, as well as taxes directly linked to the sale of the products and the provision of services.

Revenues for the services are recognized at the completion and/or maturity of the services. Transactions with related entities were conducted under normal market conditions.

Costs -- Costs are accounted for on the basis of the competence principle, less of the date of collection and payment, net of returns, discounts, rebates and awards.

Dividends -- Dividends are accounted for in the period in which the shareholders' meeting of companies controlled decides divides are recognized as financial income regularized of the nature of the reserves distributed.

Financial income and charges -- Financial income and charges are entered by competence. The costs relating to the demobilization of credits in any way (pro-sold and pro-sold) and of any kind (commercial, financial, other) are charged to the exercise of competence.

Income taxes for the financial year -- are recorded on the basis of the estimated taxable income in accordance with the proposals in force, taking into account the applicable exemptions and the tax credits two.

Decreased tax liabilities and decreased tax assets are calculated on the temporary differences between the values of assets and capabilities determined according to the civil criteria and the corresponding values recognized for tax purposes. Their assessment is made taking into account the likely tax rate that the company is expected to sustain in the year in which such differences will contribute to the formation of the tax result, taking into account the rates in force or already opted on the balance sheet date and are recorded respectively in the "referred tax liability" entered in the capabilities under the risk and expense funds and in the item "referred tax assets" of the Current assets.

Deferred tax assets are recognized for all deductible temporary differences, in respect of the principle of prudence, if there is reasonable certainty of existence in periods in which they will pay a taxable income not less than the amount of the difference which will be canceled.

On the other hand, referred tax liabilities are recognized on all taxable temporary differences.

Fixed taxes relating to spent reserves are not recognized if there is little chance of distributing such reserves to shareholders.

Currency mail conversation criteria

Non-monetary assets and capabilities originally expressed in foreign currency are entered in the balance sheet at the exchange rate and at the time of their purchase, i.e. at the initial cost of entry.

The assets and capabilities originally expressed in foreign currency of a monetary nature are converted into the balance sheet at the spot exchange rate at the date of the financial year's close; the relative profits and foreign exchange losses are entered in the income statement and any net profit is placed in a special reserve that cannot be distributed until realized.

Use of estimates

The drawing up of the financial statements and the related notes requires the making of estimates and assumptions that have an effect on the value of the assets and liabilities entered, On the information relating to assets and adjacent capabilities at the balance sheet date and on the amount of revenue and period costs.

Estimates are used in several areas, such as allowance for doubtful accounts, impairment, employee benefits, income taxes, other risk funds, and the assessment of any impairment losses of tangible, intangible and financial assets (including equity investments).

Actual results may differ from estimated results due to uncertain assumptions and conditions on which estimates are based. Estimates and assumptions are reviewed periodically by the company on the basis of the best knowledge of the company's business and other factors reasonably deducible from current circumstances. The effects of each change are reflected immediately in the income statement.

CASH FLOW STATEMENT

The Cash flow Statement includes all Cash and Cash equivalents Cash flows in and out during the period. In the Statement of Cash flows, individual Cash flows are presented separately in one of the following categories:

- a. operational management;
- b. investment activities;
- c. financing activities.

The cash flow categories are presented in the above sequence.

The financial flow of the operating activity is determined by the indirect method, or by adjusting the profit or loss for the period reported in the income statement.

The algebraic sum of the cash flows of each category mentioned above represents the net change (increase or decrease) of the cash and cash equivalents during the period. The presentation form of the statement of cash flows is of an indirect type.

Interest paid and collected is presented separately along cash flows of income management, except in particular cases where they relate directly to investment (investment activity) or financing (financing activity).

Dividends received and paid are presented separately, respectively, in the income management and in the financing activity. Cash flows relating to income taxes are separately indicated and classified in the income management.

More information

Deliveries pursuant to the fourth paragraph of art. 2423 -- It should also be noted that no exceptional cases have occurred which have required derogations from the legal rules relating to the budget relevant to the fourth paragraph of Art. 2423.

Introduction, notes to the account

A detailed description of the items establishing the balance sheet assets at 31 December 2020 is given below.

Introduction, intangible fixed assets

The item "intangible assets" total Euro 3.971.637 per year December 31, 2020 (Euro 3.517.148 to 31 December 2019).

The details of the composition of the same are given below.

The item "Installation and enlargement costs" equal to Euro 2.556.805 (Euro 2.531.013 at 31 December 2019) includes the costs of multiple use relating to the costs of incorporation and the costs of transformation of the company, the costs related to the listing on the aim Italian Stock Exchange market and on the Euronext growth market and to the costs incurred to plan and make operational the new direct offices.

The item "Development costs" at the end of the year was Euro 20.000 (Euro 40.000 at December 31, 2019). This item is made up of development costs linked to the launch of the project for the development of the franchise network in the national territory.

The item "concessions, licenses, trademarks and similar rights" amounts to Euro 1.751.

The item "Industrial patent rights and rights to use the works of the invention" for Euro 326.638 (Euro 113.717as of December 31, 2019) refers to the rights to use the software.

The item "intangible assets under way and advances" for Euro 304.901 (Euro 237.919 at 31.12.2019) consists of costs involved for the realization and development of new software projects not yet ended at 31.12.2020.

The item "other intangible assets", equal to Euro 761.542 (Euro 594.499 at December 31, 2019), includes improvements in third-party assets and the multi-annual consulting costs involved for the issue of bond loans and new loans at the end of the year.

No commitments relating to intangible assets held were present at 31 December 2020.

Introduction, changes of intangible assets

For the item in question, a special handling schedule, shown on the following pages, has been prepared, indicating for each Item the historical costs, the previous depreciation and the previous evaluations and devaluations, the changes during the period, the final balances and the total evaluations existing at the end of the period.

Where present, the amount of the financial charges charged in the period to the values entered in the assets of the balance sheet, separately for each item, shall be indicated in the specific note of comment.

Analysis of changes of intangible assets

	Installation and enlargement costs	Developments costs	Industrial patent rights of use of works of ingenuity	Concessioners, licenses, trademarks and similar rights	Goodwill	Current assets and allowances	Others intangible assets	Total Intangible assets
Value at the beginning of the exercise								
Cost	3.640.760	278.978	546.471	-	-	237.919	1.065.322	5.769.450
Revaluations								-
Depreciation (Amortization Fund)	1.109.747	238.978	432.754	-	-	-	470.823	2.252.302
Devaluations								-
Budget value	2.531.013	40.000	113.717	-	-	237.919	594.499	3.517.148
Changes in the exercise								-
Increases for acquisitions	630.461		260.392	5.562	-	66.982	296.791	1.260.189
Reclassifications (of balance sheet value)		-	-	-	-		-199	-199
Decreases in alienation and disposals (of balance sheet value)	-	-	-	-	-	-		-
Revaluations made in the period	-	-	-	-	-	-	-	-
Amortization of the exercise	593.638	20.000	47.471	553	-		128.453	790.115
Write downs made in the exercise	-	-	-	-	-	-	-	-
Other variations	11.031	-	-	3.259		-	1.096	15.386
Total variations	47.854	- 20.000	212.921	8.269	-	66.982	169.235	485.260
End of year value								-
Cost	4.271.221	278.978	806.863	5.562	-	304.901	1.361.914	7.029.440
Revaluations								-
Depreciation (Amortization Fund)	1.714.416	258.978	480.225	3.812	-	-	600.372	3.057.804
Devaluations								-
Balance value	2.556.805	20.000	326.638	1.751	-	304.901	761.542	3.971.637

Comments, changes of intangible assets

The most significant increases in the item "Industrial patent rights and rights for the use of works of ingenuity" mainly concern the expenses involved for new related features and for the implementation of the management currently in use for Euro 260.392 in particular the increases for the year relate to Euro 55 thousand for the program of geolocation, for Euro 42 thousand at the "App Condominium" and for Euro 79 thousand at the project for the internal development of management.

The item "Installation and enlargement costs" recorded an increase of Euro 630.461 due to the opening of new areas in Italy and to investments in start-ups for the French company. The main increase in the year for Euro 490 thousand relates to the costs incurred in the planning, opening, starting and development phases of new direct offices, in new territories and not adjacent to existing and operational direct offices. It should be noted that the company already from the previous year, in view of the business model reflected in the development plans and the implementation of more refined analyzes in the context of the management control of the costs incurred in the opening of the new direct offices, Has provided itself with a new policy (so-called "on-boarding policy of new direct offices") for the analysis and evaluation of the above costs.

In particular, the Business Plan of the Parent Company highlights the need, in the opening phase of the new direct offices and also in the subsequent phase of increase of operational capacity, for an intense activity of development of the commercial network, logistics and marketing, and of training and training courses, also in the form of on the job training.

The recoverability of these costs emerges from the Business Plan of the Company when the senior phase is reached. Moreover, management periodically prepares and updates economic plans from which the company's prospects for reductiveness and the ability to recover the costs incurred in the start-up and development phases of the new direct offices are shown.

The increase in "ongoing fixed assets" was due to the implementation of software projects during 2020. It consists of costs involved by the Parent Company for the realization and development of new software for the implementation of computer systems to improve the business functionality.

The item "other intangible assets" increased by Euro 296.793 due to the remaining expenses incurred by the company for the consulting activity required for the issue of the new bond loan of Euro 10 million bond loans and for the acquisition of new loans totaling Euro 9 million and due Improvements made on leased premises for operating sites located in Italy are reported that the transaction costs involved and set in the context of the issue of the bond were recognized according to the criterion of amortized cost under the heading "bonds".

As stated in paragraph "Evaluation criteria", paragraphs 7a and 7d of Art. 60 of Law No. 126 of 13 October 2020 , with amendments to Decree-Law No 2020 of 14 August ", provides that 2426 subjects who do not opt the international accounting principles, in the current financial year at the date of entry into force of this Decree, may, Even by way of derogation from Article, first paragraph, number 2), of the civil code, do not make up to 100% of the annual depreciation of the cost of tangible and intangible assets, while maintaining their entry value, as resulting from the last duly approved annual financial statements. The share of amortization not made purified to this paragraph shall be charged to the income statement for the following financial year and, on the same basis, the following shares shall be referred, thus extending the original amortization plan by one year for that share."

Specifically, the company has used the right not to make up to 100% of the annual depreciation as provided for in the above-mentioned standard to reduce the negative economic effect produced by the Covid 19 pandemic in the first six months of the year. In fact, as from March, the shipyards have suffered abrupt slowdowns and since April they have been closed due to the "Chiudi Italia" Decree. The following months had little activity, since the organizational machine, both from a commercial and productive point of view, once stopped, take time to get back to the working state.

In view of the above, the criterion used to establish the amortization quota is that of the opening months. Under the specific circumstances, assuming a 6-month closure, the directors have not to make 50% of the depreciation of all intangible assets recorded in the balance sheet.

The following table shows the effect of the suspension of depreciation of intangible assets under Art. 60 of Law No. 126 of October 13, 2020, with amendments to decree-law no 2020 of august 14:

Intangible assets	Amortization	Amortization	Effect on profit and loss account and equity
	(reduction DL 104/2020)	(without reduction)	
B.1.1 Installation and enlargement costs	631.234	1.247.695	616.461
B.1.2 Development costs	20.000	40.000	20.000
B.1.3 Industrial patent rights and rights to use works of ingenuity	48.024	96.047	48.024
B.1.7 other intangible assets	81.330	158.351	77.021
Total	780.588	1.542.093	761.506

In relation to the influence on the representation of the balance sheet and financial position and the economic result for the year, it is noted that the allocation of lower depreciation and amortization resulted in a higher profit of Euro 761.506, Non-distributable and allocated to a specific unavailability reserve of equal amount of net worth as described in paragraph "Destination of operating result (art. 2427, paragraph 1, number 22- septies, of the civil code)".

In the preparation of the financial statements and in the presence of indicators of impairment loss, the company shall assess the recoverability of intangible assets held. No indicators of impairment loss have emerged from the analysis reported out.

Introduction, tangible fixed assets

This asset item includes the assets of durable use that form part of the permanent organization of the Companies. The reference to lasting factors and conditions is not inherent to goods as such, but to their destination. They are normally used as tools for producing the income of the characteristic management and are not, therefore, intended for sale or processing for obtaining the company's products.

In the presence of tangible fixed assets that the company intends to devote to the sale, the same were classified separately from the tangible fixed assets that is to say in a special item of the Current assets.

Ordinary depreciation, as shown in the prospectus, was calculated on the basis of rates considered representative of the residual possibility of using the relative tangible fixed assets. The rates applied are as follows:

- plants and machinery 15%
- Industrial and commercial equipment 20,00%
- other goods:
 - Electronic office machines 20,00%
 - Office furniture and equipment 12,00%
 - vehicles 25,00%

Introduction, changes of tangible fixed assets

For the item in question, a special handling schedule, shown on the following pages, has been prepared, indicating for each item the historical costs, the previous depreciation and the previous evaluations and devaluations, the changes during the period, the final balances and the total evaluations existing at the end of the period.

Analysis of changes of tangible fixed assets

	Land and buildings	Plants and machinery	Industrial and commercial equipment	Other tangible assets	Tangible fixed assets in progress and payments on account	Total material assets
Value at the beginning of the exercise						
Cost		177.766	199.348	1.091.719		1.468.833
Revaluations						-
Depreciation (Amortization Fund)		31.889	22.792	519.967		574.648
Devaluations						-
Budget value		145.876	176.556	571.752		894.184
Changes in the exercise						-
Increments for acquisitions		26.317	57.311	193.357		276.985
Reclassifications (of balance sheet value)			- 11.825	11.755		- 70
Decreases in alienation and disposals (of balance sheet value)						-
Revaluations made in the period						-
Amortization of the exercise		13.198	12.805	81.633		107.636
Writedowns made in the exercise						-
Other variations		3.147	4.072	20.632		27.851
Total variations		16.266	28.609	144.111		188.986
End of year value						-
Cost		204.083	256.658	1.285.076		1.745.817
Revaluations						-
Depreciation (Amortization Fund)		28.234	27.844	633.987		690.065
Devaluations						-
Balance value		155.849	228.815	651.089		1.035.753

Comments, changes of tangible fixed assets

The main increases for the year concerned:

- The purchase of lighting signs used outside the "EdilizAcrobatica" Points, registered under the heading "Industrial and Commercial Equipment", for Euro 28.609, net of the utilization share of the year.
- The purchase of furniture and furniture for the outlets opened during the year, registered under "other Tangible fixed assets", for Euro 144.112 net of the amortization share of the year.

The following table shows the effect of the suspension of depreciation of tangible fixed assets pursuant to art. 60 of Law No. 126 of October 13, 2020, with amendments to decree-law no 2020 of august 14:

Tangible fixed assets	Amortization (reduction DL 104/2020)	Amortization (without reduction)	Effect on profit and loss account and equity
B.II.2 plants and machinery	13.198	26.395	13.198
B.II.3 Industrial and commercial equipment	979	1.959	979
B.II.4 other property	102.985	206.016	103.031
Total	117.162	234.371	117.208

In relation to the influence on the representation of the balance sheet and financial position and the economic result for the year, it is noted that the allocation of lower depreciation and amortization resulted in a higher profit of Euro 117.208, non-distributable and located to a specific unavailability reserve of equal amount of net worth as described in paragraph "Destination of operating result (art. 2427, paragraph 1, number 22- septies, of the civil code)".

In the preparation of the financial statements and in the presence of indicators of impairment loss, the company shall assess the recoverability of intangible assets held. No indicators of impairment loss have emerged from the analysis reported out.

Introduction, Leasing operations

The leasing operations are accounted for in accordance with the provisions of the civil and fiscal legislation in force: These provide for the accounting for the income statement of the rents accrued in the financial year (Euro 39.2.783 in 2020). On the other hand, the adoption of the financial method, provided for in international accounting standards, would have involved the accounting in each period of interest on the capital financed and of amortization's shares in the value of the assets acquired under lease, in addition to the entry of the assets in the asset and the residual debt in the liability.

In the event that the company had adopted the aforementioned financial meteorology, in accord with n. 22 of art. 2427 of the Civil Code, the following effects are provided: Shareholders' equity at 31 December 2020 would have been less than Euro 5.5.543 net of the theoretical tax effect, while assets, capabilities and the net result of the period would have presented the following values.

Leasing transactions (lessee)

	Amount
Total amount of the assets leased at the end of the financial year	115.431
The responsibility of the financial year	43.587
Current value of the fees not expired at the end. of the period of the exercise	109.505
Financial charges for the financial year on the basis of the interest rate actual	4.429

Introduction, financial fixed assets

At December 31, 2020, the Company holds "Financial fixed assets" totaling Euro 1.217.993 (Euro 1.050.251 at December 31, 2019).

This item is entirely made up of shareholdings and receivables in "subjects".

Introduction, changes of financial assets: Equity investments, other securities, derivatives financial instruments assets

The most significant changes during the period with regard to investments in subsidiaries and financial derivatives are shown in the corresponding handling schedule.

Analysis of the changes of financial assets: Equity investments, other securities, financial derivatives assets

	Holdings in subsidiaries	Investments in affiliated companies	Holdings in parent companies	Holdings in undertakings under the control of controlling	Holdings in other companies	Total Investments	Claims to subsidiaries	Other titles	Financial derivatives assets
Value at the beginning of the exercise	539.250					539.250	511.001		-
Cost	539.250					539.250	511.001		-
Revaluations									
Devaluations									
Budget value	539.250					539.250	511.001		
Changes in the exercise									
Increments for acquisitions						825.000	523.768		33.224
Reclassifications (of balance sheet value)	825.000						-825.000		
Decrements by alienation (of balance sheet value)	-389.250								
Purchases made in the exercise									
Write downs made in the exercise									
Other variations									
Total variations	435.750					435.750	-301.232		
End of year value	975.000						209.769		33.224
Cost	975.000					975.000	209.769		
Revaluations									
Devaluations									
Budget value	975.000					975.000	209.769		33.224

Comments, changes of financial fixed assets: Holdings

The decrease of Euro 389.250 comes from the merger by incorporation of the companies EDAC Biella S.r.l., EDAC Sicilia S.r.l., EDAC Versilia S.r.l., Grandaedac S.r.l. in liquidation, EDAC Roma Nord Ovest in liquidation in EdiliziAcrobatica S.p.A. on 26 November 2020 with accounting and tax effects on 1 January 2020.

As regards the increases for the financial year, It should be noted that the membership value of the stake in the subsidiary EDAC France s.a.s. increased by Euro 825.000 following the decision of the directors to partially wait the credit grant to the subsidiary equal to Euro 1.034.769 at November 30, 2020 with the objective of financially supporting Company a follow-up to the negative results assigned in the previous financial year. As of December 31, 2020, the credit to EDAC France s.a.s. admitted to Euro 209.769.

Finally, in 2020 the company ended a financing contract of € 2 million with Deutsche Bank with a simultaneous transaction in OTC derivatives (IRS with floor) which at 31 December 2020 had a positive fair value of € 33.224.

Introduction, details on investments in subsidiaries

At December 31, 2020, the Company holds "Investments in subsidiaries" for a total of Euro 975.000 (Euro 539.250 at December 31, 2019).

Investments in subsidiaries are recorded at the purchase or establishment cost, including ancestral costs consisting of costs directly attributable to the purchase or establishment transaction such as, for example, banking and financial mediation costs, commissions, expenses and taxes.

Details of investments in subsidiaries held directly or for through trust companies or by person

Investments in subsidiaries	Total
	Edac France
	Rivealtes
Fiscal Code	
Capital	975.000
Profit/Loss	- 590.218
Stakeholder equity	- 39.709
Share Owned in Euro	975.000
Share Owned	100%
Value corresponding to credit	975.000

In 2020, the subordinate recorded a loss of Euro 590.218. As described by the Directors in the Management Report, the negative performance of the subsidiary is attributable mainly to two factors:

- The “start-up” phase in view of the fact that the company was set up on 7 March 2019 and, therefore, the investments made and the new openings are still in a phase of development and increase of operating capacity;

The health emergency that has negatively affected sales and production volumes. There was a negative difference at December 31, 2020 between the carrying amount of the stake in the financial statements of EdiliziacrobatICA S.p.A and the value of the Net assets of the subsidiary. The company's directors estimate such losses of value to be non-durable in view of the above and the expected future results of the secondary as provided for in the Multiannual Plan 2021 – 2023.

Introduction, changes of financial assets: Credits

Introduction

Please refer to the comment provided in paragraph “Comments, changes of financial fixed assets: Equity investments”.

Introduction, Currents assets

For the item in question, special detailed statements have been prepared, indicated on the following pages, which highlight the nature of the individual items and the relative movement of period.

Introduction, inventory

The “inventories” amounted to Euro 2.584.992 at December 31, 2020 (Euro 2.315.757 at December 31, 2019).

The stock entered in the balance sheet includes the stock inventories at the company's warehouses for Euro 616.364 (Euro 469.259 at December 31, 2019) relating to the building materials used for the execution of the works. In addition, the company enters stock inventories for Euro 1.968.628 (Euro 1.846.498 at December 31, 2019) relating to goods that competes for the production of the services provided by the company, and more specifically include of the equipment of which each team of rope operators must be equipped as slings, safety ropes and equipment.

Analysis of changes in inventories

	Raw materials, subsidiary and consumer products	Products in progress, processing and semi-finished products	Work-in-progress to order	Finished goods and goods	Advances	Total inventories
Value at the beginning of the exercise	2.315.756					2.315.756
Variation in the exercise	269.235					269.235
End of year value	2.584.992					2.584.992

Comments, inventories

The increase compared to the previous year equal to Euro 269.235 is attributable to an optimization of the management of the warehouse of products used in the "building" works.

Introduction, Current Assets: Receivables

The item in question total Euro 25.973.813 at December 31, 2020 (Euro 16.688.407 at December 31, 2019) and mostly includes trade receptions from third-party customers and receptions from group companies of Euro 19.739.287 (Euro 11.502.077 at December 31, 2019) and Euro 196.186 respectfully (Euro 769.385 at December 31, 2019) Net of a Allowance for doubtful accounts of Euro 1.321.115 (Euro 567.181 at December 31, 2019), tax credits of Euro 3.295.899 (Euro 2.503.250 at December 31, 2019), deferred tax assets of Euro 324.868 (Euro 31 at December 2019, 2.417.573) and other credits for Euro 1.765.358 (Euro 31 at December 2019,).

The "commercial receivables from customers" payable within the period relate to receivables from normal sales operations and are mainly to domestic customers. For such claims, which are expected to be discovered in normal commercial terms, the company has not used the method of assessing the amortized cost.

It should be noted that the item "Accounts receivable" includes Euro 8.470.900 relating to the invoice counts granted by the company to customers for the work charged out in agreement with the rules governing the sale to third parties pursuant to art. 121 of the Decree relaunch. As of 31 December 2020, these claims were recruited under "Accounts receivable" as they were not yet sold by customers and, therefore, the company did not recruit them under "Tax Credits". See paragraph "subsequent events" for details of amounts sold after 31 December 2020.

These loans were initially recognized at nominal value and subsequently discounted at the interest rate of 0,548% (BTP at 10 years as at 31 December 2020) , in view of the fact that these loans are transferable to the Treasury. The difference between the initial recognition value of the credit (Euro 8.681.897) and the discount value (Euro 210.997 thousand) was recognized in the profit and loss account, writing the item "Sales and performance revenues".

The increase in "allowance for doubtful accounts" in the financial year is due to the allocation made during the financial year to adjust the value of the claims to their assumed realistic value partially offset by the use in the financial year against receipts that are no longer receivable or partially received. The bottom movement is highlighted in the table below:

	31.12.2019	Accrual	Uses	31.12.2020
Allowance for doubtful accounts	567.181	753.934		1.321.115
Allowance for doubtful accounts taxed		-	-	-
Total	567.181	753.934	-	1.321.115

Current assets includes tickets from Ediliziacrobatica France s.a.s. for a total of Euro 196.186 (Euro 769.385 at December 31, 2019); the item "Tax credits" mainly includes:

- The credits for withholding tax incurred for Euro 1.923.427
- The tax credit for research and development's business ex Article 3 DL 23/12/2013 n. 2018 for Euro 728.815
- IRES credit for the previous year for Euro 127.626
- Credit for training activities 4.0 ex art.1 C.46.56 Law 27/12/2017 n. 2018 163.386
- Credit Art bonus Teatro Stabile di Genova ex art 17.c1 Art bonus of DL 17/10/2016 n.1809 for Euro 7.800

The deposited tax assets of Euro 324.868 relate to the temporary differences between civil profit and taxable tax income; These claims have been made because on the basis of the multi-annual plans drawn up by the company's management there is reasonable certainty that the company will produce sufficient taxable income for their recovery in future periods.

The item "receivables from other" includes, mostly, Euro 111.061 of claims for advances to suppliers, Euro 154.274 for deposits, Euro 1.014.609 for claims against social security institutions for CIG events, Euro 600.000 for the associated Cine 1 Italia SRL.

Introduction, changes and maturity of the receivables recorded under current assets

The most significant changes during the year with respect to the credits entered in the Current assets are reported in the appropriate next handling schedule:

Analysis of changes and maturity of credits entered in Current assets

	Accounts receivable registered in the current assets	Credits toward subsidiaries registered in Current assets	Tax credits entered in the current assets	Assets for deferred tax assets recorded in Current assets	Credits toward other members of the Current assets	Total credits entered in Current assets
Value at the beginning of the exercise	11.502.077	769.385	2.503.250	148.337	1.765.358	16.688.407
Variation in the exercise	8.237.211	573.199	792.649	176.531	652.215	9.285.407
End of year value	19.739.288	196.186	3.295.899	324.868	2.417.573	25.973.814
Poor quota within the year	19.739.288	196.186	3.295.899	324.868	2.417.573	25.973.814
Poor altitude beyond exercise						
Of which a residual duration exceeding 5 years						

Changes, changes and maturity of the credits entered in the Current assets

The increase in commercial receipt from third parties compared to the previous year of Euro 8.237.211 is essentially related to the increase in sales of works with the Tax Building Bonuses of 50% and 90% as described in the above paragraph.

Introduction, breakdown of the credits entered in the Current assets by geographical area

The breakdown of credits by geographical area is not reported because it is not relevant.

Introduction, changes in financial assets that do not substitute fixed assets

The financial assets that do not substitute fixed assets amount to Euro 9.244.404 and relate to two investments made during the previous financial years by the company in capitalization financial products. In particular, Ediliziacrobatica Spa has invested in the following financial instruments:

- "Aviva Solution value UBI Edition 2017", the contract was concluded on 27 February 2018 for a value equal to Euro 1.000.000;
- Eurovita Private value", the contract was concluded on 13 December 2018 for a value of Euro 3.000.000.
- " Polizza Ezum BNL", the contract was concluded on 5 November 2020 for a value of Euro 5.000.000
- Purchase of other marketable securities on 9 November 2020 for A value of Euro 48.000

The directors realized such investments with a perspective of temporary use of liquidity with redemption option.

The valuation is carried out at the adjusted acquisition cost of evaluation, equal to Euro 90.564, to take account of the higher realization value at 31 December 2020.

Introduction, Cash and Cash equivalents variations

The "Cash and cash equivalents" total Euro 8.166.698 (Euro 5.335.574 at December 31, 2019) and mainly buy bank accounts for Euro 8.148.241 and cash for Euro 18.457.

Analysis of Cash and Cash equivalents variations

	Bank deposits and postal services	Checks	Money and other cash values	Total Availability Liquid
Value at the beginning of the exercise	5.317.467		18.107	5.335.574
Variation in the exercise	2.830.773		350	2.831.123
End of year value	8.148.240		18.457	8.166.698

Comment, Cash and Cash equivalents variations

The increase in "Cash and cash equivalents" comes from the difference between positive and negative cash flows. In particular, the issue of the new bond, announcing to Euro 10.000.000 net of expenditures on investigations, combined with state measures to help companies following the Covenant emergency, has enabled a positive cash flow.

Introduction, information on accrades and active payments

This item includes active payments of Euro 703.427 due to insurance premiums, mortgage costs and rents. The biggest variation is the sponsorship contract with Torino Calcio S.p.A.

Analysis of changes in Prepayments and accrued income

	Accrued Income	Deferred Income	Total accruals and accrued Income
Value at the beginning of the exercise	-	143.287	143.287
Variation in the exercise		560.140	560.140
End of year value	-	703.427	703.427

Introduction, Notes on liabilities

With reference to the year ending below, the comments on the main items of equity and capabilities are given.

Introduction, equity

The handling of the items establishing the Net assets of the last two financial years is given below.

Introduction, changes in equity items

We comment below on the main items that make up equity and the relative variations:

Analysis of changes in equity items

	Capital	share surcharge reserve	Legal Reserve	Statutory reserves	Reserve expected for hedging operations	Other reserves	Profits (losses) carried over	Profit (loss) for the financial year	Consolidated stakeholders equity of the group
Value at the beginning of the exercise	792.424	6.255.986	154.506			116	3.313.457	1.225.175	11.741.664
Target of the result of the previous financial year			3.979				- 1.221.196	- 1.225.175	- 2.442.392
Dividend allocations									-
Other destinations									-
Other changes							1.681.665		1.681.665
Increases	10.826	424.383				4.273			439.482
Decreases									-
Reclassifications									-
Operating results								2.293.612	2.293.612
Year-end value	803.250	6.680.369	158.485		22.839	4.389	3.773.926	2.293.612	13.691.192

Comments, changes in equity items

Share capital

The share capital was fully subscribed and paid up at 31 December 2020 and amounted to Euro 803.250 represented by no. 8.032.500 common stock. Compared to the previous year, the share capital increased by an amount of Euro 10.826

Reserves

Legal reserve: The reserve entered in the balance sheet amounts to Euro 158.485 and is increased with respect to the previous year (Euro 3.979) as a result of the allocation of profits for the financial year 2019 as per the stakeholders' Meeting resolution of April 26, 2020.

Reserve Additional paid in Capital: The reserve entered in the balance sheet amount to Euro 6.680.369 and increased by Euro 424.383 as a result of the year of the warrants at September 30, 2020 for a total amount of Euro 435.209, Of which Euro 10.826 was allocated to the increase in the share capital and the residual share allocated to the reserve Additional paid in Capital.

Other reserves: This item is composed of Euro 22.723 thousand relating to the fair value of financial instruments and Euro 4.273 formed following the merger by incorporation due to the cancellation of the equity values of investments at 31 December 2019 and related net assets.

Profits (Loss) carried over

At December 31, 2020, the profits carried over announced to Euro 3.773.926. The allocation of the 2020 result, according to DL 104/2020, will take into account the fact that the share of profit equal to the unrealized abortion of Euro 878.667,81 will be allocated to an unavailability reserve

Net profit

The 2020 financial year ended with a profit of Euro 2.293.612

Introduction, availability and use of equity

The items of equity are thus distinguished according to the origin, the possibility of use, the possibility of distribution and the use made in the previous two financial years

Origin, possibility of use and distribution of equity items

	Amount	Origin/Nature	Possibility of utilization	Dimension available
Capital	803.250			
Reserve for share surcharge	6.680.369	Capital	A,B	6.680.369
Revaluation reserves				
Legal reserve	158.485	Useful	A,B,C	158.485
Statutory reserves				
Other reserves				
Extraordinary reserve	- 18.450		A,B,C	-18.450
Reservation from derogations ex Article 2423 Civil Code				
Reserves shares or shares of the parent company				
Revaluation reserve				
Payments against capital increase				
Future payments Capital increase				
Capital payments				
Spills to cover losses				
Reserve from share capital reduction				
Merger surplus reserve				
Spare for Foreign exchange gains not manufactured				
Reserve from current profits				
Various other reserves				
Total other reserves	- 18.450			-18.450
Reserve for transactions covering expected cash flows				
Profits brought back	3.773.926	Useful	A,B,C	3.773.926
Negative reserve for Treasury Stock in portfolio				
Total	11.397.580			
Dimension is not distributable				
Residual share that can be distributed				
Legend: A: For capital increase B: For loss cover C: For distribution to shareholders D: For other statutory constraints E: Other				

Introduction, information on funds for risks and charges

At December 31, 2020, risks and charges were recorded for Euro 59.502 (Euro 28.849 at December 31, 2019). Specifically, this item consists solely of the allocation of a decreased tax liability resulting from the temporary differences between civil and fiscal profits generated by the annual calculation of taxes for the year.

Analysis of changes in funds for risks and charges

	Bottom for treatment or retirement and similar obligations	Fund for taxes also deferred	Financial derivatives	Other funds	Total funds for risks and charges
Value at the beginning of the exercise		28.849			28.849
Changes in the exercise		30.653			30.653
Accrual in the period			56.062		56.062
Use in the exercise					
Other variations					
Total variations					
End of year value		59.502	56.062		115.564

Comments, information on funds for risks and charges

The "Tax Funds" and the "deferred tax liability" allocated to items which tax burden has been deferred in several final years. In addition, a passive financial instrument for Euro 56.062 is included in the risk and expense funds. This value corresponds to the fair value at 31 December 2020 of n.1 derivative covering expected cash flows. Specifically, No. 1 "interest rate swap" contract ended to cover the variable interest rate transaction risk of a passive loan, ended on 29 June 2020 with the BPM credit institution, for an amount of Euro 4 million. The hedging function of these derivatives is considered to be sufficient, since it is present since the conclusion of a close and documented correlation between the characteristics of the mortgage and those of the hedging derivative itself.

Introduction, information on the treatment of the end of the subordinate employment relationship

The final treatment of the employment relationship reached Euro 1.663.193 (Euro 1.038.451 at December 31, 2019), determined in accordance with the proposals of art. 2120 of the civil code, highlights the following changes:

	31.12.2019-31.12.2020
Fund as at 31.12.2019	1.038.451
Accrual for the period	922.085
Delivered	- 297.343
Fund as at 31.12.2020	1.663.193

Comment, information about the treatment of the end of the child employment relationship

The accrued fund presents the actual debt of the company at 31 December 2019 to employees on that date, net of the advances paid.

Introduction, debts

Debts are valued at their nominal value.

Introduction, changes and maturity of debt

Let us comment below on the composition, the deadline and the changes of the exercise of the items that make up this grouping

Analysis of changes and maturity of debt

	Bonds	Banks	Others financiers	Payments on account	Suppliers	Controlled companies	Debts to parent companies	Debts to undertakings under the control of the parent companies	Tax liabilities	debts to social security institutions	Other debts	Total debts
Value at the beginning of the exercise	5.000.000	7.046.115	15.493	1.090.524	3.621.966	247.174	70.423		1.244.543	1.108.588	1.501.410	20.946.236
Variation in the exercise	4.740.976	7.861.404	-2.043	220.390	1.289.599	- 247.032	-395		955.369	245.637	1.077.159	16.141.064
End-of-year values	9.740.976	14.907.519	13.450	1.310.914	4.911.565	142	70.028		2.199.912	1.354.225	2.578.569	37.087.300
within the year	-	3.850.070	-	1.310.914	4.911.565	142	70.028		2.167.339	1.354.225	2.578.569	16.242.852
beyond exercise	9.740.976	11.057.449	13.450	-	-		-		32.573	-		20.844.448
Of which a residual duration exceeding 5 years	2.168.478	7.290.391										9.458.869

Comments, changes and maturity of debt

The “bond debt” production of a bond issued by the Company on July 31, 2020 for Euro 10.000.000. The bonds are valued using the amortized cost method. Therefore, the company has reduced the value of the issued obligation to the transaction costs incurred by an amount of Euro 259.024 thousand.

On July 31, 2020, EdiliziAcrobatica S.p.A. issued a 10 million euro bond signed by Intesa Sanpaolo, while at the same time the bond loans quoted on the ExtraMOT Pro segment of Borsa Italiana quoted to € 5 million in advance

The main terms governing the bond loan are:

- Interest: Fixed rate (with fixed six-month coupon) of 3,30% (three point thirty per cent) on an annual basis;
- maturity/duration: 7 (seven) years from the date of issue
- Reimbursement: On an amortizing basis, with a pre-amortizing period of 2 (two) years.

The issue of the bond loan is aimed at the development of new markets through the strengthening of the commercial presence, continuation and consolidation of the internationalization process, new business lines also through merger and acquisition of companies or individual business branches, as well as the strengthening and/or rationalization and/or efficiency of both Italian and foreign production areas, in order to tighten its presence on the reference markets and to develop working capital in relation to the growth of revenues.

As of 31.12.2020, the company verified that it had performed with the covenants provided for in the agreement signed with Banca Intesa Sanpaolo.

The “Bank payables” concert for Euro 676.024 ordinary assignments to primary credit institutions with which the company maintains regulated relations at rates in line with the market and for Euro 14.231.495 financing contracts allocated to the investments necessary for the strengthening of the productive activity it has entered into new financing contracts with Banco bpm for Euro 4.000.000,00 with Intesa Sanpaolo for Euro 500.000,00, Ubi Banca for Euro 500.000,00 and Banca Carige for Euro 750.000 “debts to other lenders” the first to finance for a corporate car.

The item “advance payments” includes advances received from customers in respect of services that have not yet been provided.

The “accounts payable” are for commercial transactions within normal payment terms, all of which expire within the year.

The company has therefore not used the method of assessing the amortized cost for these debts.

The increase in the period, of Euro 1.289.600, is due to the increase in volumes of business, since the company does not present situations of significant debts to suppliers that have expired beyond the year.

The balance of “fiscal debts” relates mainly to the IRAP/IRES debt for the year of Euro 1187.387,. In addition to these are some open debt positions relating to the VAT debt for Euro 650.027 and for self-employed and employee holding taxes to be set in January 2021 for Euro 205.955.

The item “funds to social security institutions” consists of contributions, regularly paid during the first part of the financial year 2021: INPS for Euro 509.145, INAIL for Euro 202.929, Construction Fund for Euro 542.374 Supplementary pension Funds for Euro 54.865.

The “other debt” refer mostly to Euro 1.897.815 for debt to employees for competitors accrued in December 2020 and liquidated in January 2021, Euro 85.000 for debt to Members for profits to be paid and Euro 369.907 for debt to Directors.

Introduction, breakdown of debts by geographical area

A prospectus showing the breakdown of debt by geographical area has not been provided, since the company is operating almost exclusively on the Italian market and this breakdown would not be significant.

Introduction, information on accrued expense and deferred income

According to art. 2424 bis, paragraph 6, of the civil code, the costs of the financial year payable in subsequent financial years and income received by the end of the financial year but failing within the scope of subsequent financial years.

The item contains passive rates for Euro 341.466 composed as follows:

Analysis of changes in accrued expense and deferred income

	Accrued expense	Deferred income	Accruals and accrued income
Value at the beginning of the exercise	54.396	240.762	295.158
Variation in the exercise	126.562	-80.254	46.308
End of year value	180.958	160.508	341.466

Information on accrued expense and deferred income

The balance at 31 December 2020 is mostly related to interest rates recorded as a result of interest on bond loans.

There are no installations and payments of more than five years at 31 December 2020.

Introduction, notes on income statement

Before analyzing the individual items, it is recorded that the comments on the general trend of costs and revenues are presented, according to art. 2428, paragraph 1, of the civil code, in the context of the management report.

Introduction, production value

The value of production amounts to Euro 42.825.453 (Euro 34.866.884 at December 31, 2019).

Revenues from sales and services of Euro 41.713.474 are recognized net of returns, discounts, rebates and awards, as well as taxes directly related to the sale of products and the provision of services.

Item A4) "increases in fixed assets for internal works" includes capital costs which generated increases in the assets of the balance sheet under the "intangible assets" items and relate to the costs of staff employed in opening up for Euro 577.903, Start-up and development of the new direct offices and for Euro 58.098 at the cost of the personnel employed in the development of projects for the development of internal software.

Item A5) "other revenue and income" includes the following:

	31.12.2020	31.12.2019
Income from ancillary activities	24.200	3.840
Contingencies and inequities	171.121	90.416
Different non-financial income and income	5.593	1.079
Contributions in the financial year account	275.065	78.335
Total	475.980	173.670

Introduction, breakdown of sales and performance revenues by activity category

The breakdown of revenues by activity category is as follows:

Details of revenues from sales and services by category of activity

	31.12.2020	31.12.2019
Cost	39.402.865	29.364.105
Revaluations	1.154.241	1.675.438
Depreciation (Amortization Fund)	426.035	240.871
Devaluations	386.332	482.027
Budget value	344.000	860.000
Total	41.713.473	32.622.441

Comment, breakdown of revenues from sales and services by category of activity

At December 31, 2020, the item "Revenues from sales and services" includes revenues from production carried out for Euro 39.402.865 (in 2019 for Euro 29.364.105); this increase is due both to the opening of new direct operating areas and to the further development in terms of sales and production activities of those already present; at the end of the year the number of 59 production areas was reached. The increase in royalties is due to the increase in the production volume of the areas managed by the franchisees; this has also led to an increase in the sales of material to the franchisees.

Introduction, breakdown of sales and performance revenues by geographic area

A breakdown of revenues by geographical area has not been provided, since the company is operating almost exclusively on the Italian market and this breakdown would not be significant.

Comment, production costs

The "production costs" amount to Euro 39.168.891 (Euro 32.477.519 at December 31, 2019).

The costs for Raw materials, subsidiary and consumption, equal to Euro 4.836.678 (4.405.235 at 31 December 2019), are recognized net of returns, counts, rebates and awards. This item is made up of the costs for the purchase of slings, equipment and materials for the operational teams.

Item B7) of Euro 9.897.931 (Euro 7.829.080 at December 31, 2019) includes the costs arising from the acquisition of services in the ordinary business of the enterprise. This item is mainly composed of consulting costs related to administrative staff (Euro 25.514), commercial, legal and security consulting costs (Euro 1.856.818), representative of expenses of workers, collaborators, coordinators and administrators (Euro 1.443.747), labor costs at the construction sites (Euro 309.250), waste disposal costs (Euro 212.368), insurance costs (Euro 93.707), costs (Euro) Training courses (Euro 191.595), advertising and marketing costs (Euro 583.577), travel and travel expenses of employees (Euro 726.962), costs of utilities (Euro 92.229), software assistance (Euro 35.694) for fuels (Euro 420.366), fees and bank charges (Euro 152.683) and the debt collection service (Euro 89.396).

Item B8) accepts costs for the enjoyment of goods of third parties for Euro 2.765.537 (Euro 2.247.514 at December 31, 2019). This item mainly includes rental fees for the property of direct operating locations for Euro 972.657, software license fees for Euro 260.000, lease fees of Euro 30.345, vehicle rental fees for Euro 833.623, rental fees for construction and office equipment equal to Euro 217.314 and Euro 125.651 respectively, other rentals for Euro 72.126.

These costs increased by 23% compared to the previous year, mostly due to the increase in the costs closed to the opening of new operating areas, which has led to the support of higher company vehicle and truck rental fees and rental fees for points located in the national territory.

Item B9) of Euro 19.274.380 (Euro 16.295.703 at December 31, 2019) includes the costs involved during the financial year for employees, including temporary work.

In detail, under item B9a, wages and salaries are recognized, including accelerated and non-paid allowances for additional canteens and holidays accelerated and not taken before taxes and social security contributions payable by the employee; Under item B9b) the charges borne by the enterprise, under item B9c) experiences made in the period for treatment of end of employment, under item B9d) PR visions to supplementary pension funds other than the TFR.

Item B9e) of Euro 236.208 consists mostly of costs for temporary work and personnel posted from other group companies, travel allowances and business awards to workers.

Appreciation of intangible and tangible assets is characterized by a amortization process at constant shares according to the rates defined by Italian Accounting Standards.

Item B10d) "write-downs of receivables included in current assets and Cash and Cash equivalents", receives write-downs of receivables from customers included in current assets for Euro 728.134e.

The item B14 "different operating charges" is equal to Euro 1.037.715 (Euro 1.117.043 at December 31, 2019) and includes all types of costs that do not fall under the previous items but are part of the characteristic management. The increase was mainly due to sponsorship activities during the year.

Introduction, financial income and charges

In Class C, all positive and negative components of the operating income related to the company's financial activity were recognized.

Net financial income has a positive balance of Euro 44.585 and is mainly derived from interest linked to the financing contract with EdilizAcrobatica France s.a.s. for an amount equal to Euro 3.255 and from interest to third parties for Euro 41.330.

Financial charges include interest payable by banks and bond loans of Euro 419.026.

Introduction, breakdown of interest and other financial charges by type of debt

The balance of "interest and other financial charges" for the year ended 31 December 2020 admitted to Euro 419.026 (Euro 344.582 at 31 December 2019).

The following is the breakdown of interest and other financial charges by type of debt.

Breakdown of interest and other financial charges by type of debts

	31.12.2020
Interest expense	41.535
Interest payable on bond loans	305.854
Interest payable on loans	17.039
Interest payable on third-party financing	5.230
Others	49.368
Total	419.026

Comments, breakdown of interest and other financial charges by type of debt

The change noted compared to the previous year, amounting to Euro 163.755, is mostly due to the increase in interest payable by banks in connection with bond loans.

Introduction, deferred and anticipated current taxes

The company has allocated tax for the year on the basis of the applicable tax rules. Current taxes refer to taxes for the period as resulting from tax declarations; taxes relating to previous years include direct taxes from previous years, including interest and sanctions, and are also related to the positive (or negative) difference between the amount due as a result of the settlement of a dispute or settlement with respect to the value 1 of the accrued fund in previous years. Deposited taxes and deposited taxes, finally, relate to positive or negative income components subject to taxation or deduction in different periods than those of civil accounting.

	31.12.2020
IRAP	463.647
IRES	1.026.564
Deferred and anticipated taxes	145.878
Taxes relating to previous years	265.169
Total	1.079.164

It should be noted that the amounts of Irap and Ires shown in the table above are inclusive of the tax charges of the Companies that were merged on 16 November 2020.

The theoretical rate determined on the basis of the configuration of taxable income for the purposes of IRES tax is 24%. The reconciliation with the actual rate is as follows:

IRES EFT RECONCILIATION	
Result before tax	3.372.776
Theoretical tax burden (%)	24%
Theoretical IRES	809.466
Permanent differences	562.963
Temporary differences	705.934
Loss prior to melting	(407.239)
Taxable income	4.234.434
Actual IRES	1.016.264
Actual tax burden (%)	30%

The theoretical rate determined on the basis of the configuration of taxable income for the purposes of the IRAP tax is 1,93 %. The reconciliation with the actual rate is as follows:

IRAP EFT RECONCILIATION	
Result before tax	3.372.776
Not significant costs	20.286.300
Theoretical production value	23.659.076
Theoretical tax burden (%)	3,9%
Theoretical IRAP	922.704
Permanent differences	(12.166.629)
Temporary differences	(160.067)
Value of production	11.332.380
Actual IRAP	460.947
Actual tax burden (%)	1,95%

Deferred and anticipated taxes

This item includes the impact of deferred taxation on this budget. The same is due to temporary differences between values attributed to an asset or liability according to civil criteria and the corresponding values recognized for tax purposes.

The company has determined the referenced tax with exclusive reference to IRES, since there are no temporary changes to IRAP.

Advance and deposited taxes were calculated using the following rates respectively:

Aliquots	Ex. n+1	Beyond
IRES	24%	24%

Below, where present, are the information required by art. 2427 no. 14 of the civil code, or:

- a description of the temporary differences which led to the recognition of advanced taxes, specifying the rate applied and the changes from the previous year, the amounts credited or due to the income statement or equity;
- the amount of deferred tax recorded in the balance sheet relating to losses for the previous financial year or years and the reasons for entry; the amount not yet accounted for and the reasons for non-inclusion;
- items excluded from the calculation and the reasons for this.

Recognition of deposited and anticipated taxes and consequent effects:

IRES	
(A) temporary differences	
Total deductible temporary differences	- 1.353.619
Total taxable temporary differences	222.688
Net temporary differences	- 1.130.931
(B) fiscal effects	
Deferred tax liability (advance) at the beginning of the year	- 119.490
Deferred taxes (advanced) for the period	- 145.878
Deferred tax liability (advance) at the end of the financial year	- 265.368

Below is a detail of deductible temporary differences:

Description	Amount in the previous exercise	Variation on the exercise	Amount at term of the exercise	IRES rate	IRES effect	IRAP rate
Compensation not paid	14.236	239.269	253.505	24	60.841	-
Depreciation of investments	151.480	-151.480	-	24	-	-
Credit depreciation Acct	452.357	647.757	1.100.114	24	264.027	-
total	618.073	735.546	1.353.619		324.869	

The following details of taxable temporary differences:

Description	Amount in the previous exercise	Variation on the exercise	Amount at term of the exercise	IRES rate	IRES effect	IRAP rate	IRAP effect
Bond issue	120.200	-52.806	67.394	24	16.175	-	-
Suspension of shock absorber art. 60 DL 104/2020		155.292	155.292	24	37.270	0,039	6.056
total	120.200	102.486	222.686	48	53.445	0,039	6.056

Introduction additional note other information Business size

In 2020, the company employed 524 ULA, which puts under review the corporate dimension, thus moving from the status of SMEs to large enterprises.

Introduction, employment date

The average number of employees for the financial year 2020, broken down by category, was as follows.

Average number of employees by category

	31.12.2020	31.12.2019
Managers/executives	4	4
Employees	109	91
Workers	411	343
Total	524	438

Introduction, compensation to directors and auditors

In the financial year 2020, compensation to directors and auditors was recognized for Euro 564.803, broken down as follows:

- Euro 520.684 to the Directors;
- Euro 44.119 to the statutory Auditors.

Introduction, Legal Auditor fees, or Auditing Company

The total consideration for the statutory audit of the 2020 financial statements is Euro 18.000, corresponding to the total amount of the fees payable to the statutory auditor for the statutory audit of the annual accounts.

Introduction, securities issued by the company

On November 19, 2018, the company listed on the aim segment of the Italian Stock Exchange. In the quotation process, the company issued Common Stock 7.449.850, Greenshoe Options 149.850 and placed 431.325 warrants (1 for 4 shares).

The admission to listing take place following a placement of n. 1.725.300 Common Stock, all of which are newly issued, for a value of 5.720.301 Euro, of which:

- no. common stock 1.499.850 coming from the capital increase reserved for the market;
- no. 75.600 common stock from the capital increase reserved for employees and directors;
- no. common stock 149.850, corresponding to approximately 8,7% of the offer, resulting from the greenshoe capital increase.

On 30 September 2020, on the basis of the "warrant EDAC 2018-2021" regulation, warrants number 108.261 were exercised at the end of the period, and 108.261 shares were issued for a total amount of Euro 435.209,22. The new share capital of EDAC is equal to Euro 803.249,8, divided into n. 8.032.498 common stock all without indication of nominal value.

Following the warrants exercise, the float was 22,43% and the share capital of the company was represented by n. 8.032.498 shares and is held as follows

Shareholders	Number of shares percentage of	Percentage of Share Capital
Arim Holding S.r.l.	6.061.386	77%
Employees and administrators	75.600	1%
Market	1.895.512	22%
Total shares	8.032.498	100%

Analysis of securities issued by the company

Enjoyment shares	Obligation convertible	Warrants	Options of values	Other securities
Number	-	124.124	-	-
Rights granted	-	-	-	-

Introduction, commitments, guarantees and Contingent capabilities not raising from the balance sheet

There are no commitments, guarantees and contingent capabilities resulting from the balance sheet at 31 December 2020.

Comments, commitments, guarantees and Contingent capabilities not raising from the balance sheet

Guarantees and guarantees

There are no guarantees and guarantees as at 31/12/2020.

Information on derivative instruments ex Art. 2427-bis of the Civil Code

The detailed information required by art. 2427-bis co.1 no. 1 Civil Code.

Please note that the company has two derivative contracts in place to cover interest rate risk. Below are the details. The changes of fair value reserve during the period are set out in the table in the section on equity.

Description	Fair value exercise CE	Change current	Change to PN	Reference amount residual
Interest Rate SW ap Deutershe Bank – Year 2020	33.224	-	33.224	2.000.000
Interest Rate SW ap BPM – Year 2020	-56.062	-	56.062	4.000.000

Information on relations with related parties

The balance sheet and economic ratios are given in the following table intercourse with related parties in the year ended December 31, 2020

	Credits	Revenue	Debts	Cost
EDAC I-Profile Srl	114	-	95.914	24.249
EdiliziacrobatICA Italia Srl	-	-	81.036	511.954

Location of operating result (art. 2427, paragraph 1, issue 22- septies, of the civil code)

The Board of Directors resolutions to allocate the operating result of Euro 2.293.612 as follows:

- Charge an amount of Euro 2.165,0 to increase the "Legal reserve", which will thus reach the legal limit;
- Set aside for profits at new Euro 127.579,3
- Set aside for special "reserve suspended depreciation purification to paragraph 7-quater art. 60 L.13,10.2020, no. 126." Euro 878.667,8 following the application of the right to suspend the annual depreciation of tangible and intangible assets (Article 60 of Law no. 126 of 13 October 2020 of conversation with amendments to the decreed-law of 14 august 2020, n. 104)
- Distribute divides of Euro 1.285.199,68 by allocating a unit dividend Of Euro 0,16 per share

Comment, information ex art. 1, paragraph 125, of the law of 4 august 2017 n. 124

Law No. 124/2017 provides for the obligation to provide information on grants, contributions, paid assignments and economic benefits of any kind received from Italian public administrations. In this regard, it should be news that during 2020 EdiliziacrobatICA S.p.A. received no form of subsidiary, contribution, paid assessment or other economic advantage from Italian public administrations. It should be noted that revenues:

- generated by services provided to entities belong to public administrations within the framework of the company's characteristic activity and governed by contracts with corresponding benefits, and
- the tax concessions available to all undertakings fulfilling certain conditions on the basis of predetermined general criteria, which are also the subject of specific declarations (see document CNDCEC March 2019)

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

Comment, additional note

This balance sheet, consisting of balance sheet, income statement, statement of cash flows and notes, presents in a truthful and correct manner the balance sheet and financial results for the financial year and correspondents to the results of the Journal entries.

Milan, March 29, 2021

For the Board of Directors,

Riccardo Iovino (Administrator)