



SEPARATE  
BUDGET  
2024

**UNiDATA S.p.A.**

Alexandre Gustave Eiffel 100 Avenue - 00148 ROME

Tax code, VAT number and Rome Business Register number 06187081002 R.E.A.  
number RM-956645

Capital stock Euro 10,000,000



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# COMPOSITION OF CORPORATE BODIES AND CONTROL

## **BOARD OF DIRECTORS**

<b><i>President</i></b>	Renato Brunetti
<b><i>Vice - President</i></b>	Marcello Vispi
<b><i>Councilors</i></b>	Giampaolo Rossini Paolo Bianchi Maurizio Tucci
<b><i>Independent directors</i></b>	Alessandra Bucci Barbara Ricciardi Stefania Argentieri Feather Luca Annibaletti

## **BOARD OF AUDITORS**

<b><i>President</i></b>	Pierluigi Scibetta
<b><i>Standing auditors</i></b>	Antonia Coppola Luigi Rizzi
<b><i>Alternate auditors</i></b>	Antonella Cipriano Alberto Tron Alvarez

## **MANAGER IN CHARGE**

Roberto Giacometti

## **STATUTORY AUDITOR**

EY S.p.A.

## **SUPERVISORY BODY**

<b><i>President</i></b>	Sergio Beretta
<b><i>Assistant members</i></b>	Maria Teresa Colacino Marco Conti

# REPORT ON MANAGEMENT

Members,

separate financial statements as of December 31, 2024, which we submit for your approval consists of the balance sheet, income statement, cash flow statement, statement of changes in shareholders' equity, statement of comprehensive income, as well as the notes to the financial statements and has been prepared in accordance with *International Financial Reporting Standards* (hereinafter referred to as IFRS Accounting ) issued by the International Accounting Standard Boards (IASB), as interpreted by the International Financial Reporting Interpretation Committee (IFRIC) and adopted by the European Union.

The fiscal year just ended reported total revenues of 104,329,570 euros, Ebitda of 104,329,570 euros, Ebitda of 104,329,570 euros, and Ebitda of 104,329,570 euros.

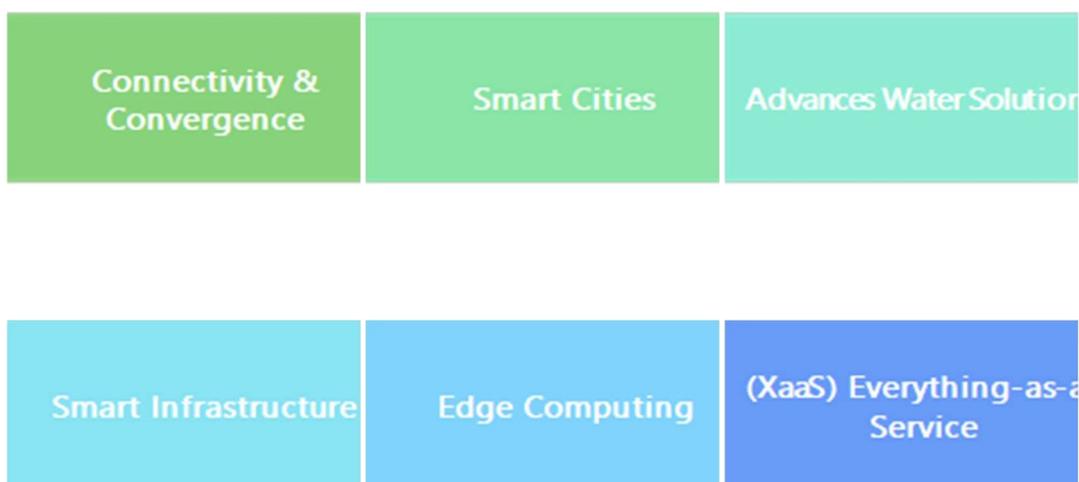
29,167,020 (Adjusted Ebitda of 29,551,158 euros) and a net income of 10,495,071 euros.

All of this testifies to the economic consolidation of Unidata, Please refer to the continuation of the management report for a more detailed analysis of the company's accounting situation as of December 31, 2024.

### **The Italian market for telecommunications services**

Unidata has been active in IT innovation sector since its founding in 1985 and, since the late 1990s, has consolidated its role as an Internet Service Provider. Today, the company operates in four main business areas, each focused on specific types of services: Fiber & Networking, Cloud & Data Center, IoT & Smart Solutions, and a fourth line dedicated to customized tailor-made projects, identified as Managed Services.

Due to its dynamic nature and the constant evolution of the telecommunications industry, Unidata's business model is constantly adapting to meet new market challenges. Below are the six main areas where the company will focus its investments and strategies for the future:

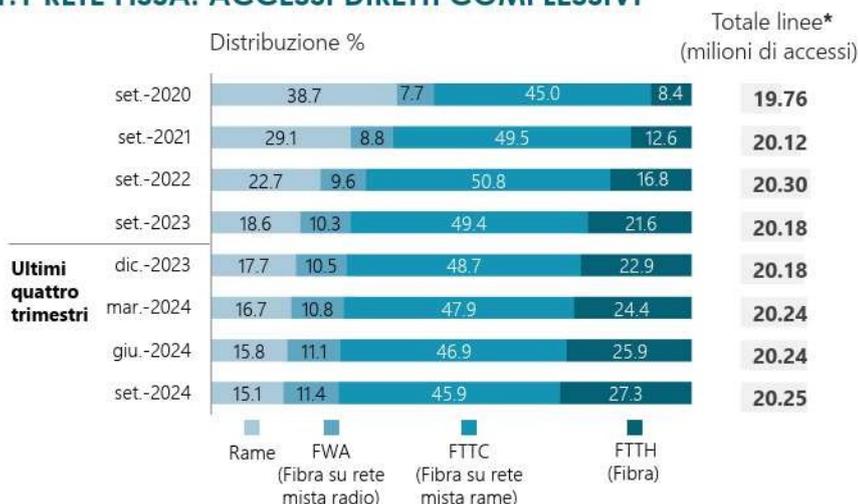


Unidata's business model is constantly evolving to respond to the dynamics of the telecommunications industry. In 2024, the company embarked on several strategic initiatives:

- IoT projects in the water sector: In January 2024, Unidata was awarded a contract with G.R.I.M. (Gestione Risorse Idriche Molisane) for interventions aimed at reducing losses in water distribution networks, including digitization and network monitoring. In April 2024, it signed a contract with Acquedotto Lucano S.p.A. for the implementation and management of a water smart metering IoT system in the Basilicata region.
- Submarine infrastructure development: In May 2024, the Unitirreno Submarine Network S.p.A. joint venture, in partnership with the Infrastructure for Growth ESG fund managed by Azimut Libera Impresa SGR S.p.A., obtained key environmental approvals for the submarine cable laying project that will connect Liguria and Sicily, with branches in Lazio and Sardinia. In July 2024, an agreement was signed with Sparkle to land the new submarine cable system in the Genoa Landing Platform, ensuring a resilient and secure infrastructure on Europe's west coast.
- Strategic Collaborations: In November 2024, Unifiber S.p.A., a joint venture of Unidata, entered into a collaboration with Open Fiber to extend the FTTH network in Lazio, accelerating the digitization of the region's gray areas.
- Expansion into the gray area market: Also in November 2024, Unidata signed an agreement with the CEBF fund to acquire 11 percent of Clifiber, strengthening its presence in the gray areas of central Italy.
- Participation in events and awards: Unidata participated in Ecomondo - The Green Technology Expo in November 2024, highlighting its commitment to sustainability. It also received the Sustainability Report 2024 Award, recognizing the company's focus on ESG practices.

Through these initiatives, Unidata has strengthened its position in the Italian telecommunications market, expanding its presence and service offerings nationwide.

## 1.1 RETE FISSA: ACCESSI DIRETTI COMPLESSIVI



Source: Agcom Quarterly Observatory, latest survey available (No. 4/2024)

The analysis of fixed access networks confirms the consolidated growth trend of FTTH (Fiber) technology, which reaches 27.3 percent of total access as of September 2024, up from 21.6 percent in September 2023. This increase is accompanied by a gradual decrease in FTTC (Fiber over mixed copper network) technology, which drops from 49.4 percent to 45.9 percent over the same period.

Similarly, the contraction of copper lines continues, falling from 18.6 percent in September 2023 to 15.1 percent in September 2024, while FWA (fiber over mixed radio network) connections show smaller growth, from 10.3 percent to 11.4 percent.

The total number of direct access lines remained essentially stable at 20.25 million as of September 2024, in line with the value recorded in previous quarters. This figure confirms that the increase in FTTH is mainly through migrations from lower-performing technologies, rather than through a net growth in the number access lines.

In the YoY September 2024 to September 2023 comparison, FTTH growth was +5.7 percentage points, compared with a combined decline in copper and FTTC by a similar amount. These figures highlight the continued development of pure fiber networks and the gradual abandonment of legacy infrastructure, a trend that rewards next-generation operators and penalizes incumbents still tied to mixed or copper infrastructure.



Source: Agcom Quarterly Observatory, latest survey available (No. 4/2024)

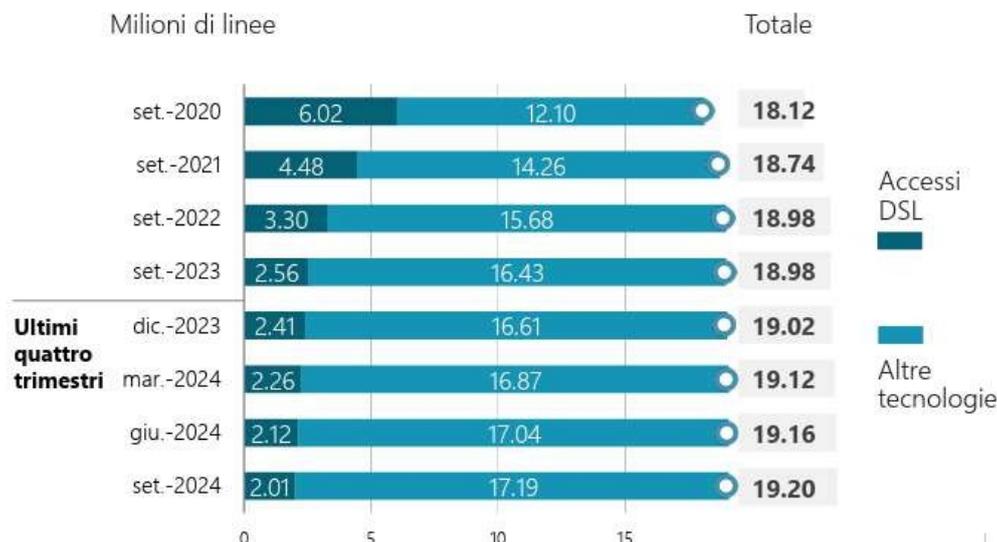
An analysis of market shares in the telecommunications sector for September 2024 confirms the downward trend incumbent TIM, which falls to 38.0 percent, registering a negative change of -1.9 percentage points from the previous year. This reduction is part of a well-established context of progressive market redistribution in favor of alternative operators.

Among the main competitors, Vodafone and Fastweb show slight declines in their shares, standing at 15.5 percent (-0.3 p.p.) and 13.1 percent (-0.4 p.p.), respectively, while Wind Tre shows slight growth, reaching 14.4 percent (+0.2 p.p.).

Among the smaller operators, we note the growth Sky Italia and EOLO, which gain +0.6 p.p. and +0.2 p.p. respectively, highlighting the strengthening of alternative broadband offerings. Tiscali, on the other hand, records a decline of -0.5 p.p., in line with the decline already observed in previous quarters. The "Other operators" segment, which includes emerging entities such as Unidata, continues to expand, registering a significant increase of +2.2 p.p. This figure confirms the trend already

detected in recent years: while incumbents are losing ground, the more dynamic and innovative operators are succeeding in tapping into a growing demand for ultrawideband services and advanced technological solutions.

## 1.2 RETE FISSA: ACCESSI BROADBAND E ULTRABROADBAND



Source: Agcom Quarterly Observatory, latest survey available (No. 4/2024)

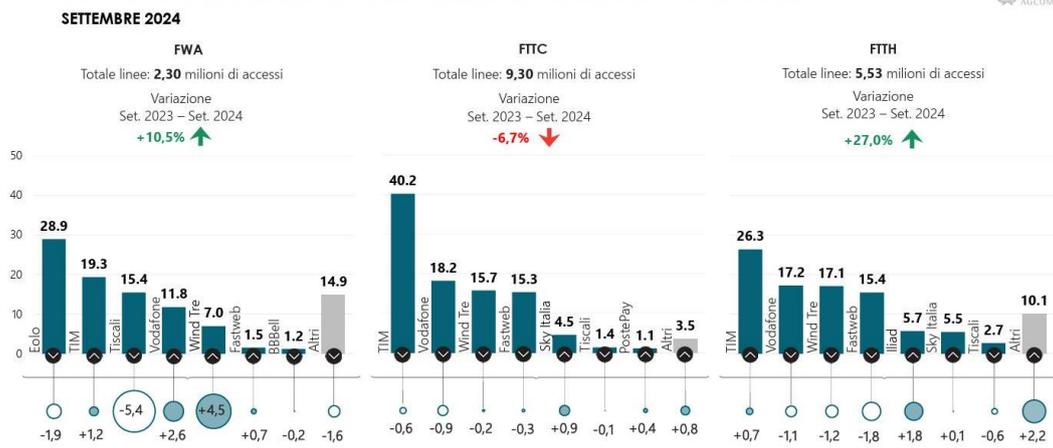
Analysis of broadband and ultrabroadband access on the fixed network confirms the gradual abandonment of DSL technology, with the number of lines steadily declining from 2.56 million in September 2023 to 2.01 million in September 2024. The annual decline was about -0.55 million lines, with decline more pronounced in the last year than in previous years.

At the same time, the adoption of alternative technologies, which include FTTH, FTTC and FWA, is growing: the total number of lines based on these solutions increased from 16.43 million as of September 2023 to 17.19 million as of September 2024, an increase of +0.76 million accesses in one year.

Total overall lines stood at 19.20 million as of September 2024, a moderate growth from 18.98 million in September 2023. This trend confirms that the expansion of ultrabroadband is taking place not only through the replacement of DSL lines with higher-performance technologies, but also through a slight overall increase in the user base.

Looking ahead, progressive switch-off of copper connections and accelerating investment in fiber, as evidenced by the initiatives of emerging infrastructure operators, will continue to drive this transformation, with FTTH technology set to become the dominant solution in the medium term.

### 1.3 RETE FISSA: ACCESSI BROADBAND E ULTRABROADBAND PER TECNOLOGIA E OPERATORE



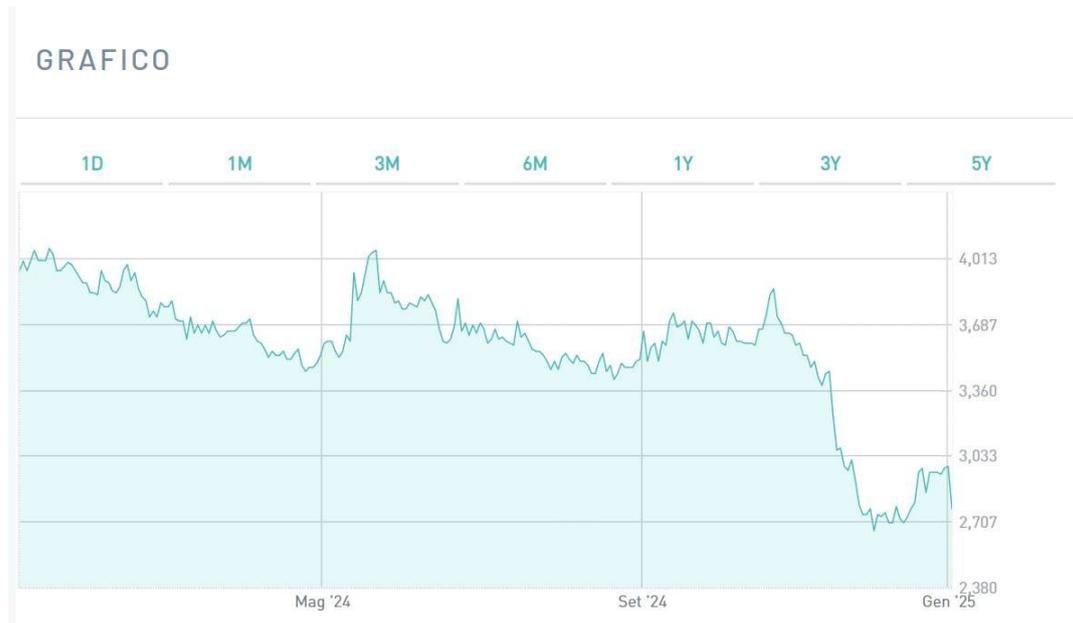
Source: Agcom Quarterly Observatory, latest survey available (No. 4/2024)

Analysis of the distribution of broadband and ultrabroadband access by technology and operator as of September 2024 confirms a major rebalancing of the market among different infrastructures.

- FWA (Fixed Wireless Access): This technology shows significant growth (+10.5% YoY), with a total of 2.30 million accesses. The increase is mainly driven by the growth of EOLO (+4.5 p.p.) and the expansion of TIM (+2.6 p.p.), while other operators maintain more stable positions. This figure confirms the growing role of FWA technology in the expansion of ultrabroadband in areas less served by wired networks.
- FTTC (Fiber-to-the-Cabinet): In contrast, the FTTC segment shows a decline of -6.7 percent, with a reduction lines to 9.30 million accesses. The decline affects TIM in particular (-6.0 p.p.), a clear sign of the gradual shift of users toward technologies such as FTTH. The other operators register smaller changes, with Sky Italia growing slightly (+0.9 p.p.).
- FTTH (Fiber-to-the-Home): Pure fiber is confirmed as the strongest growing segment, with a +27.0% YoY increase and a total of 5.53 million accesses. The expansion is spread among several operators, with Vodafone (+0.7 p.p.) and the "Others" (+2.2 p.p.) gaining share, while TIM (-1.2 p.p.), Wind Three (-1.8 p.p.) and Iliad (-1.8 p.p.) lose ground.

Overall, these data confirm the decline of hybrid and copper technologies in favor of pure fiber, highlighting the trend of users migrating to higher-performance connections. Expanding infrastructure operators, including more agile and innovative entities, are becoming relevant in the FTTH market, marking a structural change in the connectivity offering in Italy.

## Stock performance



Unidata stock performance, STAR Milan segment, of Borsa Italia. Source: [borsaitaliana.it](https://borsaitaliana.it)

The performance of Unidata stock during 2024 shows an initial phase of relative stability, followed by a gradual decline in the following months, until a recovery phase towards the end of the year.

- First half 2024: The stock has moved in a moderate range, with a slight downward trend, alternating with moments of temporary recovery, as reflected in the increase recorded in the second quarter of the year. This reflects a general volatility in the market, but without any sharp movements that would indicate specific critical issues.
- Second half of 2024: After a period of relative resilience, the stock experienced a more pronounced decline around September-October, with the decline bringing prices to lower levels than at the beginning of the year. However, this trend has been in line with the technology and telecommunications sector, which has faced a complex market environment of increased competition and general economic uncertainty. The closing part of 2024 shows signs of recovery, with a gradual recovery in prices. This is a positive indicator, suggesting that the stock has been able to maintain good resilience against market pressures and the general stock situation in the technology and infrastructure sector.

Despite the downturn observed in the second half of the year, the stock held up well against the general stock market and its sector of reference. The observed decline was in line with trends in the technology sector, which in 2024 faced challenges related to infrastructure investment and growing competition in broadband and fiber optics.

The recovery seen at the end of the year shows that Unidata has maintained a solid base, managing to stem losses and positioning itself for a potential positive rebound in 2025. This resilience confirms investor confidence and the soundness of the company's strategy, with focus on expansion and innovation in the telecommunications sector.

Since the stock market capitalization as of December 31, 2024 amounted to approximately 86 million euros, which is significantly higher than the Shareholders' Equity as of the same date (approximately 75 million euros), the directors do not see any indicators of impairment.

**Considerations on the military conflict between Russia and Ukraine and between Israel and Palestine**

With reference to the war conflict that erupted in February 2022 between Russia and Ukraine, as also already highlighted in the 2023 and semiannual 2024 budgets, the Directorate is closely monitoring any consequences from the operational, economic, and financial perspectives that might result. However, there are no specific updates to what has already been outlined in the 2023 and half-yearly 2024 budgets. Same monitoring is constantly taking place with reference to the conflict between Israel and Palestine.

The Company no exposure either to the countries involved in the war or to companies operating in those countries, so as a result, as of the date of preparation of these separate financial statements, there are no factors or evidence that could affect the balance sheet items as of December 31, 2024.

## Highlights as of December 31, 2024

Analysis of the income statement, as shown the table below, shows positive economic results in terms of volumes and margins.

<i>in euro</i>	At 31 December 2024	At 31 December 2023 (reported)	At 31 December 2023 (pro forma)
Revenues from customers	102.125.166	91.550.435	98.968.548
Other income	2.203.404	1.469.649	1.469.649
<b>TOTAL REVENUES.</b>	<b>104.328.570</b>	<b>93.020.083</b>	<b>100.438.197</b>
Costs for raw materials and consumables	5.293.590	8.846.605	8.860.903
Costs for services	55.952.374	51.229.913	56.181.577
Other operating costs	1.639.402	1.177.482	1.219.579
Adjustments to asset values and other provisions	41.663	35.388	35.388
<b>TOTAL COSTS OF PRODUCTION</b>	<b>62.927.029</b>	<b>61.289.388</b>	<b>66.297.447</b>
<b>ADDED VALUE</b>	<b>41.401.541</b>	<b>31.730.695</b>	<b>34.140.750</b>
Personnel costs	12.234.521	9.742.621	10.584.225
<b>EBITDA Reported</b>	<b>29.167.020</b>	<b>21.988.074</b>	<b>23.556.525</b>
<b>EBITDA Margin</b>	<b>27,96%</b>	<b>23,64%</b>	<b>23,45%</b>
<b>Adjusted EBITDA</b>	<b>29.551.158</b>	<b>23.997.074</b>	<b>25.565.525</b>
<b>EBITDA Margin ADJ</b>	<b>28,33%</b>	<b>25,80%</b>	<b>25,45%</b>
Depreciation	10.441.889	9.466.358	9.674.545
<b>OPERATING RESULT</b>	<b>18.725.131</b>	<b>12.521.716</b>	<b>13.881.979</b>
Financial income	111.212	101.719	104.421
Financial charges	3.293.481	3.164.758	3.171.504
Expenses (Income) from securities and equity-accounted investments	541.338	119.325	119.325
<b>TOTAL FINANCIAL INCOME AND EXPENSES</b>	<b>-3.723.607</b>	<b>-3.182.364</b>	<b>-3.186.409</b>
<b>PROFIT BEFORE TAX</b>	<b>15.001.524</b>	<b>9.339.351</b>	<b>10.695.571</b>
Income taxes	4.506.453	2.526.293	2.916.912
<b>RESULT FOR THE PERIOD</b>	<b>10.495.071</b>	<b>6.813.059</b>	<b>7.778.658</b>

In this regard, the comparative "pro forma" column as of December 31, 2023 also shows the TWT Group's first two months' economic results, which, although not pertaining to Unidata's statutory financial statements, since the TWT Group had been acquired on February 28, 2023, represents the results of corporate management as of January 1, 2023 carried out jointly by the management of the two companies.

As for an analysis of key economic indicators in the balance sheet as of December 31, 2024, let us look at the most significant indicators, namely:

- Total income for the period;
- Value added, determined as the difference between total revenue and the cost of production (not including personnel costs);
- EBITDA, given by the sum of operating income and depreciation and amortization;
- *Adjusted* EBITDA, given by the sum of EBITDA and extraordinary costs for the period;

- Net Financial Position (financial debt), determined in accordance with European Securities and Markets Authority (ESMA Document ESMA32-382-1138 dated March 4, 2021).

It should also be noted that Adjusted EBITDA was calculated by not taking into account extraordinary costs, related to extraordinary and nonrecurring activities, amounting 404,888 euros as of December 31, 2024 (2,009,000 euros as of December 31, 2023). These extraordinary amounts mainly refer to legal expenses related to acquisitions (e.g., ClioFiber Srl), and changes in the contractual terms of loans (which occurred in March 2024).

Value added increases significantly compared to Dec. 31, 2023, due to the contribution of revenues for the year and improved margins achieved, driven by the Rome 5G project.

EBITDA achieved as of December 31, 2024 shows a significant improvement over the previous year, especially in terms of EBITDA margin, which increased by almost 3 percentage points, thanks to the strategic decision, taken following the acquisition of the TWT Group in 2023, to reduce the low-margin business, which is Voice Trading. This resulted in a reduction in revenue volumes for that line (see following table of revenues by line of business), but a substantial increase in overall margins.

In order to provide a better understanding of the company's financial position, a reclassification of the Balance Sheet with evidence of the net financial position (financial debt) is provided below.

	31/12/2024	31/12/2023
Trade receivables	30.094.802	20.411.086
(Trade payables)	-29.203.236	-23.861.488
Closing inventory	2.544.088	3.443.714
Contractual activities	600.000	600.000
Other assets - (liabilities) short-term	-10.720.929	-6.965.365
<b>NET WORKING CAPITAL</b>	<b>-6.685.275</b>	<b>-6.372.052</b>
Intangible assets and goodwill	52.094.116	52.924.370
Usage rights	13.833.393	14.410.795
Plant and machinery	51.706.539	49.774.216
Participations	18.503.726	18.772.362
<b>FIXED ASSETS</b>	<b>136.137.774</b>	<b>135.881.744</b>
Derivative financial instruments	-1.208.310	-1.210.814
Employee benefits (severance pay).	-2.554.048	-2.640.728
Deferred taxation / (deferred)	-3.320.099	-3.586.829
Other assets - (liabilities) non-current	-903.519	-4.340.629
<b>NET INVESTED CAPITAL</b>	<b>121.466.523</b>	<b>117.730.692</b>
<b>NET FINANCIAL POSITION (FINANCIAL DEBT)</b>	<b>46.447.938</b>	<b>53.021.617</b>
Share Capital	10.000.000	10.000.000
Reserves	54.523.515	47.896.016
Profit (loss) for the year	10.495.071	6.813.059
<b>NET WORTH (PN)</b>	<b>75.018.586</b>	<b>64.709.075</b>
<b>TOTAL SOURCES (PFN+ PN)</b>	<b>121.466.523</b>	<b>117.730.693</b>

With reference to the depicted evolution of balance sheet items, the year ended with a negative financial debt (net financial position) of 46,447,938 euros, a significant improvement over last year.

The Financial Indebtedness Statement, prepared in accordance with European Securities and Markets Authority (ESMA) Document ESMA32-382-1138 dated March 4, 2021 is detailed below.

	31/12/2024	31/12/2023
A Cash and cash equivalents	4.720.187	12.408.341
B Cash equivalents		
C Other current financial assets	219.786	199.632
<b>D Liquidity (A+ B+ C)</b>	<b>4.939.973</b>	<b>12.607.973</b>
E Current financial debt (including debt , but excluding the current portion of non-current financial debt)	1.303.479	6.837.178
F Current part of non-current financial debt	8.761.016	48.517.917
<b>G Current financial debt (E+ F)</b>	<b>10.064.495</b>	<b>55.355.095</b>
<b>H Net current financial debt (G - D)</b>	<b>5.124.522</b>	<b>42.747.122</b>
I Non-current financial debt (excluding current portion and debt instruments)	41.323.416	10.274.495
J Debt instruments		
K Trade and other non-current payables		
<b>L Non-current financial debt (I++ K)</b>	<b>41.323.416</b>	<b>10.274.495</b>
<b>M Total financial debt (H+ L)</b>	<b>46.447.938</b>	<b>53.021.617</b>

## Revenue Analysis

The following table shows the breakdown among these revenues.

	31/12/2024	31/12/2023 (Reported)	31/12/2023 (Pro forma)	Change 12/31/2024 vs. 31/12/2023 (pro forma)
Consumer	5.367.448	4.251.924	4.251.924	1.115.524
Business	52.027.803	43.353.505	49.711.570	2.316.233
Wholesale	1.828.076	1.278.593	1.278.593	549.483
PA	703.330	647.331	647.331	55.999
Project	12.011.427	5.298.652	5.298.652	6.712.775
				-

Voice Trading and Voice Network	4.379.580	4.436.621	5.496.669	1.117.089
<b>Retail</b>	<b>76.317.664</b>	<b>59.266.627</b>	<b>66.684.740</b>	<b>9.632.924</b>

Wholesale IFRS 16	6.564.006	12.857.993	12.857.993	-
Unifiber	18.868.799	18.012.720	18.012.720	6.293.987
Materials trading	374.697	1.413.095	1.413.095	856.079
<b>Infrastructure</b>	<b>25.807.502</b>	<b>32.283.808</b>	<b>32.283.808</b>	<b>1.038.398</b>

<b>Deferred income</b>	<b>1.279.562</b>	<b>1.330.477</b>	<b>1.330.477</b>	<b>-</b>
<b>Miscellaneous income</b>	<b>923.843</b>	<b>139.171</b>	<b>139.171</b>	<b>50.916</b>

<b>Total</b>	<b>104.328.570</b>	<b>93.020.083</b>	<b>100.438.196</b>	<b>3.890.374</b>
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With regard to the Retail line, which mainly accommodates revenues from Internet access services in Fiber Optic, XDSL and wireless modes, there is a substantial increase in production in the main customer categories, due to the acquisition of new contracts of Internet services signed with customers.

Below is an explanatory table of the calculation of average revenue per user (ARPU) broken down by major customer categories and compared with the figure for the same period last year.

Customer type	Number of customers as of 12/31/2024	ARPU as of 12/31/2024	Number of customers as of 12/31/2023	ARPU as of 12/31/2023
<b>Consumer</b>	22.529	21	18.531	22
<b>Business</b>	5.064	396	4.594	370

"Project" mainly includes revenues related to projects in the IoT segment, revenues from the Rome 5G project, revenues from Unitirreno Submarine Network S.p.A. for the construction of a Landing Station, and revenues from the subsidiary Unisabina Srl for the sale of the infrastructure for the management of the water network.

As for the Infrastructure line, it includes:

- The activity related to granting I.R.U. (Indefeasible Right of Use) concession rights other operators on the fiber optic network infrastructure built by Unidata. This concession of rights was accounted for as a true sale of the infrastructure, consistent with IFRS 16 accounting standard. Revenues from this transfer, together revenues from design, "vertical" network-related work and maintenance, amounted to 6,564,006 euros.
- Revenues for the construction of telecommunications infrastructure attributable to work related to the Unifiber project, amounting to 18,868,799 euros.
- Revenues from the sale of materials sold to so-called "System" suppliers for the implementation of the network mentioned in the previous two points, which are shown net of the cost of their repurchase

materials from System suppliers ("Materials trading"). This item amounted to 374,697 euros as of December 31, 2024.

There is an increase in the Retail Line and a decrease in the Infrastructure Line compared to last year, in line with the Company's strategic choices that aim at a different balance between the two Lines, to the advantage precisely of the Retail Line

"Deferred income," amounting to 1,279,562 euros, mainly includes capital grants pertaining to the year and the reversal of deferred income related to pre-2019 I.R.U. projects. . In reference to the case of I.R.U., please refer to what is described in Note 3, par. leasing - the company as lessor.

### **Unidata Group reorganization activities**

Following the acquisition of the TWT Group in 2023, management carried out a comprehensive reorganization of the new Group. This reorganization also took place through the merger of TWT into Unidata, which took place in the same fiscal year 2023.

FY2024 was the year in which the Group carried out a series of activities aimed at a harmonization and unification of business activities, including:

- Drafting a new organizational chart in which business functions are cross-cutting between the Rome and Milan offices;
- Implementation of a new CRM ("*Customer Relationship Management*") management system for the purpose of unified management of the Group's product portfolio, which has been unified in order to present to the market a single commercial offering of products and services provided to customers;
- Review of financial and economic reporting, which from FY2024 is produced for the Unidata entity as a whole (without distinction between pre-merger Unidata and TWT);
- Migration a single general ledger system.

All this has led, as a direct consequence, to a vision of the Unidata Group as a single entity.

### **Research and Development Activities**

Unidata owes its growth over the decades, and its very birth, to the momentum of interest that has always characterized the founders and key players in its history. What most characterizes Unidata is, even today, its curiosity and serious dedication to the most relevant technological innovations.

The company is currently involved in two national R&D projects both funded under Mission 4 of the National Recovery and Resilience Plan: the Rome Technopole Project and the Sprint Project.

The Rome Technopole project is funded under the "ECOSYSTEMS OF INNOVATION Public Notice.

No. 3277" within the National Recovery and Resilience Plan - Mission 4 Education and Research - Component 2 - Investment 1.5, funded by the European Union - Next GenerationEU."

Unidata is an innovative company, both because of the sector in which it operates and because of its vocation and strategic choice to always devote resources and investment to R&D activities.

The 3-year project, which started in June 2022, sees Unidata engaged in SPOKE 1 (Research and Innovation) and FLAGSHIP PROJECT 8 dedicated USER CENTRIC Artificial Intelligence, with a special focus on the use of AI and IoT Technologies, for responsible use and

optimized water resources. In addition to Industrial Research and Experimental Development activities, Unidata will provide HPC(High Performance Computing), IaaS and Paas infrastructures that will be used for the project and area enterprises.

The "SPRINT" project, internal to the RESTART project - "RESearch and innovation on future Telecommunications systems and networks, to make Italy more smART" funded with PNRR Mission 4 Component 2 Investment 1.3 funds. Unidata's role in the 18-month project will be to test artificial intelligence applications and know-how generated by research centers, in relevant use cases that see IoT technologies applied to water infrastructure.

The company has established, within the organization itself, a working group (Unidata Lab) composed of very young graduates, led by a figure totally dedicated to this, engaged in the study, testing and development of wireless technologies suitable for the Internet of Things (IoT).

Among the various technologies available for these kinds of solutions, Unidata has chosen to focus and specifically devote its attentions and investments on LoRa™ technology and the related LoRaWAN™ network standard.

This innovative technology enables, thanks to profound specific advantages-such as, for example, wide coverage range, extremely long battery life, bidirectional data transmission, and significant deep indoor penetration-to make countless IoT solutions a concrete and truly cost-effective reality. It is specified that the brands previously mentioned are in the ownership of Semtech Corporation and the LoRa technology is developed and operated by the latter.

In 2024, R&D activities continued to consolidate on the application of artificial intelligence on the time series of data acquired through IoT networks, with a focus on the application of these innovations to Water Networks, with a vision to begin a process of transforming the traditional water infrastructure into a new smart Smart Grid. Neural models of water utility clustering and water consumption prediction were developed. In this area in particular, collaborations were increased with Sapienza University of Rome and the University of Palermo, funding 3 researchers dedicated exclusively to the issues of Artificial Intelligence applied to the transformation of water networks into smart SMART GRIDs. Also in this area, within a Public Private Partnership project, we are collaborating directly with Acqua Pubblica Sabina both as an experimenter/user of the AI models developed and as a provider of the water network data time series. These collaborations in addition to technological results have already produced several publications in international scientific circles.

Approval came in January 2025 for the AIFER R&D project, dedicated to developing technical-economic models, based on artificial intelligence, for Energy Communities. The aim is to find a model that also allows individual citizens to participate in an ERC with a defined and attractive economic return. The project, financed by MIMIT within the "Agreements for Innovation," will last 36 months, and experimentation/validation will be carried out using Unidata's photovoltaic facilities in the Commercetia area.

#### **Relationships with parent companies, affiliates, subsidiaries and other related parties**

The company is not subject to any management and coordination activities.

For the definition of "related party," reference is made to International Accounting Standard IAS 24, which defines related parties as all those "persons who have the ability to control another person.

or to exercise significant influence over the making of financial operational decisions by the reporting company, or key management personnel of the entity."

Transactions made with related parties comply with principles and criteria of transparency and substantive and procedural fairness, are not classifiable as atypical or unusual, and are part of the company's ordinary course of business, when not concluded on standard terms or dictated by specific regulatory conditions, were in any case settled with terms and conditions equivalent to those prevailing in free transactions.

During fiscal year 2020, the company Unifiber S.p.A. was established, initially with Unidata as the sole shareholder, into whose capital the Connecting Europe Broadband Fund (CEBF) entered in December 2020, decreasing the company's shareholding to 30 percent; by virtue of existing shareholders' agreements, the company Unifiber

S.p.A. is under "joint control" by shareholders Unidata and CEBF.

During the current fiscal year, the company carried out, through its suppliers, fiber optic network infrastructure construction activities in favor of the investee Unifiber, realizing revenues to the same as of December 31, 2024, amounting 18,868,799 euros, way design revenues and revenues for processing and 100,000 euros for the service contract for the use of common spaces and administrative service.

The company Unihold s.r.l., whose shareholders are some of the same shareholders as Unidata, can be classified as a related party.

It should be noted that, as more fully described in the Notes to the Financial Statements, the company owes Unihold s.r.l. a total of Euro 1,131,527 in rent and utilities to be paid with reference to the lease agreement for the company's registered office and administrative offices (owned by Unihold s.r.l.). Finally, it should be noted that the company IFRS 16 for the lease agreement with Unihold s.r.l. for the company's registered office, as a result, Euro 1,762,290 in usage rights, Euro 1,846,971 in financial payables, Euro 306,485 as the amortization share of the same usage rights, and Euro 31,863 in financial charges were recognized. Finally, costs related the electricity charge of the company's registered office amounted to Euro 545,088.

With reference to Unitirreno Holding S.p.A., as indicated in the Notes to the Financial Statements, Unidata has a receivable of 2,963,472 euros as non-interest-bearing loans.

Regarding Unitirreno Submarine Network S.p.A., a wholly owned subsidiary of Unitirreno Holding S.p.A., Unidata recognized revenues in the amount of 1,864,378 euros, mainly consisting of (for 1,747,503 euros) income from the construction of the Landing Station related to submarine cables.

With reference to Cliofiber Srl. a company acquired during the year, there are currently no Intercompany balances other than the value of the equity investment and the adjustment of the same based on the equity method.

Regarding subsidiaries, the table below also shows intercompany transactions with Domitilla Srl, Voisoft Srl and Unisabina Srl. It should be noted that:

- regarding Domitilla Srl, this is a real estate company that owns a property leased to Unidata and, for accounting purposes, the lease was recognized for IFRS 16 purposes;
- limited to Voisoft Srl, it is a company that develops software exclusively for the benefit of Unidata;
- with reference to Unisabina Srl, this is a special purpose company established in 2023 following the awarding of the IoT tender related to water management in favor of a public entity in Lazio. In FY2024, the company sold the water management infrastructure to the subsidiary Unisabina Srl, realizing a revenue of €3,033,119.

Regarding investments in other companies and consortia, please refer to the Notes to the Financial Statements.

No guarantees have been provided or received for payables and receivables contracted with related parties.

Below is the summary table of assets, liabilities, expenses and income with related parties as of December 31, 2024.

Related part	Activities	Liabilities	Costs	Revenues
Domitilla Srl	13.038.217	4.379.302	278.617	8.000
Voisoft Ltd.	2.064.551	461.177	820.000	116.000
Unisabina Srl	3.787.115			3.033.119
Unifiber SpA	9.657.446	100.368	813.827	18.968.799
Unitirreno Holding SpA	6.609.996		411.968	84.157
Unitirreno Submarine Network SpA	2.024.037	3.834	3.834	1.864.378
Cliofiber Ltd.	591.731		33.269	
Unihold Ltd.	1.762.290	2.978.498	883.436	
<b>Total</b>	<b>39.535.382</b>	<b>7.923.179</b>	<b>3.244.952</b>	<b>24.074.453</b>

### Management of risks and uncertainties

In compliance with the provisions of Article 2428 of the Civil Code, the main risks to which Unidata is exposed and the actions planned to cope with them are outlined below.

#### Risk related to telecommunications market performance

The continuing downturn in the macroeconomic environment is a non-secondary component of the contraction suffered by the telecommunications sector during the same year. The telecommunications market continued to be characterized by an overall increase in volume but a higher rate contraction. The telecommunications market is competitive in terms of innovation, pricing and efficiency, and ICT technologies can drive productivity recovery, improved international competition and the creation of new skilled employment. The company is competing with larger companies and industry groups and specialized players who may be equipped with superior resources such that they can be better positioned in the target market.

The high level of customer loyalty in the geographical area of activity and the high quality level of the services offered contribute to the success of the company's activities, enabling it to maintain and increase the market shares in which it operates through, precisely, offering innovative services capable of ensuring adequate levels of profitability.

#### Sector risk

The Italian telecommunications sector is highly regulated and governed by extensive and articulated legislative and regulatory legislation especially in relation to licensing, competition, leased lines, interconnection agreements and pricing. The constantly changing regulatory and policy framework can be a major risk factor.

Changes in existing legislation and regulation, both at the national and community levels, could adversely affect the economic performance of companies in the sector through the introduction of new burdens or the increase of existing ones, and any measures

sanctions by the Communications Regulatory Authority (AGCOM) could adversely affect the company's business and economic, asset and financial situation.

Changes in the regulatory framework could in fact result in the company finding it difficult to obtain services from other operators at competitive prices or restricting access to services necessary to conduct its business.

The possibility of a regulatory development that mitigates the effectiveness of the current regulations established by the regulatory bodies (AGCOM) and may benefit the dominant operator at the expense of other operators appears to be an element of potential risk.

The company pays constant attention to the evolution of the regulatory framework of the sector, constant monitoring and constructive dialogue with the institutions, aimed at seeking moments of contradictory and timely evaluation of the changes made, working to minimize any economic impact resulting from them

#### Risks related to the technological dependence of the telecommunications sector

The company operates in a market that is technologically complex and exposed to the high risk that is inherent in Information Technology (IT) and Information and Communication Technology (ICT) systems, and invests adequate resources to prevent the risks associated with damage and malfunction of these systems.

The company's ability to adapt its infrastructure in relation to technological developments and has enabled it to be constantly evolving and in line with its main competitors. Recent financial years have seen the company invest in the reliability of its core business systems. The data centers in Rome are highly reliable, equipped with the main security, fire and anti-flooding systems, and the operating personnel make back-up copies of data, guaranteeing a good level of reliability.

The company strives to respond to rapid technological changes and develop the features its services and products so as to adapt promptly to changing market needs and in order to maintain its competitive position in the market unchanged.

#### Credit risk

Credit risk is defined as the likelihood that the borrower is in trouble and cannot meet its debt.

That said, no particular critical issues are noted for the receivables recorded in the balance sheet. The prevailing amount of receivables relates to commercial dealings with customers and even in this case the risk can be considered limited in view of the activities punctually carried out by the company aimed at identifying possible impairment losses related to the occurrence of events that may prove the existence of significant financial difficulties of the debtor (non-payment, opening bankruptcy proceedings).

The company's credit exposure is spread over a large number of customers and the target market is exclusively the domestic market.

Continuous monitoring of customers, increasing acquisition of customers with payment methods of an inertial nature (credit card, SDD Bank Domiciliation) have shown a lower risk of default over time. The responsiveness of the debt collection department in suspending services in case of delinquency due to non-payment of fees due has further minimized the risk of credit enhancement of individual positions.

A situation of past due and overdue receivables is shown below.

**31/12/2024    31/12/2023**

Overdue trade receivables from:

More than 120 days	3.054.381	1.602.459
91 to 120 days	282.954	281.695
61 to 90 days	397.471	488.578
31 to 60 days	411.086	524.840
Up to 30 days	2.740.529	2.602.998
<b>Total overdue receivables</b>	<b>6.886.422</b>	<b>5.500.570</b>
<b>Total accounts receivable past due</b>	<b>20.892.383</b>	<b>15.439.844</b>
<b>Total trade receivables (for invoices issued)</b>	<b>27.778.805</b>	<b>20.940.414</b>
Receivables for invoices and credit notes to be issued	2.890.459	34.705
Intercompany eliminations	0	-31.234
<b>Total trade receivables gross</b>	<b>30.669.264</b>	<b>20.943.885</b>

Liquidity risk

Liquidity risk is the risk that the enterprise will be unable to meet its payment commitments due to difficulties in raising funds. The consequence is a negative impact on the economic result the event that the company is forced to incur additional costs to meet its commitments or, as an extreme consequence, a situation of insolvency that puts the company's ability to continue as a going concern at risk. The cash generated is maintained in current accounts with leading banking institutions.

Liquidity risk should be understood as potential difficulty in meeting financial liabilities, and while closely related to delays in customer collections, no liquidity difficulties are noted.

The following a breakdown of loans by maturity.

Financing	Outstanding debt	Within 12 months	Beyond 12 months	Over 5 years
Intesa Sanpaolo No. OIR1010534135	1.470.000	840.000	630.000	
BNP Paribas No. GEFI6163629	775.000	300.000	475.000	
Pool (Intesa San Paolo, Unicredit, BNP Paribas, BPM) - Line A1	10.704.052	2.342.736	8.361.316	
Pool (Intesa San Paolo, Unicredit, BNP Paribas, BPM) - Line A2	15.163.393	3.327.648	11.835.745	
Pool (Intesa San Paolo, Unicredit, BNP Paribas, BPM) - Line B	6.000.000		6.000.000	
Elite Intesa Sanpaolo Basket Bond	9.016.577	1.950.632	7.065.945	
<b>Total</b>	<b>43.129.022</b>	<b>8.761.016</b>	<b>34.368.006</b>	<b>0</b>

Risk associated with fluctuations in exchange and interest rates

The company purchases and operates mainly in Italy, although some supplies, albeit for insignificant amounts, are made from foreign suppliers; therefore, the risk of exchange rate fluctuations to which the company is exposed is minimal.

Risks related fluctuations in interest rates mainly relate to the risk of interest rate changes on medium- and long-term loans taken out during the year. The company has entered into "*Interest Swap Rate*" and "*Floor*" derivative financial contracts with the banking institutions Intesa Sanpaolo and BNP Paribas, aimed at cancelling the risk of interest rate fluctuation related to the loans. Please refer to the notes to the financial statements for a detailed analysis of the derivative financial instruments and the loans covered by them.

Financial risk arising from fluctuating interest rates on bank credit facilities is not considered significant due to the active management of all bank relationships with financial institutions. However, short-term bank credit facilities for current management activities are regulated at contractually defined market conditions and rates.

#### Risk associated with the need for financial resources

It should be noted that in order to acquire the TWT Group, Unidata in February 2023 had entered into a loan agreement of approximately 40 million euros with a pool of 4 leading banking institutions. The contract for this transaction contained specific financial obligations to be calculated at each reference date as of December 31, 2023. These are identified on the following parameters on the consolidated financial statements: *Leveraged Ratio*; *Gearing Ratio*; *Interest Cover Ratio*.

It should also be noted that the Company on July 22, 2022 had made a proposal for a Subscription and Settlement Agreement regarding the subscription of bonds in the amount of 10,000,000 euros with Intesa Sanpaolo S.p.A., which was accepted by the same on the same date with the subscription of the bonds as part of a broader operation called the "Elite - Intesa Sanpaolo Basket Bond" program. As part of this transaction, the Issuer Unidata S.p.A. had undertaken to ensure that specific financial parameters would be met as of December 31, 2022 and for each reference period: *Leveraged Ratio*; *Gearing Ratio*; *Interest Cover Ratio*.

#### Delegation risk

The company adopts, the Organization, Management and Control Model required by Legislative Decree No. 231 of June 8, 2001, most recently approved by a resolution of the Board of Directors on January 30, 2023, which introduces a system of administrative liability for companies in relation to certain types of crimes committed in the interest or advantage of the company itself.

The adoption of the model is a means of prevention against the risk of crimes and administrative offenses provided for in the relevant legislation, as well as a tool of those who work on behalf of the company, to keep the behavior in the performance of their activities, but also constitutes a signal of the company on transparency and accountability in external relations.

For this reason, the activity of checking and updating the Organizational model is constant and careful to include any possible changes introduced by the legislation.

#### **Corporate governance procedures**

With reference to the procedures adopted by the Company with regard to governance, the following procedures, which were already in place last year, should be noted:

### **1) Procedure for regulating transactions with related parties**

This procedure was adopted by resolution of the Board of Directors on February 27, 2020, in accordance with Article 13 of the Euronext Growth Milan Issuers' Regulations and pursuant to Article 2391-bis of the Civil Code.

Based on this procedure, the Company has established a special register in which Related Parties are entered (the "Register of Related Parties"), which is updated whenever deemed necessary by the competent corporate function.

In addition, a Related Party Transaction Committee was established, composed of all Independent Directors of the Company from time to time who are not related to the specific Related Party Transaction. The Related Party Transactions Committee meets whenever deemed appropriate as well as at the request of the Chairman of the Board of Directors in connection with a specific Related Party Transaction.

### **2) Regulations for the Management of Material Information and Insider Information of Unidata S.p.A.**

This regulation contains the provisions relating to internal management and external communication documents and information concerning Unidata and any companies controlled by it, with particular reference to relevant and privileged information, as well as the keeping and updating of lists of persons who have access to relevant and privileged information. The regulations are adopted in compliance with the current regulatory provisions on "market abuse" and the guidelines formulated in this regard by the Supervisory Authority and are aimed at guaranteeing the utmost confidentiality and privacy in the management of relevant and privileged information as well as compliance with the principles of transparency and truthfulness in the external communication of such information.

The recipients of the regulation i.e. directors, auditors, managers and all employees of Unidata and any Subsidiaries, as well as other persons who act in the name or on behalf of the Company or Subsidiaries and have access to relevant or privileged information in the exercise of an occupation, profession or function. Recipients of the regulations are obliged to: (a) maintain secrecy regarding the documents, relevant and insider information received in their possession and use such information exclusively in the performance of their duties and in compliance with applicable regulations and these regulations; (b) use such documents and relevant and insider information exclusively in the normal performance of their duties and in compliance with applicable regulations; (c) not communicate such information to other recipients, without prejudice, in any case, to the possibility of communication in the normal exercise of work, profession or function; (d) process such information only within authorized channels, taking all necessary precautions so that the relevant circulation in the corporate context can take place without prejudice to the confidential or privileged nature of the information itself.

### **3) Code of Conduct on Internal Dealing**

This Code of Conduct is adopted by the Company in order to ensure compliance with the obligations set forth in Article 17(1) of EU Regulation No. 596/2014 as well as EU Implementing Regulation 2016/523 and EU Delegated Regulation 2016/522.

This Code regulates disclosure requirements, limitations and prohibitions regarding transactions involving the Company's shares or other financial instruments related to them made by predetermined parties in order to ensure symmetry of information towards the market and maximum

transparency on the transactions carried out on the Company's shares by such persons by reason of their access to inside information relating to the Company.

Recipients of the obligations set forth in the Code are the following relevant individuals: members of the Company's Board of Directors; acting members of the Company's Board of Statutory Auditors; and senior executives who, while not members of the corporate bodies mentioned in the preceding points, have regular access to inside information concerning the Company directly or indirectly and hold the power to make management decisions that may affect the Company's future development and prospects. Finally, it should be noted that the above three procedures did not change during the year.

#### **4) Whistleblowing Procedure Policy**

On December 14, 2023, the Company's Board of Directors approved the Company's Whistleblowing Policy procedure. In this regard, the concept of "whistleblowing" (hereinafter also referred to as "Reporting") includes any information regarding suspected conduct that does not comply with the provisions of the Code of Ethics of Unidata S.p.A. and the Organizational Model 231 adopted by the company, internal procedures and by the external regulations otherwise applicable to Unidata S.p.A..

Other different types of misconduct may also be reported, including those not covered by 231 offenses. These can be a crime, misdemeanor, threat or harm to the common good, a violation or attempt to conceal a violation of an international commitment duly ratified or approved by Italy, a unilateral act of an international organization based on such a commitment, the violation of European Union law, laws or regulations.

The report may relate to facts that have occurred or are highly probable. The Whistleblower may have direct or indirect knowledge of the facts.

Reports may be made through internal and external reporting channels in accordance with the regulatory conditions set forth in Legislative Decree No. 24/2023.

#### **Information pertaining to the environment and personnel**

The company currently does not detect "direct" risks related to climate change, continuing in any case with verification activities aimed at the possible identification of critical issues and/or opportunities (e.g., with reference to the transition to the use of renewable energy). The company carries out its activities in full compliance with environmental and workplace hygiene regulations. Relations with employees are managed with full respect for human rights, fundamental rights at work, the criterion of equal opportunity, and labor and occupational safety regulations. The company has applied until 2023 the C.C.N.L. for the Private Metalworking and Plant Installation Industry and the Contract of Managers of Tertiary Companies for the figure of C.F.O. As of 2024, the company began to adopt for its clerical category personnel the Telecommunications CCNL.

The company prepares the sustainability report (DNF) a voluntary basis, starting from fiscal year 2020.

It should be noted that a Unitary Trade Union Representative (RSU) has been established as of 2021. In this regard, a number of achievements have been made under Level II bargaining, among them we can mention the Results Bonus, which is referred to in the next section, the granting of paid leave

for medical appointments, the recognition of meal vouchers and the possibility of smart working once a week, where applicable.

In general, productivity and individual performance goals are recognized annually to employees based on the achievement certain income, productivity and individual performance goals:

- the Performance Bonus, intended for all employees (excluding managers and including temporary employees);
- the MBO ("Management by Objectives"), intended for managers, executives and employees who are responsible for setting and monitoring goals;
- the Sales Incentive, intended for employees of the Sales Function.

In addition, it should be noted that on May 23, 2023, Company approved a three-year Stock Grant Plan for certain employees for the period 2023-2025. Under this plan, in October 2024, the Company allotted 11,500 shares to employees by taking them out of its treasury stock.

### **Information pertaining to the corporate welfare plan**

The company adopts a corporate welfare plan for employees with two different forms of funding, one of which comes from national bargaining and one based on company rules. On the basis of the realization of the positive results achieved in FY2023, employees obtained the Performance Bonus, which was disbursed in July 2024 through, at the employee's choice, direct payment in the paycheck or the crediting of such bonus on BNP Paribas' "WellMakers" platform.

The goal achieved by the company was to introduce a benefits program that can increase the benefits for employees in order to increase their individual and family well-being, allowing them to access benefits and services that can be customized according to their specific needs, increase the protection of public welfare benefits (social security, health, assistance d education of children), obtain an improvement in the purchasing power of total remuneration, thanks to the tax and contribution benefits that the law recognizes.

The performance bonus, upon achievement of certain profitability and productivity targets related to the 2024 fiscal year, will also be paid in 2025.

### **Transparency obligations under Law No. 124/2017**

Law No. 124/2017, introduces in Article 1, paragraphs 125 to 129 measures that appear to be aimed at ensuring transparency in public disbursements. Companies are required to publish information grants, contributions, paid assignments and otherwise economic benefits of any kind received in the previous year in the notes to the financial statements.

### **Own shares**

The company, in execution of and in accordance with the terms and conditions set forth in the resolution of the Ordinary Shareholders' Meeting May 20, 2024, initiated a share buyback program. Specifically, the Shareholders' Meeting authorized the plan to purchase and dispose of treasury shares in strict compliance with applicable EU and national regulations including Regulation (EU) 596/2014 (the "MAR Regulation") and Delegated Regulation (EU) 1052/2016 (the "Delegated Regulation") as well as, to the extent applicable, D.Legislative Decree 58/98 (the "TUF") and the Consob regulation adopted by resolution no. 11971 of May 14, 1999 (the "Issuers' Regulations"), and of accepted market practices with the purposes of supporting the liquidity of the stock, endowing the Company with a stock of treasury shares that can be disposed of in the

context of any future extraordinary operations, operate in the market from a medium- and long-term investment perspective.

Authorization to purchase is granted for 18 months from the date of the resolution of the same meeting.

The share buyback transactions carried out until December 31, 2024, in accordance with provisions of Unidata's Shareholders' Meeting, were carried out at a price that did not deviate, downward or upward, by more than 25% from the official price of Borsa Italiana S.p.A. recorded on the day preceding the day on which the individual transaction was carried out.

That said, December 31, 2024, the company has purchased and holds a total of 628,181 treasury shares for a total value of 2,662,233 euros, which is classified in an unavailable reserve as a direct deduction from corporate equity, as required by IAS 32.

### **Secondary locations**

The company has three branch offices: one in Rome, Via Cornelia 498; one in Modugno (BA), Via delle Dalie 5; and one in Milan, Viale Edoardo Jenner 33.

### **Management performance forecast**

Fiscal year 2024 was marked by the consolidation of the Company post-merger with the TWT Group and the achievement of good economic results. Forecasts for the next fiscal year are in line with the 2025-2027 Business Plan approved by the Company's Board of Directors on December 17, 2024, and in particular.

- The increase in customer base with regard to the Retail area;
- The continuation of the investment in Unifiber to build a fiber optic network in the gray areas of Lazio;
- The continuation of the investment in the Unitirreno Holding S.p.A. and Unitirreno Submarine Network S.p.A. Companies for the construction of a submarine fiber system in the Tyrrhenian Sea;
- The continuation of work on some projects related to public tenders won in 2023, with reference to Public Administration and the IoT (Internet of Things) area, as well as the possibility of awarding new tenders;
- The continuation of the Rome 5G project,

Rome, March 20, 2025

**Renato Brunetti**

Chairman of the Board of  
Directors.

# SCHEDULES AND STATEMENTS OF FINANCIAL STATEMENTS

## UNIDATA S.P.A.

Alexandre Gustave Eiffel 100 Avenue - 00148 ROME

Tax code, VAT number and Rome Business Register number 06187081002 R.E.A.

number RM-956645

Capital stock Euro 10,000,000.00

### Statement of financial position as of December 31, 2024

<i>Euro values</i>	Notes	At 31 December 2024	<i>Of which with related parties</i>	At 31 December 2023	<i>Of which with related parties</i>
Other intangible assets	5	14.568.848		15.399.102	
Goodwill	6	37.525.268		37.525.268	
Right-of-use activities	7	13.833.393	5.872.726	14.410.795	6.693.016
Property, plant and equipment	8	51.706.539		49.774.216	
Participations	9	18.503.726	18.503.726	18.772.362	18.772.362
Non-current financial assets	10	6.659.515	3.002.327	4.420.329	2.035.691
Active derivative financial instruments	11	56.279		152.768	
Other non-current receivables and assets	12	12.796		12.796	
Deferred tax assets	13	446.591		504.984	
<b>TOTAL NON-CURRENT ASSETS</b>		<b>143.312.955</b>	<b>27.378.779</b>	<b>140.972.621</b>	<b>27.501.070</b>
Inventories	14	2.544.088		3.443.714	
Contractual activities	15	600.000		600.000	
Trade receivables	16	30.094.802	10.429.151	20.411.086	2.669.317
Tax credits	17	2.830.078		1.852.144	
Current financial assets	18	1.487.472	1.267.686	2.052.597	1.852.965
Other current receivables and assets	19	4.549.221	459.766	5.464.956	
Cash and cash equivalents	20	4.720.187		12.408.341	
<b>TOTAL CURRENT ASSETS</b>		<b>46.825.848</b>	<b>12.156.603</b>	<b>46.232.838</b>	<b>4.522.282</b>
<b>TOTAL ASSETS.</b>		<b>190.138.803</b>	<b>39.535.382</b>	<b>187.205.460</b>	<b>32.023.352</b>
Share Capital		10.000.000		10.000.000	
Legal Reserve		848.291		507.635	
Extraordinary Reserve		57.007		57.007	
IAS19 Severance Reserve		329.592		135.112	
Listing reserve		-132.725		-125.075	
Reserve for treasury stock		-2.662.233		-2.388.352	
Other Reserves		30.219.717		30.014.737	
Retained earnings/losses		20.565.546		14.396.632	
FTA Reserve		5.298.320		5.298.320	
Result for the period		10.495.071		6.813.059	
<b>TOTAL NET WORTH</b>	21	<b>75.018.586</b>	<b>0</b>	<b>64.709.075</b>	<b>0</b>
Employee benefits	22	2.554.048		2.640.728	
Passive derivative financial instruments	11	1.264.589		1.363.583	
Non-current Financial Debt	23	41.323.416	5.268.631	10.274.495	5.593.440
Other non-current liabilities	24	7.575.829		8.773.754	
Deferred tax liabilities	13	3.766.690		4.091.813	
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>56.484.572</b>	<b>5.268.631</b>	<b>27.144.372</b>	<b>5.593.440</b>
Trade payables	25	29.203.236	1.879.907	23.861.488	1.136.830
Tax debts	26	5.230.474		3.218.750	
Current Financial Debts	23	11.735.972	774.642	55.355.095	753.971
Other current liabilities	27	12.465.963		12.916.680	
<b>TOTAL CURRENT LIABILITIES</b>		<b>58.635.645</b>	<b>2.654.548</b>	<b>95.352.012</b>	<b>1.890.801</b>
<b>TOTAL LIABILITIES.</b>		<b>190.138.803</b>	<b>7.923.179</b>	<b>187.205.460</b>	<b>7.484.241</b>

**Income statement as of December 31, 2024**

<i>Euro values</i>		<b>At 31 December 2024</b>	<b>Of which with parts related</b>	<b>At 31 December 2023</b>	<b>Of which with parts related</b>
Revenues from customers	28	102.125.166	23.681.122	91.550.435	18.202.476
Other income	29	2.203.404	393.331	1.469.649	103.678
<b>TOTAL REVENUES.</b>		<b>104.328.570</b>		<b>93.020.083</b>	
Costs for raw materials and consumables	30	5.293.590		8.846.605	
Costs for services	31	55.952.374	2.086.648	51.229.913	1.904.607
Personnel costs	32	12.234.521		9.742.621	
Other operating costs	33	1.639.402		1.177.482	
Depreciation	34	10.441.889	434.936	9.466.358	691.838
Adjustments to asset values and other provisions	35	41.663		35.388	
<b>TOTAL OPERATING COSTS</b>		<b>85.603.439</b>		<b>80.498.368</b>	
<b>OPERATING RESULT</b>		<b>18.725.131</b>		<b>12.521.716</b>	
Financial income	36	111.212		101.719	
Financial charges	37	3.293.481	182.029	3.164.758	173.140
Expenses (Income) from securities and equity-accounted investments net	38	541.338	541.338	119.325	119.325
<b>TOTAL FINANCIAL INCOME AND EXPENSES</b>		<b>-3.723.607</b>		<b>-3.182.364</b>	
<b>PROFIT BEFORE TAX</b>		<b>15.001.524</b>		<b>9.339.351</b>	
Income taxes	39	4.506.453		2.526.293	
<b>RESULT FOR THE PERIOD</b>		<b>10.495.071</b>		<b>6.813.059</b>	
<b>Basic and diluted earnings per share</b>	21	<b>0,35</b>		<b>0,25</b>	

Statement of comprehensive income as of December 31, 2024

<i>Values (in) Euro</i> December 31	As of 2024	As of December 31 2023
<b>Net income</b>	<b>10.495.071</b>	<b>6.813.059</b>
Gain/(loss) on cash flow hedging instruments ("cash flow hedge")	-8.479	-1.504.015
Fiscal effect	-601	360.964
<i>Total gain/(loss) on cash flow hedging instruments ("cash flow hedge")</i>	<i>-9.080</i>	<i>-1.143.052</i>
<b>Total gains/(losses) that will be reclassified subsequently to profit/(loss) for the period</b>	<b>-9.080</b>	<b>-1.143.052</b>
Actuarial gains/(losses) on defined benefit plans	255.097	525.610
Fiscal effect	-60.617	-126.336
<i>Total actuarial gains/(losses) on defined benefit plans</i>	<i>194.480</i>	<i>399.274</i>
<b>Total gain/(loss) that will not be reclassified subsequently in the profit/(loss) for the period</b>	<b>194.480</b>	<b>399.274</b>
<b>Other gains/(losses) of other components net of tax effect</b>	<b>-7.650</b>	<b>-7.767</b>
<i>Total gains/(losses) of other components net of tax effect</i>	<i>177.750</i>	<i>-751.545</i>
<b>Total comprehensive income</b>	<b>10.672.821</b>	<b>6.061.514</b>

## Cash flow statement as of December 31, 2024

	31/12/2024	31/12/2023
<b>A) Cash flow operating activities</b>		
Profit (loss) for the period	10.495.071	6.813.059
Income taxes	3.802.255	2.526.293
Interest expense/(Interest income)	3.182.269	3.182.364
(Plus) capital loss from equity-accounted investments under the equity method	541.338	119.325
Other (Plus) capital losses	-167.332	
<b>Profit (loss) the year before income tax, interest, dividends and capital gains/losses on disposal</b>	<b>17.853.601</b>	<b>12.641.041</b>
<i>Adjustments for non-cash items</i>		
Provisions for funds / (Release) funds	869.289	550.973
Depreciation	10.441.890	9.466.358
<b>Cash flow before changes in net working capital</b>	<b>29.164.781</b>	<b>22.658.372</b>
<i>Changes in net working capital</i>		
(Increase) Decrease in inventories and product recovery rights for customer returns	899.626	106.812
(Increase) Decrease in receivables from customers	-9.725.379	9.149.064
Increase (Decrease) in accounts payable and liabilities for future repayments to customers	5.341.748	-2.534.267
Other changes in net working capital	1.553.979	-8.097.250
<b>Cash flow after changes in net working capital</b>	<b>27.234.755</b>	<b>21.282.730</b>
<i>Other adjustments</i>		
(Income taxes paid)	-1.882.791	-2.526.293
Increase (Use of Funds)	-1.472.906	88.243
Increase / (Utilization of liability for employee benefits)	-498.417	-504.191
<b>Cash flow operating activities (A)</b>	<b>23.380.641</b>	<b>18.340.490</b>
<b>B) Cash flow investing activities</b>		
(Investments)/Disinvestments in intangible assets.	-2.739.422	-5.935.510
(Investment)/Disinvestment in tangible assets	-8.227.134	-3.539.094
(Investments)/Disposals of equity investments.	-1.483.323	-15.410.139
TWT Group Acquisition	0	-46.723.529
Other changes cash flows from investing activities	-2.239.186	750.437
<b>Cash flow from investing activities (B)</b>	<b>-14.689.065</b>	<b>-70.857.836</b>
<b>C) Cash flow financing activities</b>		
<i>Third-party means</i>		
Increase (decrease) short-term payables to banks	-3.352.674	5.958.196
Ignition financing	0	41.200.000
(Financing repayment)	-7.924.493	-4.267.778
Interest collected/(paid)	-3.182.269	-3.182.364
Increase (Decrease) lease financing	-1.293.035	-188.249
Other changes in financing activities		1.363.584
<i>Own means</i>		
Dividends paid	-303.492	-306.126
Other changes in equity	-323.767	11.831.885
<b>Cash flow from financing activities (C)</b>	<b>-16.379.730</b>	<b>52.409.148</b>
<b>D) Increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>-7.688.154</b>	<b>-108.197</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>12.408.341</b>	<b>12.516.539</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4.720.187</b>	<b>12.408.341</b>

## Statement of Changes in Shareholders' Equity

Description	Share capital	Share premium reserve	Legal reserve	Extraordinary reserve	Available reserve L.145/2018 Art.1 c.28-34	Cash flow hedging reserve fin. Expected	Retained earnings/losses	IAS 19 Employee Severance Reserve	Reserve Stock Grant	AIM listing reserve	F.T.A. Reserve.	Treasury stock reserve	Operating income	Net worth
<b>Balance as of December 31, 2022</b>	2.538.185	6.844.652	492.929	57.007	1.520.779	222.833	14.124.584	-264.162	0	-117.424	5.298.437	-1.301.432	7.504.220	36.920.608
Destination result previous ex.			14.706				7.183.388						-7.198.094	0
Dividend distribution													-306.126	-306.126
Increase (onerous) share capital	550.476	22.569.524												23.120.000
(Free) capital stock increase	6.911.339						-6.911.339							0
Purchase of own shares												-1.086.920		-1.086.920
Operating profit/(loss)													6.813.059	6.813.059
Other comprehensive income/(loss)						-1.143.052		399.274		-7.650	-117			-751.545
<b>Total comprehensive income/(loss)</b>	<b>7.461.815</b>	<b>22.569.524</b>	<b>14.706</b>	<b>0</b>	<b>0</b>	<b>-1.143.052</b>	<b>272.049</b>	<b>399.274</b>	<b>0</b>	<b>-7.650</b>	<b>-117</b>	<b>-1.086.920</b>	<b>-691.161</b>	<b>27.788.468</b>
<b>Balance as of December 31, 2023</b>	<b>10.000.000</b>	<b>29.414.176</b>	<b>507.635</b>	<b>57.007</b>	<b>1.520.779</b>	<b>-920.219</b>	<b>14.396.633</b>	<b>135.112</b>	<b>0</b>	<b>-125.074</b>	<b>5.298.320</b>	<b>-2.388.352</b>	<b>6.813.059</b>	<b>64.709.075</b>
Destination result previous ex.			340.653				6.168.914						-6.509.567	0
Dividend distribution													-303.492	-303.492
Purchase of own shares												-323.768		-323.768
Stock Grant Plan									264.776					264.776
Stock Grant Stock Allocation									-50.715			49.887		-828
Profit/(Loss) for the period													10.495.071	10.495.071
Other changes			3											3
Other comprehensive income/(loss)						-9.080		194.480		-7.650				177.750
<b>Total comprehensive income/(loss)</b>	<b>0</b>	<b>0</b>	<b>340.656</b>	<b>0</b>	<b>0</b>	<b>-9.080</b>	<b>6.168.914</b>	<b>194.480</b>	<b>214.061</b>	<b>-7.650</b>	<b>0</b>	<b>-273.881</b>	<b>3.682.012</b>	<b>10.309.511</b>
<b>Balance as of December 31, 2024</b>	<b>10.000.000</b>	<b>29.414.176</b>	<b>848.291</b>	<b>57.007</b>	<b>1.520.779</b>	<b>-929.299</b>	<b>20.565.547</b>	<b>329.592</b>	<b>214.061</b>	<b>-132.724</b>	<b>5.298.320</b>	<b>-2.662.233</b>	<b>10.495.071</b>	<b>75.018.586</b>

# NOTES EXPLANATORY

**Note No. 1 - Corporate Information**

Unidata S.p.A., hereinafter also Unidata or "Company", is a joint stock company listed on the Euronext Milan market organized and managed by Borsa Italiana S.p.A., registered and domiciled in Italy. Its registered office is located in Rome, Viale Alexandre Gustave Eiffel, 100.

**Note No. 2 - Main accounting principles**

**Principles of preparation**

The Company's separate financial statements for the year ended December 31, 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union and in force as of the date of the financial statements, applying for all fiscal years presented, beginning on January 1, 2019, the date of first application of IFRS ("FTA").

The notes to the separate financial statements have been supplemented with the additional information required by the Civil Code. "IFRS" also means the International Accounting Standards ("IAS") still in force, as well as all interpretative documents issued by the IFRS Interpretation Committee, formerly known as the International Financial Reporting Interpretations Committee ("IFRIC") and even earlier as the Standing Interpretations Committee ("SIC") and endorsed by the European Commission, in force at the date of the financial statements.

The schemes adopted by the company are composed as follows:

- Statement of Financial Position-The presentation of the statement of financial position is done through separate disclosure between current and non-current assets and current and non-current liabilities distinguishing for each item of assets and liabilities the amounts expected to be settled or recovered within or beyond 12 months from the reporting date.
- Income statement - reports items by nature, as it is considered the one that provides the most explanatory information.
- Statement of comprehensive income - includes items recognized directly in equity when IFRS allows.
- Cash flow statement - the cash flow statement presents cash flows from operating, investing and financing activities. Cash flows from operating activities are presented through the indirect method, whereby the result for the year or period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of previous or future operating cash receipts or payments, and items of income or expense associated with cash flows from investing or financing activities.
- Statement of Changes in Shareholders' Equity - The Statement of Changes in Shareholders' Equity shows the comprehensive income for the year and the effect, for each item of , of changes in accounting policies and corrections of errors as required by International Accounting Standard No. 8. In addition, the schedule presents the balance of accumulated gains or losses at the beginning of the year, movements during the year and at the end of the year.

The separate financial statements have been prepared under the historical cost convention, except for derivative financial instruments and financial assets represented by equities or bonds in the portfolio, which are carried at fair value. The carrying value of assets and liabilities that are subject to transactions of

fair value hedges and that would otherwise be carried at amortized cost, is adjusted for changes in fair value attributable to the hedged risks.

The separate financial statements, in the absence of uncertainties or doubts about the Company's ability to continue as a going concern in the foreseeable future, have been prepared on the going concern basis. Under this standard, the Company has been considered to be able to continue as a going concern, and therefore assets and liabilities have been accounted for on the assumption that the company will be able to realize its assets and meet its liabilities during the normal course of business.

The separate financial statements are presented in Euros and all values are rounded to the nearest Euro, unless otherwise indicated.

### **Note no. 3 - Main accounting principles**

#### **a) Current/non-current classification**

Assets and liabilities in the Company's financial statements are classified a current/non-current basis. An asset is current when:

- is supposed to be realized, or is owned for sale or consumption, in the normal course of operation;
- Is held primarily for the purpose of trading it;
- is assumed to be realized within twelve months after the end of fiscal year;
- consists of cash or cash equivalents unless it is prohibited to be exchanged or used to settle a liability for at least 12 months after the end of fiscal year.

All other assets are classified as non-current. A liability is current when:

- Is expected to die out in its normal operating cycle;
- Is held primarily for the purpose of trading it;
- Must be paid off within twelve months after the end of fiscal year; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the fiscal year-end date.

Contractual terms of the liability that could, at the option of the counterparty, result in its settlement through the issuance of equity instruments do not affect its classification. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **b) Fair value measurement**

The Company values financial instruments such as derivatives at *fair value* at each balance sheet date.

*Fair value* is the price that would be received for the sale of an asset, or that would be paid for the transfer of a liability, in a regular transaction between market on the valuation date. A *fair value* measurement assumes that the transaction to sell the asset or transfer the liability takes place:

- In the *main market* of the asset or liability; or

- in the absence of a principal market, in the *most advantageous market* for the asset or liability.

The main or most advantageous market must be accessible to the Company.

The *fair value* of an asset or liability is measured by adopting the assumptions that market participants would use in pricing the asset or liability, assuming that they would act to satisfy their economic interest in the best way possible.

An assessment of the *fair value* of a nonfinancial asset considers the ability of a market participant to generate economic benefits by employing the asset to its highest and best use or by selling it to another market participant who would employ it to its highest and best use.

The Company uses valuation techniques that are appropriate to the circumstances and for which there is sufficient data available to assess *fair value*, maximizing the use of relevant observable *inputs* and minimizing the use of unobservable *inputs*.

All assets and liabilities for which *fair value* is measured or disclosed in the financial statements are categorized according to the *fair value* hierarchy, as described below:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the valuation date;
- Level 2 - Inputs other than quoted prices included in Level 1, observable directly or indirectly for the asset or liability;
- Level 3--valuation techniques for which the input data are unobservable for the asset or liability.

The *fair value* measurement is classified entirely in the same level of the *fair value* hierarchy in which the lowest level of the hierarchy input used for the measurement is classified.

For assets and liabilities recognized in the financial statements at *fair value* on a recurring basis, the Company determines whether transfers have occurred between levels of the hierarchy by reviewing the categorization (based on the lowest level input that is significant to the *fair value* measurement in its entirety) at each financial statement closing.

At each financial statement closing, the Company's Finance Department analyzes changes in the values of assets and liabilities for which revaluation or restatement is required under accounting standards.

For this analysis, the main inputs applied in the most recent valuation are verified, linking the information used in the valuation to contracts and other relevant documents.

The Company's Finance Department conducts a comparison of each change in the *fair value* of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of *fair value* disclosures, the Company determines the classes of assets and liabilities based on the nature, characteristics, and risks of the asset or liability and the level of the *fair value* hierarchy as explained above.

#### **c) Revenues from contracts with customers**

The Company's revenues consist mainly of income from telecommunication services and granting rights of use to confer access to its network infrastructure. Revenues are recognized when The Company has transferred control over a good or service to the customer (at a point in time) or over time (over the time) based on the provision of services.

Concessions of rights of use include income from leases of fiber optic, cable, and transmission systems (terrestrial) that do not qualify as financial leases (as described in the note "Lease") and the related maintenance service that the Company renders on its infrastructure.

Since in most cases the value of the right-of-use concession is paid in a lump sum at the conclusion of the contract, the recognition of the fee results in the recognition of a liability arising from contracts that represent obligation to transfer to the customer the service which the Company has received consideration in advance from the customer.

#### **d) Costs**

Costs are recorded when related to goods and services sold or consumed during the year or by systematic allocation, or when the future utility of the same cannot be identified.

Advertising and research costs, in accordance with IAS 38, are fully charged to the income statement when the service has been rendered and delivered to the Company.

Costs are recorded according to their nature considering the applicable principles under IFRS.

#### **e) Public grants**

Government grants are recognized when there is reasonable certainty that they will be received and that all conditions referring to them are met. Grants related to assets are recognized as revenue, but are systematically allocated between periods so as to be commensurate with the recognition of the costs they are intended to offset. A grant related to an asset is recognized as revenue on a straight-line basis over the expected useful life of the related asset. Conversely, grants related to assets are recognized in full in the income statement in the period in which they are incurred.

#### **f) Financial income and expenses**

Financial income and expenses are recognized on an accrual basis based on the interest earned on the net value of the related financial assets and liabilities, using the effective interest rate.

#### **g) Income taxes**

##### **Current taxes**

Current taxes for the year are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are the national rates enacted, or substantially in effect, at the balance sheet date. Italy is precisely the country where the Company operates and generates its taxable income.

Current taxes related to items recognized directly in equity are also recognized in equity and not in the statement of profit/(loss) for the year.

### **Deferred taxes**

Deferred taxes are calculated by applying *liability method* to temporary differences at the balance sheet date between the tax bases of assets and liabilities and the corresponding values in the financial statements.

Deferred tax liabilities are recognized on all taxable temporary differences, with the following exceptions:

- deferred tax liabilities arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the financial statement result nor the tax result;
- the reversal of taxable temporary differences, associated with investments subsidiaries, associates and *joint ventures*, can be controlled, and it is likely that it will not occur in the foreseeable future.

Deferred tax assets are recognized against all deductible temporary differences and unused tax credits and tax losses carried forward, to the extent that it is probable that sufficient future taxable income will be available to allow the use of deductible temporary differences and tax credits and tax losses carried forward, except in cases where the deferred tax asset associated with deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the financial statement result nor the tax result.

The carrying value of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available in the future to allow all or part of this credit to be utilized. Unrecognized deferred tax assets are reexamined at each balance sheet date and are recognized to the extent that it becomes probable that sufficient taxable income will be available in the future to permit recovery of such deferred tax assets.

Deferred tax assets and liabilities are measured by the tax rates expected to be applied in the year in which such assets are realized or such liabilities are settled, considering the rates in effect and those already enacted, or substantially in effect, as of the balance sheet date.

Deferred taxes related to items recognized outside the income statement are also recognized outside the income statement and, therefore, in equity or comprehensive income, consistent with the item to which they relate.

The Company offsets deferred tax assets and deferred tax liabilities if and only if there is a legal right to offset current tax assets and current tax liabilities and the deferred tax assets and liabilities refer to income taxes owed to the same taxing authority by the same taxpayer or by different taxpayers who intend to settle the current tax assets and liabilities on a net basis or realize asset and settle the liability simultaneously, with reference to each future period in which the deferred tax assets and liabilities are expected to be settled or recovered.

Since revenues are less than 750 million euros, the Company is not subject to *Pillar Two* regulations. Consequently, neither the mandatory recognition and disclosure exemption of IAS 12.4A nor the disclosure requirements of IAS 12.88A-88D, are applicable for the Company.

***(i) Foreign currency transactions and balances.***

Foreign currency transactions are initially recognized in the functional currency by applying the spot exchange rate on the date of the transaction.

Monetary assets and liabilities, denominated in foreign currencies, are translated into the functional currency at the exchange rate on the balance sheet date.

Realized exchange differences or those arising from the translation of monetary items are recognized in the statement of income, with the exception of monetary items that are part of the hedge of a net investment in a foreign operation. Such differences are recognized in the statement of comprehensive income until the net investment is disposed of, and only then is the total amount reclassified to the income statement. Taxes attributable to foreign exchange differences on monetary items are also to be recognized in the statement of comprehensive income.

Non-monetary items measured at historical cost in foreign currencies are translated at the exchange rates on the date of initial recognition of the transaction. Non-monetary items recorded at fair value in currencies are translated at the exchange rate on the date of determination of that value. The gain or loss arising from the translation of nonmonetary items is treated consistently with the recognition of gains losses related to the change in fair value of those items.

In determining the spot exchange rate to be used when initially recognizing the related asset, expense, or revenue (or portion ) upon derecognition of a nonmonetary asset or nonmonetary liability related to the advance consideration, the transaction date is the date on which the Company initially recognizes the nonmonetary asset or nonmonetary liability resulting from the advance consideration. If there are multiple payments or advances, the Company determines the transaction date for each payment or advance.

**I) Other intangible assets**

Intangible assets acquired separately are initially recorded at cost, while those acquired through business combinations are recorded at fair value at the date of acquisition. After initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses. Internally produced intangible assets, with the exception of development costs, are not capitalized and are recognized in the income statement in the period in which they are incurred.

The useful life of intangible assets is assessed as finite or indefinite.

Intangible assets with finite useful lives are amortized over their useful lives and are tested for impairment whenever there are indications of possible impairment. The amortization period and amortization method for an intangible asset with a finite useful life is reconsidered at least at each fiscal year-end. Changes in the expected useful life or of the manner in which the future economic benefits associated with the asset will be realized are recognized through changes in the amortization period or method, as appropriate, and are considered changes in accounting estimates. Amortization expense for intangible assets with finite useful lives is recognized in net income/(loss) for the year in the cost category consistent with the function of the intangible asset.

No intangible assets with indefinite useful lives are recognized in the financial statements except for goodwill and trademarks, for which an annual impairment test is performed, which is discussed below.

An intangible asset is derecognized upon disposal (i.e., on the date the acquirer obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss from the disposal of the asset (calculated as the difference between net disposal consideration and the carrying amount of the asset) is included in the income statement. Details of the depreciation periods applied are given below:

- Industrial patent and intellectual property rights	6 years
- Mi.S.E. concession Radio frequencies 24.5-26.5 Ghz	6 years
- Licenses, software right of use	5 years
- Development costs	5 years
- Customer list	7.64 years

The concession for the use of 24.5-26.5 Ghz radio frequencies in the Lazio region awarded by the Ministry of Economic Development was capitalized for the concession period of 6 years.

Software license costs are amortized over a period of three years.

Costs incurred for the purchase of multi-year rights to use the fiber optic network, cable ducts and transmission systems from other operators (IRU liabilities) are recorded under "Rights of use assets" on the basis of historical cost and amortized over the shorter period between the technical term and the contractual term of the concession.

#### *Research and development costs*

Research costs are charged to the income statement in the year in which they are incurred. Development costs incurred in connection with a particular project are recognized as intangible assets when the Company is able to demonstrate:

- ▶ the technical possibility of completing the intangible asset so that it is available for use or sale;
- ▶ the intention to complete the business and one's ability and intention to use or sell it;
- ▶ The ways in which the activity will generate future economic benefits;
- ▶ The availability of resources to complete the activity;
- ▶ The ability to reliably estimate the cost attributable to the activity during development.

After initial recognition, development assets are measured at cost decreased by accumulated depreciation or impairment losses. Amortization of the asset begins the development is completed and the asset is available for use. Development assets are depreciated by reference to the period of expected benefits and the related depreciation allowances are included in cost of sales. During the development period, the asset is subject to annual impairment testing.

#### *Licenses*

Licenses for the use of intellectual property were granted for a period of five to ten years, depending on the specific license. Licenses could be renewed at no or minimal cost. As a result, these licenses are considered to have an indefinite useful life.

## m) Leasing

### The Company as lessee

The Society assesses when entering into a contract whether it is, or contains, a lease. In other words, whether the contract confers the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company adopts a single recognition and measurement model for all leases, except for short-term leases and leases of low-value assets, and recognizes liabilities related to lease payments and the right-of-use asset representing the right to use the asset underlying the contract.

#### a. Activities by right use

The Company recognizes right-of-use assets on the lease commencement date (i.e., the date the underlying asset is available use). assets are measured at cost, net of accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of recognized lease liabilities, initial direct costs incurred, and lease payments made on or before the effective date net of any incentives received and restoration charges. Right-of-use assets are amortized on a straight-line basis from the effective date to the end of the useful life of the asset consisting of the right-of-use or the end of the lease term, whichever is earlier.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the asset consisting of the right of use reflects the fact that the lessee will exercise the option to purchase, the lessee shall depreciate the asset consisting of the right of use from the effective date until the end of the useful life of the underlying asset.

Right-of-use assets are subject to Impairment. Please refer to the section on Impairment of non-financial assets.

#### b. Liabilities related to leasing

On the effective date of the lease, the Company also recognizes lease liabilities by measuring them at the present value of unpaid lease payments due on that date. Lease payments due include fixed payments (including fixed payments in substance) net of any lease incentives to be received, variable lease payments that depend on an index or rate, and amounts expected to be payable as residual value guarantees. Lease payments also include the exercise price a purchase option if it is reasonably certain that such an option will be exercised by the company and lease termination penalty payments if the lease term takes into account exercise of the lease termination option.

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period (unless incurred in the production of inventories) in which the event or condition that generated the payment occurs.

In calculating the present value of payments due, the Company uses the marginal borrowing rate at the inception date if the implied interest rate cannot be easily determined. After the effective date, the amount of lease liability increases to take into account the interest on lease liability and decreases to consider the payments made. In addition, the carrying amount of the lease liability is restated in the event of any changes in the lease or for revision of the contractual terms for changes in payments; it is also restated if there are changes in the valuation

of the option to purchase the underlying asset or for changes in future payments that results from a change in the index or rate used to determine those payments.

The Company's lease liabilities are included under Current and noncurrent financial debts.

#### ***Short-term leases and leasing of low-value assets***

The Company applies the exemption for the recognition of short-term leases related to machinery and equipment (i.e., leases that have a term of 12 months or less from the commencement date and do not contain a purchase option). The Company also applied the exemption for leases related to low-value assets in reference to leases related to office equipment whose value is considered low. Fees related to short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

#### **The Company as lessor**

As lessor, the Company must classify each contract as either a finance lease or an operating lease. Specifically, if a contract is classified as a finance lease, the Company proceeds to eliminate from the statement of financial position, the value of the asset sold, recording a balancing entry a receivable from the counterparty or cash in the case of immediate collection, and to recognize in the Statement of Comprehensive Income the difference between:

- revenues equal to the agreed consideration representative of the fair value of the underlying asset. In the case of deferred payments, this value will be calculated on the basis of the present value of payments due from the lessee, discounted using a market interest rate;
- The book value of the underlying asset sold.

The Company provides its customers with access to its network infrastructure by stipulating of contracts that grant the right to use fiber optics, cable, and (terrestrial) transmission systems for a specified period of time, however, the Company remains the owner of the underlying asset.

Income generated from the granting of rights use is recognized over the term of the corresponding contracts, except when these are defined as finance leases, in which case the underlying asset is considered to have been sold.

Given that the transaction relates to Company's typical business, the revenue and book value of the underlying asset sold are shown net in the balance sheet item "Revenue from customers."

Leases that essentially leave the Company with all the risks and rewards associated ownership of the asset are classified as operating leases. Lease income from operating leases must be recognized on a straight-line basis over the lease term, and is included in income in the income statement given their operating nature. Initial trading costs are added to the book value of the leased asset and recognized over the lease term the same basis as rental income. Unbudgeted rents are recognized as revenue in the period in which they accrue.

#### **o) Property, plant and equipment**

Property, plant and equipment are recognized at historical cost less accumulated depreciation and accumulated impairment losses. This cost includes the costs of replacing part of plant and equipment as they are incurred, if they meet the recognition criteria. Where periodic replacement of significant parts of plant and equipment is necessary, the Company depreciates them separately based on their specific useful lives. Similarly, when major overhauls take place, the cost is included in the book value of the plant or machinery as in the case of replacement,

where the criterion for recognition is met. All other repair and maintenance costs are recognized in the income statement when incurred. The present value of the cost of dismantling and removing the asset at the end of its use is included in the cost of the asset if the criteria for recognition for a provision are met.

The depreciation rates applied, consistent with those of previous years, are shown below for the main categories of assets:

- Lightweight construction	10%
- Fixed plant and machinery	15%
- Concessions rights I.R.U fiber optics	10-15 years
- Specific facilities (proprietary network infrastructure and fiber)	6,67%
- Specific installations (fiber optic customer activation)	33,33%
- Specific facilities (Datacenter - POP Points of Presence)	18%
- Industrial and commercial equipment	15%
- Cars	25%
- Trucks	20%
- Supporting assets (commodities)	33,33%
- Furniture and furnishings	15%
- Electronic office machines	20%
- Depreciable assets of less than 516.46 euros	100%
- Contribution to set up co-located power plants	5 years
- Costs for leasehold improvements	5 years

The carrying amount of an item of property, plant and equipment and any significant component initially recognized is eliminated upon disposal (i.e., on the date the acquirer obtains control) or when no future economic benefit is expected from its use or disposal. gain/loss arising when the asset is derecognized (calculated as the difference between the net book value of the asset and the consideration received) is recognized in the income statement when the item is derecognized.

The residual values, useful lives, and depreciation methods of property, plant, and equipment are reviewed at each fiscal year-end and, where appropriate, adjusted prospectively.

As of December 31, 2024, tangible assets were not encumbered by mortgages or liens.

## **p) Financial instruments - Recognition and valuation**

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity for another entity.

### **i. Financial assets**

#### **Initial survey and evaluation**

Upon initial recognition, financial assets are classified according to the subsequent measurement methods, as appropriate, i.e., amortized cost, *fair* value recognized in the OCI statement of comprehensive income, and *fair value* recognized in the income statement.

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of financial assets and the business model the Company uses to manage them. With the exception of trade receivables, which do not contain a component

of significant financing or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its *fair value* plus, in the case of a financial asset not at *fair value* through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are valued at the transaction price as explained in the section Revenue from contracts with customers.

For a financial asset to be classified and measured at amortized cost or *fair value* recognized in OCI, it must generate cash flows that depend solely principal and interest on the amount of principal to be repaid (so-called 'solely payments of principal and interest (SPPI)'). This assessment is referred to as the SPPI test and is performed at the instrument level. Financial assets whose cash flows do not meet the above requirements (e.g. SPPI) are classified and measured at *fair value* through profit or loss.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will come from collecting contractual cash flows, selling financial assets, or both.

Financial assets that are classified and measured at amortized cost are held within the framework of a business model whose objective is to own financial assets aimed at collecting contractual cash flows while financial assets that are classified and measured at fair value recognized in OCI are held within the framework of a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

### **Subsequent evaluation**

For the purpose of subsequent evaluation, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets *at fair value* through comprehensive income with reclassification of accumulated gains and losses (debt instruments);
- Financial assets *at fair value* recognized in other comprehensive income without reversal of accumulated gains and losses upon derecognition (equity instruments);
- Financial assets *at fair value* through profit or loss.

### **Financial assets at amortized cost debt instruments)**

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to *impairment*. Gains and losses are recognized in the income statement when the asset is derecognized, modified or revalued.

Financial assets recorded by the Company at amortized cost include trade receivables.

### **Financial assets at fair value through profit or loss**

Financial instruments at *fair value* with changes recognized in the income statement are recognized in the statement of financial position at *fair value* and net changes in *fair value* recognized in the statement of profit/(loss) for the year.

This category includes derivative instruments and listed equity investments. Dividends on listed equity investments are recognized as other income in the statement of profit/(loss) for the year when the right to payment has been established.

The embedded derivative contained in a hybrid non-derivative contract, financial liability, or master non-financial contract is separated from the master contract and accounted for as a separate derivative if: its economic characteristics and associated risks are not closely related those of the master contract; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at *fair value* through profit or loss. Embedded derivatives are measured at *fair value*, with changes in *fair value* recognized in the income statement. A restatement occurs only if there is a change in the terms of the contract that significantly alters the otherwise expected cash flows or a reclassification of a financial asset to a category other than *fair value* through profit or loss.

### **Cancellation**

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized in the first instance (e.g., removed from the Company's statement of financial ) when:

- the rights to receive cash flows from the asset are extinguished, or
- the Company transferred to a third party the right to receive cash flows from the asset or assumed a contractual obligation to pay them in full and without delay and (a) transferred substantially all the risks and rewards of ownership of the financial asset, or (b) neither transferred nor retained substantially all the risks and rewards of the asset, but transferred control of it.

In cases where the Company has transferred the rights to receive cash flows from an asset or has entered into an agreement under which it retains the contractual rights to receive the cash flows from the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients (pass-through), it assesses whether and to what extent it has retained the risks and rewards inherent in ownership. In the event that it has neither transferred nor retained substantially all of the risks and rewards or has not lost control over it, the asset continues to be recognized in the Company's financial statements to the extent of its remaining involvement in the asset. In this case, the Company also recognizes an associated liability. The transferred asset and associated liability are valued to reflect the rights and obligations that remain with the Company.

When the entity's residual involvement is a guarantee on the transferred asset, involvement is measured by the lower of the amount of the asset and the maximum amount of consideration received that the entity may have to repay.

### *Loss of value*

The Company records an expected credit loss ('ECL') write-down for all financial assets represented by debt instruments not held at fair value through profit or loss. The

ECL are based on the difference between the contractual cash flows due under the contract and all cash flows the Company expects to receive, discounted at an approximation of the original effective interest rate. Expected cash flows will include cash flows from the enforcement of collateral held or other credit guarantees that are an integral part of the contractual terms.

Expected losses are recognized in two stages. Relative to credit exposures for which there has not been a significant increase in credit risk since initial recognition, must recognize credit losses that result from estimated default events that are possible within the next 12 months (12-month ECL). For credit exposures for which there has been a significant increase in credit risk since initial recognition, you must recognize in full the expected losses that relate to the remaining life of the exposure, regardless of when the default event is expected to occur ("Lifetime ECL").

For trade receivables and contract assets, the Company applies a simplified approach in calculating expected losses. Therefore, the Company does not monitor changes in credit risk, but fully recognizes the expected loss at each reporting date. The Company has established a matrix system based on historical information, revised to consider prospective elements with reference to the specific types of debtors and their economic environment, as a tool for determining expected losses.

The Company considers a financial asset to be in default when contractual payments are 180 days past due. In some cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to fully recover contractual amounts before considering the credit collateral held by the Company. A financial asset is derecognized when there is no reasonable expectation of recovery of contractual cash flows.

## **ii. Financial liabilities**

### **Survey and initial assessment**

Financial liabilities are classified initial recognition as financial liabilities at *fair value* through profit or loss, as loans and borrowings, or as derivatives designated as hedging instruments.

All financial liabilities are initially recognized at *fair value* plus, in the case of mortgages, loans and debts, the transaction costs directly attributable to them.

The Company's financial liabilities include trade and other payables, mortgages and loans, including overdrafts and derivative financial instruments.

### **Subsequent evaluation**

For the purpose of subsequent measurement, financial liabilities are classified into two categories:

- Financial liabilities at *fair value* through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

### **Financial liabilities at amortized cost (loans and borrowings)**

After initial recognition, loans are measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liability is settled, as well as through the amortization process.

Amortized cost is calculated by recognizing the discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Amortization at the effective interest rate is included in finance charges in the statement of income/(loss).

This category generally includes interest-bearing loans and receivables.

### **Cancellation**

A financial liability is cancelled when the obligation underlying the liability is extinguished, canceled, or fulfilled. Where an existing financial liability is exchanged for another from the same lender, on substantially different terms, or the terms of an existing liability are substantially changed, such an exchange or change is treated as an accounting cancellation of the original liability, accompanied by the recognition of a new liability, with any differences between the carrying amounts recognized in net income/(loss).

### **Clearing of financial instruments**

A financial asset and financial liability can be offset and the net balance shown in the statement of financial position if there is a current legal right to offset the amounts recognized in the accounts and there is an intention to settle the net residual, or realize the asset and simultaneously settle the liability.

As of Dec. 31, 2024, the Company has not made any match offsets.

## **q) Derivative financial instruments and hedge accounting**

### ***Initial survey and subsequent evaluation***

The Company uses derivative financial instruments, interest rate swaps, to hedge interest rate risks. These derivative financial instruments are initially recognized at *fair value* on the date the derivative contract is entered into and are subsequently remeasured at *fair value*. Derivatives are accounted for as financial assets when the *fair value* is positive and as financial liabilities when the *fair value* is negative.

hedge accounting purposes, hedges are of two types:

- fair value hedge where the exposure is hedged against changes in the fair value of the recognized asset or liability or unrecognized firm commitment;
- cash flow hedge where exposure is hedged against variability in cash flows attributable a particular risk associated with all recognized assets or liabilities or a highly probable planned transaction or foreign currency risk on unrecognized firm commitment;

When initiating a hedging transaction, the Company formally designates and documents hedging relationship to which it intends to apply hedge accounting, its objectives in managing the risk, and the strategy pursued. The Company uses IAS 39 for hedge accounting.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined). The hedging relationship meets the eligibility criteria for hedge accounting if it meets all of the following hedge effectiveness requirements:

- there is an economic relationship between hedged item and the hedging instrument;
- the effect of credit risk does not override the changes in value resulting from the above economic report;
- the hedging ratio of the hedging relationship is the same as that resulting from the amount of the hedged item that the Company actually hedges and the amount of the hedging instrument that the Company actually uses to hedge that amount of the hedged item.

Transactions that meet all qualifying criteria for hedge accounting are accounted for as follows:

#### ***Fair value hedging***

The change in *fair value* of hedging derivatives is recognized in net income/(loss) in other expenses. The change in the *fair value* of the hedged item attributable to the hedged risk is recognized as part of the carrying value of the hedged item and is also recognized in operating profit/(loss) in other expenses.

With regard to *fair value* hedges referring to items accounted for under the amortized cost method, any adjustment to the carrying amount is amortized to net income/(loss) over the remaining period of the hedge using the effective interest rate (EIR) method. The amortization thus determined may begin as soon as an adjustment exists but may not extend beyond the date on which the hedged item ceases to be adjusted changes in *fair value* attributable to the hedged risk.

If the hedged item is cancelled, the unamortized *fair value* is recognized immediately in the statement of profit/(loss) for year.

When an unrecorded firm commitment is designated as a hedged item, subsequent cumulative changes in its *fair value* attributable to the hedged risk are accounted for as assets or liabilities and the corresponding gains or losses recognized net income/(loss).

#### ***Cash hedging***

The portion of gain or loss on the hedged instrument related to the effective portion of the hedge is recognized in other comprehensive income in the "*cash flow hedge*" reserve, while the ineffective portion is recognized directly in net income/(loss) for the year. The *cash flow hedge* reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the *fair value* of the hedged item.

Amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. This is not considered a reclassification of items recognized in OCI for the period. This also applies in the case of a hedged planned transaction of

a nonfinancial asset or nonfinancial liability that subsequently becomes an irrevocable commitment to which fair value hedge accounting applies.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to the income statement as a reclassification adjustment in the same period or periods during which the hedged cash flows impact the income statement.

If cash flow hedge accounting is discontinued, the amount accumulated in OCI must remain as such if the hedged future cash flows are expected to occur. Otherwise, the amount should be immediately reclassified to net income/(loss) for the year as a reclassification adjustment. After suspension, once the covered cash flow occurs, any accumulated amount remaining in OCI should be accounted for depending on the nature of the underlying transaction as previously described.

### **Business Combinations and Startup**

Business combinations are accounted for the purchase method. The consideration transferred in a business combination is determined on the date control is assumed and is equal to the fair value of the assets transferred, liabilities incurred, and any equity instruments issued by the acquirer. The consideration transferred also includes the fair value of any assets or liabilities for contingent consideration that are contractually stipulated and contingent upon the realization of future events. Costs directly attributable to the transaction are recognized in the income statement when incurred. At the date of acquisition of control, the equity of investee companies is determined by attributing their fair value to the individual identifiable items in the balance sheet assets and liabilities, except where IFRS provisions establish a different measurement criterion. Any difference between the consideration paid and the fair value of the net assets acquired, if positive, is recognized as "goodwill" (hereinafter also goodwill) in the assets; if negative, the Company rechecks whether it has correctly identified all assets acquired and all liabilities assumed and revises the procedures used to determine the amounts to be recognized at the date of acquisition. If the reassessment still results in a fair value of the net assets acquired in excess of the consideration, the difference (gain) is recognized in the income statement. minority interest in the acquiree is measured either at fair value or in proportion to the minority interest's share of the acquiree's identifiable net assets. In the case of taking control stages, acquisition cost is determined by adding the fair value of the previously held equity interest in the acquiree and the amount paid for the additional equity interest. The difference between the fair value of the previously held equity interest and its carrying value is charged to the income statement. In addition, upon assumption of control, any amounts previously recognized other comprehensive income are charged to the income statement

When the determination of the values of the acquiree's assets and liabilities is made on a provisional basis in the fiscal year in which the business combination is completed, the recognized values are adjusted retroactively, no later than twelve months after the acquisition date, to take into account new information on facts and circumstances existing at the acquisition date. For the purpose of the fairness analysis, goodwill acquired in a business combination is allocated, as of the acquisition date, to the individual cash-generating units of the Company, or groups of cash-generating units that are expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the Company are assigned to those units or groupings of units. Each unit or group of units to which

goodwill is allocated: a) represents the lowest level, within the Company, at which goodwill is monitored internal management purposes; b) is no larger than the segments identified on the basis of the Company's segment reporting schedule, determined in accordance with IFRS 8 "Operating Segments." When goodwill constitutes part of a cash-generating unit (so-called group of cash-generating units) and part of the business internal to that unit is disposed of, the goodwill associated with the disposed business is included in the carrying amount of the business to determine the gain or loss on disposal. Goodwill disposed of in such circumstances is measured based on the relative values of the asset disposed of and the portion of the unit retained. When the disposal involves a subsidiary, the difference between the disposal price and the net assets plus accumulated translation differences and goodwill is recognized in the income statement.

### **Controlling interests**

Investments in subsidiaries are recorded at acquisition cost, in accordance with the provisions of IAS 27. This value is adjusted for impairment losses in accordance with the provisions of IAS 36. Any impairment losses are quantified on the basis of the recoverable amount determined with reference to the cash flows that the investee company will be able to produce prospectively.

The positive difference, arising at the time purchase, between the acquisition cost and the Company's share of the investee's equity at current values is, therefore, included in the carrying value of the investment. Any write-down of this positive difference is reinstated in subsequent periods if the conditions that led to the write-down no longer exist.

If the Company's share, if any, of the investee's losses exceeds the book value of the investment, the value of the investment is written off, and the Company's share of further losses is recognized as a provision in liabilities in the event that the Company has an obligation to account for them.

### **Investments in associates and joint ventures**

An associate is a company over which the Company exercises significant influence. Significant influence is defined as the power to participate in determining the financial and management policies of the investee without having control or joint control over it.

A joint venture is a jointly controlled arrangement in which the parties with joint control have rights to the net assets of the arrangement. Joint control is defined as sharing control of an arrangement on a contractual basis, which exists only when decisions on relevant activities require unanimous consent of all parties sharing control. The considerations made to determine significant influence or joint control are similar to those required to determine control over subsidiaries. Investments in associates and joint ventures are valued using the equity method.

Under the equity method, an investment in an associate or joint venture is initially recognized at cost. The carrying amount of the investment is increased or decreased to recognize the investor's share of the investee's profits and losses realized after the date of acquisition. Goodwill pertaining to the associate or joint venture is included in the carrying amount of the investment and is not subject to a separate impairment test.

The company's aggregate share of the profit/(loss) for the year of associates and joint ventures is recognized in the statement profit/(loss) the year after operating profit/(loss) and represents the profit/(loss) after tax and the shares due to other shareholders of the joint venture.

The financial statements of the associate and joint venture are prepared as of the same closing date as the company's financial statements. Where necessary, the financial statements are adjusted to conform to the company's accounting principles.

Following the application of the equity method, the company assesses whether it is necessary to recognize an impairment of its investment in the associate and joint venture. The company assesses at each balance sheet date whether there is objective evidence that the investment in the joint ventures is impaired. If so, the company calculates the amount of the loss as the difference between the recoverable amount of the associate or joint venture and the carrying amount the associate or joint venture in its financial statements, and recognizes this difference in net income/(loss) the year.

Upon the loss of joint control over an associate or joint venture, the company measures and recognizes the residual investment at fair value. The difference between the carrying value of the investment at the date of loss of joint control and the fair value of the residual investment and the consideration received is recognized in the income statement.

### **Inventories**

Inventories are valued at the lower of cost and net realizable value.

The costs incurred in bringing each asset to its present location and condition are recognized as follows:

1. Raw materials: purchase cost calculated by the FIFO method
2. Finished and semi-finished goods: direct cost of materials and labor plus a share of production overhead, defined on the basis of normal production capacity, excluding finance charges.

Inventory cost includes the transfer, from other comprehensive income, of gains and losses from qualified cash flow hedging transactions related to the purchase of raw materials.

Net realizable value is the estimated normal selling price in the normal course of business, less estimated costs of completion and estimated costs to realize the sale.

### **Impairment of non-financial assets (Impairment test)**

At each financial statement closing, the Company assesses whether there are any indicators of impairment of assets. If so, or in cases where an annual impairment review is required, the Company makes an estimate of recoverable amount. Recoverable value is the higher of the *fair value* of the asset or cash-generating unit, less costs to sell, and its value in use. Recoverable amount is determined on a per-asset basis, except when that asset generates cash flows that are not largely independent of those generated by other assets or groups of assets. If the carrying amount an asset is greater than its recoverable amount, that asset has been impaired and is accordingly written down to its recoverable amount.

In determining value in use, the Company discounts estimated future cash flows to present value using a pre-tax discount rate, which reflects market assessments of present value of money and asset-specific risks. Recent transactions that have occurred in the market are taken into account when determining *fair value* less costs to sell. If such transactions cannot be identified, an appropriate valuation model is used. These calculations are supported by appropriate valuation multipliers, quoted share prices for investees whose securities are traded in the market, and other available *fair value* indicators.

The Company bases its *impairment* test on more recent budgets and forecast calculations, prepared separately for each of the Company's cash-generating units to which assets are allocated

individuals. These budgets and forecast calculations generally cover five-year period. A growth rate is calculated to project future cash flows beyond the fifth year. Impairment losses on operating assets are recognized in the statement income/(loss) for the year in the cost categories consistent with the intended use of the asset that showed the impairment loss. Exceptions are made for previously revalued fixed assets, where the revaluation has been recognized in other comprehensive income. In such cases, the impairment loss is in turn recognized in other comprehensive income up to the amount of the previous revaluation.

For intangible assets, at each reporting date, the Company assesses whether there are any indicators of the reversal (or reduction) of previously recognized impairment losses and, if such indicators exist, estimates the recoverable amount of the asset or CGU. The value of a previously impaired asset may be reinstated only if there have been changes in the assumptions on which the calculation of the determined recoverable amount was based, subsequent to the recognition of the last impairment loss. The reversal may not exceed the carrying value that would have been determined, net of depreciation, assuming no impairment loss had been recognized in prior periods. Such reversal is recognized in net income/(loss) for the year unless the fixed asset is recorded at revalued amount, in which case the reversal is treated as a revaluation increase.

#### **Cash and cash equivalents and short-term deposits**

Cash and cash equivalents and short-term deposits include cash on hand and demand, highly liquid deposits with a maturity of three months or less, which are readily convertible into a given amount of money and subject to insignificant risk of changes in value.

For the purposes of presentation in the cash flow statement, cash and cash equivalents are represented by cash and cash equivalents as defined above, net of bank overdrafts as these are considered an integral part of the Company's cash management.

#### **Own shares**

Repurchased treasury shares are recognized at cost and deducted from shareholders' equity. The purchase, sale or cancellation of treasury shares does not give rise to any gain or loss in the income statement. The difference between the purchase value and the consideration, in case of reissue, is recognized in the share premium reserve.

#### **Provisions for risks and charges**

Provisions for risks and charges are made when the Company is faced with a present obligation (legal or implied) resulting from a past event, an outlay of resources to meet that obligation is probable, and a reliable estimate of its amount can be made. When the Company believes that a provision for risks and charges will be partly or fully reimbursed, for example in the case of risks covered by insurance policies, the indemnity is recognized separately and distinctly in assets if, and only if, it is practically certain. In such a case, the cost of any provision is presented in the statement of profit/(loss) for the year net of the amount recognized for the indemnity.

### **Provisions for employee benefits**

Post-employment benefits are defined on the basis of programs, albeit not formalized, which according to their characteristics are distinguished into "defined benefit" and "defined contribution" programs.

Italian legislation (Article 2120 of the Civil Code) provides that, on the date each employee terminates his or her employment contract with the company, he or she receives an indemnity called TFR. The calculation of this indemnity is based on certain items that form the employee's annual salary for each year of employment (appropriately revalued) and the length of the employment relationship. According to Italian civil law, this indemnity is reflected in the financial statements according to a calculation methodology based on the indemnity accrued by each employee as of the balance sheet date, assuming that all employees terminate their employment on that date.

The International Financial Reporting Interpretations Committee (IFRIC) of the International Accounting Standards Board (IASB) has addressed the topic of Italian TFR and concluded that, in application of IAS 19, it should be calculated according to a methodology, called the Projected Unit Credit Method (the so-called "PUCM"), according to which the amount of the liability for benefits acquired should reflect the expected date of resignation and should be discounted.

The actuarial assumptions and their effects take into account regulatory changes introduced by the Italian legislature, which provided the option for the employee to allocate the severance pay accrued as of July 1, 2007, to INPS or to supplementary pension funds.

The Company's net obligation arising from defined benefit plans is calculated by estimating the amount of future benefit that employees have accrued in exchange for their service in the current and previous years; this benefit is discounted to calculate the present value. Actuarial gains and losses referring to defined benefit plans, accumulated up to the previous year and reflecting the effects of changes in actuarial assumptions used, are recognized in full in the statement of comprehensive income.

Revaluations of the net defined benefit liability (asset) recognized in other comprehensive income need not be reclassified to net income (loss) in a subsequent period. However, an entity may reclassify amounts recognized in other comprehensive income into equity.

The actuarial valuation of the liability was entrusted to an independent actuary.

The Company's obligations arising from defined contribution plans, is limited to the payment of contributions to the state or to a legally distinct asset or entity (so-called fund), and is determined on the basis of contributions due.

### **Note no. 3a**

#### **New accounting standards, interpretations and amendments adopted by the Company**

The accounting standards adopted for the preparation of the separate financial statements are consistent with those used for preparation of the separate financial statements as of December 31, 2023, except for the adoption of new standards and amendments effective January 1, 2024. The Company has not early adopted any new standards, interpretations or amendments issued but not yet in force.

Several changes apply for the first time in 2024, but did not impact the separate budget.

**Amendments to IFRS 16: Lease Liability in a Sale and Leaseback.**

The amendments specify the requirements that a lessor seller uses in determining the lease liability arising from a sale & lease back transaction to ensure that the lessor seller does not account for a gain or loss that relates to the right of use retained by the lessor seller.

These changes had no impact on the separate financial statements.

**Amendments to IAS 1: Classification of Liabilities as Current or Non-current.**

The amendments to IAS 1 specify the requirements for classifying a liability as current or noncurrent. The amendments clarify:

- What is meant by the right of postponement of maturity
- That the right of subordination must exist at the close of the fiscal year
- Classification is not impacted by the probability with which the entity will exercise its subordination right
- Only if a derivative embedded in a convertible liability is itself an equity instrument does the maturity of the liability have no impact on its classification

In addition, a requirement has been introduced to give disclosures when a liability arising from a loan agreement is classified as noncurrent and the entity's right to subordination is subject to compliance with covenants within 12 months.

These changes had no impact on the separate financial statements.

**Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7.**

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supply finance arrangements and require additional disclosures of such arrangements. The disclosure requirements introduced are intended to assist users of financial statements in understanding the effects of supply finance arrangements on an entity's liabilities and cash flows and its exposure to liquidity risk.

These changes had no impact on the separate financial statements.

**Accounting standards, amendments and interpretations issued but not yet in effect**

There are no accounting standards, amendments and interpretations issued but not yet in effect that may have significant impacts on these separate financial statements.

**Note 3.1 - Discretionary evaluations and significant accounting estimates.**

The preparation of the Company's financial statements requires the directors to make discretionary judgments, estimates, and assumptions that affect the values of revenues, expenses, assets, and liabilities and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that will require, in the future, a significant adjustment to the carrying value of these assets and/or liabilities. In applying accounting standards, the directors have made decisions based on the following discretionary judgments with a significant effect on the amounts recorded in the financial statements.

Key assumptions regarding the future and other major causes of measurement uncertainty that, as of the reporting date, have a material risk of resulting in significant adjustments to the carrying amounts of assets and liabilities within next fiscal year are discussed below. The Company has based its estimates and assumptions on parameters available at the time the financial statements were prepared. However, current circumstances and assumptions about future events could change due to changes in the market or events beyond the Company's control. Such changes, if they occur, are reflected in the assumptions when they occur.

#### **Impairment of assets (Impairment test)**

At each financial statement closing, the Company assesses whether there are indicators of impairment of Intangible Assets, Right of Use, Property, Plant and Equipment, Equity Investments and other non-current assets. If such indicators emerge, an impairment test is conducted.

In cases where the carrying value (book value) of assets exceeds the recoverable amount, they are written down to reflect the latter. Recoverable value is determined as the higher of an asset or cash-generating unit's fair value less costs to sell and its value in use, and is determined on a per-asset basis, except where that asset generates cash flows that are not largely independent of those generated by other assets or groups of assets, in which case the Company estimates the recoverable value of the unit to which the asset belongs. In determining value in use, the Company discounts estimated future cash flows to present value using a pre-tax discount rate that reflects market assessments of the time value of money and the risks specific to the asset.

For the purpose of estimating value in use, future cash flows are derived from the business plans approved by the Board of Directors, which are the Company's best estimate of expected economic conditions over the plan period. Plan projections normally cover a time frame of three fiscal years; the long-term growth rate used for the purpose of estimating the terminal value of the business or unit is normally lower than the average long-term growth rate for the relevant industry, country, or market. Future cash flows are estimated with reference to current conditions: the estimates therefore do not consider either benefits from future restructuring to which the Company is not yet committed or future investments in improving or optimizing the business or unit.

If the carrying amount of an asset or cash-generating unit is greater than its recoverable amount, that asset has been impaired and is consequently written down to its recoverable amount.

#### **Liabilities for employee benefits (Severance pay - "TFR")**

The valuation of Severance Pay for the Company is done using actuarial valuations. Actuarial valuations require the development of assumptions about discount rates, future salary increases (for Severance Pay only), turnover and mortality rates. Because of the long-term nature of these plans, these estimates are subject to a significant degree of uncertainty.

### **Fair value of financial instruments**

When the fair value of a financial asset or liability recognized in the statement of financial position cannot be measured based on quotations in an active market, fair value is determined using various valuation techniques, including the discounted cash flow model. Inputs entered into this model are taken from observable markets where possible, but where this is not possible, some degree of estimation is required to define fair values. Estimates include considerations of variables such as liquidity risk, credit risk, and volatility. Changes in assumptions about these elements could have an impact on the fair value of the recognized financial instrument.

### **Deferred tax assets**

Deferred tax assets are recognized for deductible temporary differences between the values of assets and liabilities expressed in the financial statements compared with the corresponding tax values and tax loss carryforwards, to the extent that it is probable that there will be adequate future taxable profits against which such losses can be utilized. A discretionary assessment is required of the directors to determine the amount of deferred tax assets that can be recognized which depends on the estimate of the probable timing and amount of future taxable profits.

### **Lease - Estimating the marginal financing rate**

The Company cannot easily determine the implicit lease interest rate and therefore uses the marginal financing rate to measure lease liability. The marginal financing rate is the interest rate that the lessee would have to pay for a loan, with a similar term and with similar collateral, needed to obtain an asset of similar value to the asset consisting of the right of use in a similar economic environment. The marginal borrowing rate thus reflects what the Company would have to pay, and this requires estimating when there is no observable data (as in the case of investees that are not direct counterparties to financial transactions) or when rates need to be adjusted to reflect the terms and conditions of the lease (for example, when the leases are not in the investee's functional currency). The Company estimates the marginal borrowing rate using observable data (such as market interest rates) if available, and by making specific considerations about the conditions of the investee (such as the creditworthiness of the investee alone).

### **Lease - Identifying the duration of leases**

The Company shall determine the lease term as the noncancelable period of the lease to which shall be added both the periods covered by the option to extend the lease if there is reasonable certainty of exercising such option and the periods covered by the option to terminate the lease if there is reasonable certainty of not exercising such option

The Company has the option, for some of its leases, to extend the lease or terminate it early. The Company applies its judgment in assessing whether there is reasonable certainty of exercising the renewal options. That said, the Company considers all factors noted that may result in an economic incentive to exercise the renewal options or terminate the lease. After

the effective date, the Company revises estimates about the lease term in the event of a significant event or significant change in circumstances that are within its control and that may affect the ability to exercise (or not exercise) the option to renew or cancel early (e.g., investment in leasehold improvements or significant specific changes on the leased asset).

#### **Recoverability of Holdings**

The Company assesses at least annually the presence of indicators impairment of each equity investment, consistent with its strategy for managing legal entities within the company, and subjects these assets to impairment testing if they arise.

The processes and methods for assessing and determining the recoverable value of each equity investment are based on assumptions involving the judgment of the directors, particularly with regard to identifying indicators of impairment, forecasting their future profitability for the period of the companies' business plan, determining the normalized cash flows underlying the estimate of terminal value, and determining the growth and discount rates applied to the forecasts of future cash flows.

#### **Depreciation period of tangible and intangible fixed assets**

Depreciation of the finite-lived assets of property, plant and equipment and intangible assets requires a discretionary assessment by the directors, which is reviewed at each balance sheet date to verify that the amounts recorded are representative.

#### **Value Adjustments on Receivables**

Loan impairments represent the best possible estimate made by management, based on information available at the date of preparation of the financial statements. Estimates and assumptions are made by the directors with support of business functions and, when appropriate, independent specialists and are reviewed periodically.

The Company applies the simplified approach and records expected losses on all trade receivables on the basis of remaining maturity, defining a criterion for allocation based on the Company's historical experience with regard to credit losses, adjusted also to take into account specific forecast factors referring to creditors and the economic environment. The amount of expected losses is sensitive to changes in expected economic circumstances and conditions.

#### **Note no. 4 - Operational sectors: disclosure**

We do not report the Balance Sheet and Income Statement as of December 31, 2024 by operating segments because the Company consists of a single Cash Generating Unit.

PART B - INFORMATION ON THE BALANCE SHEET

**ACTIVE**

**Non-current assets**

**Note No. 5 Other intangible assets**

A breakdown of investments in other intangible assets is given below.

	31/12/2024	31/12/2023	Change
Development expenses	105.791	111.641	-5.850
Industrial patent rights	31.500	38.479	-6.979
Brand	5.611.080	5.611.080	0
Customer list	7.287.330	8.542.436	-1.255.106
Concessions, licenses, software and other	1.523.547	873.786	649.761
Intangible assets in progress	9.600	221.681	-212.081
<b>Total</b>	<b>14.568.848</b>	<b>15.399.103</b>	<b>-830.255</b>

Changes in other intangible assets during the year compared with the year ended December 31, 2023 are shown in the table below.

	Develop ment expenses	Industrial patent rights	Brand	Customer list	Concessions, licenses, software e other	Immobil. in cours e	Total
<b>as of 31 Net worth December 2023</b>	<b>111.641</b>	<b>38.479</b>	<b>5.611.080</b>	<b>8.542.436</b>	<b>873.786</b>	<b>221.681</b>	<b>15.399.103</b>
Increase of period	38.247				1.296.250		1.334.497
Decreases for the period						-212.081	-212.081
Depreciation	-44.098	-6.979		-1.255.106	-646.489		-1.952.671
<b>Net worth as of 31 December 2024</b>	<b>105.790</b>	<b>31.500</b>	<b>5.611.080</b>	<b>7.287.330</b>	<b>1.523.547</b>	<b>9.600</b>	<b>14.568.849</b>

Intangible assets mainly refer to the following intangible assets such as:

- development expenses, which refer to the capitalization of costs incurred for participation in development projects during the previous year that will produce future economic benefits. The projects in question are named Elegant and Fragile;

- the brand in the amount of 5,611,080 euros and the customer list in the amount of 7,287,330 euros, which refer to the merged company in 2023 (TWT), allocated through Purchase Price Allocation.
- other intangible assets, which consist mainly of purchased user licenses, which involved capitalization of 1,296,250 euros, as part of the development of company software systems.

Development expenses were entered with the consent of the Board of Auditors.

#### **Note No. 6 Startup**

Goodwill as of December 31, 2024 is 37,525,267 euros.

Goodwill consists of the difference between the fair value of the consideration transferred and the net value the amounts at the date of acquisition of the identifiable assets acquired and liabilities assumed identifiable at fair value from the acquisition of the TWT Group in FY2023.

Goodwill and brand name acquired through business combinations had allocated to the cash-generating unit (CGU) TWT last year for the purpose of impairment testing.

Regarding the determination of CGU ("Cash Generating Unit"), CGU is defined as an asset or the smallest group of assets that generate cash inflows largely independent of cash inflows from other assets or groups of assets.

As mentioned, the acquisition of the TWT Group that took place in 2023 resulted in the recognition of goodwill of €37,525,267; the cash-generating unit to which this goodwill was originally allocated was the TWT Group, consisting mainly of the activities related to telecommunications and connection services developed in Italy through its sales network (Reseller). This allocation had been made in compliance with the maximum aggregation constraint, which cannot exceed the operating segment under IFRS 8. Subsequently, as of January 1, 2024, the Unidata Group adopted a new organizational structure, achieved in part through the merger of TWT with Unidata at the end of FY2023, which resulted in the reorganization of the Group's activities mainly through the organizational and management integration of the two entities as well as the portfolio of products and services provided to customers. The adoption of this new organization involved the redistribution of managerial responsibilities, reorganization of legal entities, and revision of reporting tools. Along with the managerial and structural reorganization of activities, the business also underwent a process of rationalization and integration of the infrastructures used deliver the portfolio of products and services. The integration of the infrastructures resulted in the disappearance of independent cash flows under Unidata and TWT, respectively, with the consequent identification of the infrastructure as a whole as a single CGU. Consistent with the new segment organization, beginning in fiscal year 2024, goodwill was assessed based on the new Unidata CGU, which is representative of minimum level at which goodwill is monitored for internal management control purposes. For more details the Group's reorganization activities, see the section in the management report.

### **Testing for impairment of goodwill and other intangible assets with indefinite useful life (impairment test)**

The Group has engaged an independent third-party professional to prepare the impairment test, the analysis of which involves the following steps:

1. Development of unlevered cash flows starting from the of Plan approved by the Board of Directors
2. Analysis of the congruence of the panel of comparables
3. Estimated WACC
4. Determination of the recoverable amount of the CGU subject to impairment;
5. Analysis of CGU definition methodology and carrying amount counts of the CGU subject to impairment test;
6. Comparison of the recoverable amount, as independently worked out by the expert himself, with the carrying amount
7. Preparation of a sensitivity analysis ("sensitivity analysis") to analyze the change in the recoverable amount against a change in Wacc or unlevered cash flows considered.

The Group carried out the impairment test taking into account both the provisions of IAS 36 and Consob's attention call No. 1/21 of Feb. 16, 2021.

### **Evaluation system**

Value-in-use is estimated by discounting operating cash flows, i.e., cash flows available before repayment of borrowings and shareholder remuneration (Unlevered Discount Cash Flow method). Operating cash flows are discounted at a rate equal to the weighted average cost of debt and equity (Weighted Average Cost of Capital or WACC) in order to obtain the value of the company's operating capital (Enterprise Value).

The prospective cash flows used at the impairment test as of December 31, 2024 are those for the Unidata CGU of fiscal years 2025-2027, approved by the Board of Directors. The time horizon of the plan is 3 years. The impairment test was approved by the Board of Directors on March 20, 2025.

The prospective cash flows used in the impairment test are elaborated by taking as a reference the expected Ebitda net of imputed taxes and deducting the imputed contribution of fixed assets disse and working capital. For the development of the impairment test, it was prudently considered appropriate to refer to a growth rate g of 1.6 percent.

The WACC cash flow discount rate used for the impairment test as of December 31, 2024 is 8.93%.

The main parameters as of December 31, 2024 for calculating the WACC are as follows:

- Risk free rate: the rate used as of December 31, 2024 is 3.71% this value corresponds to the yield on 10-year Italian government bonds measured as a monthly average of the last twelve months;
- Beta: Instead, inputs developed from international practice were used to estimate the non-diversifiable systemic risk coefficient, taking into consideration a group of listed companies operating in the same industry as the company, calculating an appropriate average unlevered beta of 0.75;
- Market premium: a rate of 4.30% was used for the purpose of the analysis;
- With reference to the cost of debt (kd), the rate used is 7.3 percent;
- Financial structure: a D/E representative of the Unidata financial structure was applied to the cost of equity and the cost of debt capital of the weights determined used. The  $W_e$  (of equity) and  $W_d$  (of debt) weights were 61.4% and 38.6%.

The recoverable amount of the cash-generating unit was determined on the basis of value in use. As a result of the analysis, management did not identify an impairment of this cash-generating unit.

#### Sensitivity to changes in recruitment

The Group carried out a sensitivity analysis on the test results with respect to changes in the basic assumptions that conditioned the value in use of the CGU, assuming a change in WACC of +1/-1 with a change in the inflation rate of +1/-1. This would not result in an impairment loss for the CGU.

In addition, management also deemed it appropriate to have the independent professional conduct a "stress test" on long-lived assets. This stress test confirmed the resilience margins of the test.

#### Note No. 7 Activities for rights use

This item is composed as follows:

	31/12/2024	31/12/2023	Change
IRU Usage Rights	6.635.185	5.890.155	745.030
Real estate use rights	6.498.035	7.466.142	-968.107

Machinery usage rights	82.265	126.557	-44.292
Rights to use cars and housing	617.909	927.941	-310.033
<b>Total</b>	<b>13.833.393</b>	<b>14.410.795</b>	<b>-577.402</b>

Changes in usage rights during year are shown in the table below:

	Usage rights use IRU	Usage rights real estate	Rights of machinery	Rights to use cars and housing	Total
<b>Net value as of 31 December 2023</b>	<b>5.890.155</b>	<b>7.466.142</b>	<b>126.557</b>	<b>927.941</b>	<b>14.410.795</b>
Increase of period	1.501.987			190.468	1.692.455
Decreases for the period				-75.450	-75.450
Depreciation	-756.958	-968.107	-44.292	-425.051	-2.194.408
<b>Net value as of 31 December 2024</b>	<b>6.635.185</b>	<b>6.498.035</b>	<b>82.265</b>	<b>617.908</b>	<b>13.833.393</b>

The investments made by the company during the year were mainly attributable to new IRU contracts signed with leading telecommunications companies and, to a lesser extent, to the signing of new company car leases, net of cars redelivered during the year. Car leases were entered into with leading long-term rental companies and classified as leases under IFRS 16. With respect to contracts that the company considered as leases under IFRS 16, the marginal financing rate considered is the rate that the lessee would have to pay for a loan, with similar term and collateral, required to obtain an asset of similar value to the asset consisting of the right of use in a similar economic environment. The marginal financing rate used for the registration of usage rights on buildings and cars is about 3.4 percent. The marginal financing rate used for the recognition of rights of use of machinery is 1.3%, and corresponds to what is stipulated in the contracts.

#### Note No. 8 Property, plant and equipment

Property, plant and equipment amounted to 51,706,539 euros as of December 31, 2024 (49,774,216 euros as of December 31, 2023), as shown in the following table.

	31/12/2024	31/12/2023	Change
Plant and machinery	48.861.234	47.227.609	1.633.626
Industrial and commercial equipment	212.006	311.084	-99.078
Other assets	2.617.694	2.215.574	402.119
Assets under construction	15.606	19.950	-4.344

<b>Total</b>	<b>51.706.539</b>	<b>49.774.216</b>	<b>1.932.323</b>
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Changes during the year are shown in the following table:

	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction	Total
<b>Net value as of 31 December 2023</b>	<b>47.227.609</b>	<b>311.084</b>	<b>2.215.574</b>	<b>19.950</b>	<b>49.774.216</b>
Increase for the period	6.691.137		1.540.701	15.606	<b>8.247.444</b>
Decreases for the period		-360		-19.950	<b>-20.310</b>
Reclassifications					<b>0</b>
Depreciation and amortization	-5.057.511	-98.718	-1.138.581		<b>-6.294.812</b>
<b>Net value as of 31 December 2024</b>	<b>48.861.234</b>	<b>212.006</b>	<b>2.617.694</b>	<b>15.606</b>	<b>51.706.539</b>

"Plant and equipment," as shown in the table, increased by 6,691,137 euros (before depreciation, amounting to 5,057,511 euros), mainly due to capitalization for investments in fiber optic network infrastructure resulting from the processing of Unidata's "Systems" suppliers, not subject to any transfer in IRU to other telecommunications operators, including capitalization of personnel costs and public land occupation taxes (TOSAP) directly referable to these investments.

"Other assets," amounting to 2,617,694 euros as of December 31, 2024, increased mainly due to the capitalization of assets granted on loan for use (modems) to customers.

During the year, no indicators of possible impairment emerged with reference to tangible assets.

#### Note No. 9 Holdings

Details of holdings in:

- subsidiaries (Domitilla Srl, Voisoft Srl and Unisabina Srl), valued at cost;
- associated companies (Unitirreno Holding S.p.A. and Cliofiber S.r.l.) and jointly controlled companies (Unifiber S.p.A.), valued by the equity method.

	31/12/2024	31/12/2023	Change
Unisabina Srl	150.000	150.000	0
Domitilla Srl	7.239.490	7.239.490	0
Voisoft Ltd.	2.023.269	2.023.269	0
Unifiber SpA	4.891.567	5.184.567	-293.000
Cliofiber Ltd.	591.731	0	591.731
Unitirreno Holding SpA	3.607.669	4.175.036	-567.367
<b>Total</b>	<b>18.503.726</b>	<b>18.772.362</b>	<b>-268.636</b>

Also shown below is a comparison of the value of equity investments with their respective equity.

	Type of participation	Book value	% of participation	Heritage (net) (participations) (package I) (FRS)	Share net worth (IFRS)
Voisoft Ltd.	Checked	2.023.269	100,00%	1.230.027	1.230.027
Domitilla Srl	Checked	7.239.490	100,00%	4.906.947	4.906.947
Unisabina Srl	Checked	150.000	100,00%	56.203	56.203
Unifiber SpA	Jointly controlled	4.891.567	30,00%	37.641.388	4.891.567
Cliofiber Ltd.	Connected	591.731	11,05%	9.881.163	591.731
Unitirreno Holding SpA	Connected	3.607.669	33,33%	11.380.652	3.607.669
<b>Total</b>		<b>18.503.726</b>		<b>65.096.379</b>	<b>15.284.144</b>

With reference to Unifiber SpA, it should be noted that the Shareholders' Equity shown is that prepared in accordance IAS/IFRS. The share of shareholders' equity shown in the above table was calculated by applying the 30% share to the share capital, while the share of capital contributions paid by Unidata into Unifiber turns out to be approximately 19%, according to the agreements signed between the shareholders of the investee.

As mentioned, Unifiber SpA is owned by Unidata with a 30 percent share. The other shareholder of Unifiber SpA, with a 70 percent stake, is the Connecting Europe Broadband Fund (CEBF), which in turn is participated by Cassa Depositi e Prestiti (Italy), Caisse des Depots (France), KFW (Germany), European Investments Bank, European Commission and other private investors.

Pursuant to IFRS 12, Unifiber S.p.A. is a jointly controlled investment with CEBF, as a result, the equity method was applied as of December 31, 2024, which resulted in a negative change in the value of the investment of 104,560 euros:

- a negative income component, borne by Unidata, amounting to 96,101 euros (and corresponding Unifiber S.p.A.'s IFRS economic result as of December 31, 2024, limited to the 30% shareholding);
- a negative change in Unidata's statement of comprehensive income in the amount of 8,459 euros, due to the application in Unifiber S.p.A. of IAS 19 in the liabilities for the benefit of the investee company's employees and hedging derivatives in Unifiber's portfolio.

In addition, it should be noted that, during the year, the company made capital contributions to Unifiber S.p.A in the amount of 858,523 euros, consistent with the agreements with the shareholder CEBF and the development of the subsidiary's business.

Regarding the investment in Unitirreno Holding SpA, Unidata recognized an impairment loss arising from the result for the year, of the investment due to the application of the equity method in the amount of Euro 433,968. It should be noted that this loss also includes the economic result as of December 31, 2024 of Unitirreno Submarine Network, a company that is in turn a wholly owned subsidiary of Unitirreno Holding. This loss is due to the fact that Unitirreno Group has recently started work on the construction of fiber optic submarine cables, consequently, it is expected to achieve positive economic results in 2025 when it starts its activity in the market.

Limited to the investment in Clifiber Srl, acquired by the Company in November 2024, Unidata recognized an impairment loss arising from the result for the year, of the investment due to the application of the equity method the amount of 33,269 euros.

#### **Note No. 10 Non-current financial assets**

The following is a breakdown of Non-current Financial Assets as of December 31, 2024.

	31/12/2024	31/12/2023
RomaWireless Consortium Membership Fee	7.500	7.500
Voipex Consortium membership fee	2.950	2.950
Digital World Foundation Membership Fee	51.646	51.646
Digital Regions Consortium Membership Fee	1.500	1.500
Rome Technopole Foundation membership fee	30.000	30.000
GE-DIX Consortium membership fee	15.000	15.000
Boldyn Participation	92.784	0
Security Deposits	67.965	74.760
Intesa SanPaolo Spa escrow account	59.000	59.056
BNP Paribas escrow account	2.400.010	1.200.010
Financial receivables from Unitirreno Holding SpA	3.002.327	1.985.691
Financial receivables for non-current leases	928.833	992.216
<b>Total</b>	<b>6.659.515</b>	<b>4.420.329</b>

"Financial receivables from Unitirreno Holding SpA" includes three non-interest-bearing loans provided by Unidata to Unitirreno Holding for the conduct of its business, one of which, amounting to approximately 1 million euros, disbursed during the year.

The escrow deposit, amounting to 2,400,010 euros as of December 31, 2024, represents the minimum cash reserve established by the company under loan agreement entered into in 2023 for the purchase of the TWT Group and has been reclassified under "Current Financial Assets," as the restriction in question expires on January 1, 2025. Specifically, in early January 2025, the amounts returned to the full availability of Unidata.

Non-current financial receivables on sublease agreements measured as leases in accordance with IFRS 16, amounting to 928,833 euros, represent the sum of the principal amounts of sublease fees due beyond

the 12 months. It should be noted that the value of non-current lease receivables maturing beyond 5 years amounts to 665,507 euros.

The Boldyn shareholding item includes the value contributed to the SPV under the Rome 5G Project, in which Unidata holds a 5 percent stake.

With reference to membership dues representing shareholdings in other enterprises and consortia, further details regarding the composition are given below, with evidence of accounting data referring to the latest available financial statements:

	Share capital	Shareholders' Equity	Profit (Loss) Last exercise	Book value
<b>Digital World Foundation</b> Via Umbria 7 - Rome Piazzale	2.181.603	2.557.557	64.014	51.646
<b>Rome Technopole Foundation</b> Aldo Moro 5 - Rome	375.000	375.000	-	30.000
<b>GE-DIX Consortium</b> Viale Francia 3 - Genoa Viale	240.000	230.804	2.092	15.000
<b>Digital Regions Consortium</b> A.G.Eiffel 100 - Rome	19.500	60.964	-6.587	1.500
<b>Romawireless consortium in liq.</b> Via S.Martino della Battaglia 31 - Rome	41.250	47.192	8.028	7.500
<b>Boldyn Networks Smart City Rome SpA</b> Via del Plebiscito 107 - Rome	1.855.680	853.858	-1.001.823	92.784
<b>Voipex Consortium</b> A.G.Eiffel Avenue 100 - Rome	36.300	47.470	-868	2.950
			<b>Total</b>	<b>201.380</b>

#### Note no. 11 Derivative financial instruments

Derivative instruments perfected by Unidata aim to hedge exposure to the risk of interest rate fluctuations. . All derivative financial instruments are measured at fair value as established by IAS 39 and adjusted periodically. Interest rate derivatives, are "Over The Counter" (OTC) instruments, i.e., bilaterally traded with market counterparties, and the determination of their current value is based on valuation techniques that take as reference input parameters (such as rate curves) that can be observed in the market (level 2 of the fair value hierarchy under IFRS 7).

With reference to existing financial instruments as of December 31, 2024, the following is reported:

- all financial instruments measured at fair value fall into level 2 (identical situation in 2023);
- During 2023 and 2024, there are no transfers from level 1 to level 2 and vice versa;
- During 2023 and 2024, there are no transfers from Level 3 to other levels and vice versa.

In order to reduce the risks of adverse changes in interest rates, derivative contracts were entered into for hedging purposes (IRS, Floor).

The derivative contracts entered into find correlation with the liabilities related to the financing contracts entered into (to which please refer to the specific paragraph in Liabilities). There is a high correlation between the technical/financial characteristics of the hedged liabilities and those of the hedging contract, and there is also an intent to put in place the hedge. Transactions in derivative financial instruments are accounted for in a manner consistent with the principal transactions against which they are entered into, or at market in applicable cases. It should be noted that, in accordance with IAS 39, the Company carried out the hedge effectiveness test as of December 31, 2024, analytically for each derivative, noting perfect hedge effectiveness. Pursuant to IFRS 7, during the year, there were no adjustments related to derivative financial instruments that resulted in effects in the Company's statement of comprehensive income.

In this regard, the Company recognized derivative financial instruments in the financial statements by applying the accounting prescribed by IAS 39 for *hedge* accounting. Specifically, the cumulative effect recognized in equity reserves was positive and amounted to 1,904 euros, net of deferred taxation. As reported in the note Financial Expenses and Financial Income, the Company collected net positive differentials on derivative financial instruments of 168,776 euros during the year.

During the year, assets and liabilities for derivative financial instruments changed as follows:

	31/12/2024	31/12/2023	Change
Activities for instruments derivatives to hedge the interest rate risk	56.279	152.768	-96.489
Liabilities for instruments derivatives hedging the interest rate risk	-1,264,589	-1.363.583	98.994
<b>Net instrument balance derivatives to hedge the risk rate of interest</b>	<b>-1.208.310</b>	<b>-1.210.814</b>	<b>2.504</b>

Derivative instrument transactions with *Interest Swap Rate* (IRS) contract type and *Interest Rate Floor* outstanding as of December 31, 2024 have the following characteristics and *fair values*:

Counterparty and contract number	Financing	Derivative type	Value net optional (31/12/24)	Financial risk	Mark to market	Effective date	Expiration
Intesa Sanpaolo contract no. 36863860	OIR1010534135	IRS	1.470.000	Interest risk	33.489	30/09/2020	30/09/2026
BNP Paribas contracts No. 25939660 and 25939666	GEFI6163629	IRS+ FLOOR	775.000	Interest risk	22.790	22/07/2021	22/07/2027
Intesa Sanpaolo contract no. 97394544	TWT Group Purchase	IRS	1.500.000	Interest risk	-81.535	01/03/2023	28/02/2029
Intesa Sanpaolo contract no. 97394639	TWT Group Purchase	IRS	2.737.500	Interest risk	-97.206	01/03/2023	28/02/2029
BPM contract no. 21541866	TWT Group Purchase	IRS	1.500.000	Interest risk	-81.400	01/03/2023	28/02/2029
BPM contract no. 21541869	TWT Group Purchase	IRS	2.737.500	Interest risk	-97.168	01/03/2023	28/02/2029
Unicredit contract no. MMX32365266	TWT Group Purchase	IRS	1.500.000	Interest risk	-81.214	01/03/2023	28/02/2029

Unicredit contract no. MMX32365277	TWT Group Purchase	IRS	2.737.500	Interest risk	-97.086	01/03/2023	28/02/2029
BNP Paribas contract no. 0030266852	TWT Group Purchase	IRS	1.500.000	Interest risk	-81.135	01/03/2023	28/02/2029
BNP Paribas contract no. 0030266858	TWT Group Purchase	IRS	2.737.500	Interest risk	-96.887	01/03/2023	28/02/2029
Intesa Sanpaolo contract no. 97394674	TWT Group Purchase	IRS	3.862.500	Interest risk	-137.942	01/03/2023	28/02/2029
BPM contract no. 21541861	TWT Group Purchase	IRS	3.862.500	Interest risk	-137.844	01/03/2023	28/02/2029
Unicredit contract no. MMX32365259	TWT Group Purchase	IRS	3.862.500	Interest risk	-137.727	01/03/2023	28/02/2029
BNP Paribas contract no. 0025939660	TWT Group Purchase	IRS	3.862.500	Interest risk	-137.445	01/03/2023	28/02/2029
			<b>34.645.000</b>		<b>-1.208.310</b>		

#### Note No. 12 Other non-current receivables and assets

This item amounted to 12,796 euros as of December 31, 2024 and did not change from December 31, 2023. It consists of:

- Tax credits for activities carried out in the year of research and development amounting to 10,780 euros;
- Tax credits, related to a refund application filed with the Internal Revenue Service, IRPEF and IRES taxes, for the non-deduction of IRAP related to employee and assimilated personnel expenses, in the amount of 2,016 euros.

#### Note No. 13 - Deferred tax assets and deferred tax liabilities.

The composition of Deferred tax assets and liabilities as of December 31, 2024, compared with the situation as of December 31, 2023, is shown below:

	31/12/2024	31/12/2023	Change
Deferred tax assets	446.591	504.984	-58.393
<b>Total</b>	<b>446.591</b>	<b>504.984</b>	<b>-58.393</b>
Deferred tax liabilities	-3.766.690	-4.091.813	325.123
<b>Total</b>	<b>-3.766.690</b>	<b>-4.091.813</b>	<b>325.123</b>
<b>Net total</b>	<b>-3.320.099</b>	<b>-3.586.829</b>	<b>266.730</b>

Deferred tax assets represent the amount of income taxes recoverable in future years referable to deductible temporary differences.

Deferred tax assets are calculated by applying the tax rates in effect in the year in which the temporary differences will reverse, as provided by the tax laws in effect at the balance sheet date.

Deferred tax assets are recognized in the financial statements only if there is reasonable certainty of their recovery. With regard to deferred tax assets of 446,591 euros as of December 31, 2024, it is believed that they can be largely recovered through positive future economic results.

following table provides a breakdown of deferred tax assets and deferred tax liabilities as of December 31, 2024, showing the effect of changes in deferred taxation on the income statement and equity (i.e., comprehensive income).

	Statement of financial position	Comprehensive income statement	Profit and loss account
--	---------------------------------	--------------------------------	-------------------------

	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
IFRS 16 Leasing	-24.253	-15.525			-8.727	-5.969
IAS 19 SEVERANCE PAY	13.367	42.563	-60.617	-126.336	31.421	10.430
IAS 32 Listing Costs	0	7.650	-7.650	-7.767		
Derivative Instruments	289.994	290.595	-601	360.964		
Post PPA mark	-1.617.113	-1.617.113				
Customer list post PPA	-2.100.209	-2.461.930			361.721	301.411
Allowance for doubtful accounts	63.831	112.647			-48.816	-2.070
Allowance for inventory depreciation	54.284	54.284				
<b>Total</b>	<b>-3.320.099</b>	<b>-3.586.829</b>	<b>-68.868</b>	<b>226.861</b>	<b>335.599</b>	<b>303.802</b>

## Current Assets

### Note no. 14 Inventories

Inventories as of December 31, 2024 are composed as follows:

	31/12/2024	31/12/2023	Change
Gross value of inventory - raw materials	2.770.270	3.669.897	-899.626
Allowance for depreciation	-226.183	-226.183	0
<b>Total Inventories</b>	<b>2.544.088</b>	<b>3.443.714</b>	<b>-899.626</b>

Specifically, these inventories consist of the goods that refer to the business of installation, maintenance and sale of telecommunications equipment, are shown net of an inventory write-down provision of 226,182 euros in order to adjust the cost of inventories to their presumed market realizable value.

Overall, inventory decreased by EUR 899,626 compared to December 31, 2023, mainly due to the use of raw materials related to construction activity of the fiber optic network infrastructure.

### Note no. 15 Contractual activities

Contract assets as of December 31, 2024 are composed as follows:

	31/12/2024	31/12/2023
Contract work in progress	600.000	600.000
<b>Total Contractual Activities</b>	<b>600.000</b>	<b>600.000</b>

Specifically, the item refers to contract work in progress, relating to revenues accrued but not yet invoiced, calculated according to the percentage-of-completion method as of December 31, 2024 with respect to the ASI Bari Consortium.

### Note no.16 Trade receivables

All of the Company's trade receivables are due within 12 months.

Accounts receivable as of December 31, 2024 consisted of the following:

	31/12/2024	31/12/2023
Gross trade receivables	30.669.264	20.943.885
Allowance for doubtful accounts	-574.461	-532.799
<b>Total Receivables net Fund</b>	<b>30.094.802</b>	<b>20.411.086</b>
<b>Impairment Receivables</b>		

Detailed changes in the allowance for doubtful accounts as of December 31, 2024 are shown in the table below:

	Allowance for doubtful accounts
<b>Balance as of 12/31/2023</b>	<b>-532.799</b>
Uses for the year	0
Provisions for the year	-41.663
<b>Balance as of 12/31/2024</b>	<b>-574.462</b>

The allowance for doubtful accounts represents the best possible estimate made by management, based on information available at the date of preparation of the financial statements. Estimates and assumptions are made by the directors with the support of the business function in accordance with IFRS 9.

Impairment on trade receivables and contract assets is carried out through the simplified approach allowed by the standard. This approach involves estimating the expected loss over the life of the loan at initial recognition and in subsequent assessments. For each customer segment, the estimate is made primarily by determining the average expected uncollectibility, based on historical-statistical indicators, adjusted if necessary using prospective elements. On the other hand, for some categories of receivables characterized by peculiar risk elements, specific assessments are carried out on individual credit positions.

It should be noted, however, that trade receivables positions, for which legal action is being taken by the company to recover the receivable, have been analytically evaluated for the purpose of estimating the allowance for doubtful accounts.

A situation of past due and overdue receivables is shown below.

	31/12/2024	31/12/2023
<u>Overdue trade receivables from:</u>		
More than 120 days	3.054.381	1.602.459
91 to 120 days	282.954	281.695
61 to 90 days	397.471	488.578
31 to 60 days	411.086	524.840
Up to 30 days	2.740.529	2.602.998
<b>Total overdue receivables</b>	<b>6.886.422</b>	<b>5.500.570</b>
<b>Total accounts receivable past due</b>	<b>20.892.383</b>	<b>15.439.844</b>
<b>Total trade receivables</b>		

<b>(for invoices issued)</b>	<b>27.778.805</b>	<b>20.940.414</b>
Receivables for invoices and credit notes to be issued	2.890.459	34.705
Intercompany eliminations	0	-31.234
<b>Total trade receivables gross</b>	<b>30.669.264</b>	<b>20.943.885</b>

It should be noted that the increase in receivables due over 120 days is mainly due to receivables from the Public Administration for IoT contracts and the Rome 5G project. These positions, despite a delay in collection, are to be considered fully collectible.

#### **Note No. 17 Tax credits**

Tax receivables amounted to 2,830,078 euros as of December 31, 2024 and consisted of IRES advance payments of 2,276,148 euros and IRAP advance payments of 553,930 euros.

#### **Note No. 18 Current financial assets**

Current Financial Assets amounted to 1,487,472 Euros as of December 31, 2024 and consisted of the following.

	<b>31/12/2024</b>	<b>31/12/2023</b>
Current lease finance	63.384	62.387
Receivables from Unitirreno Submarine Network S.p.A.	0	50.000
Cash pooling receivables from Domitilla	1.267.686	1.802.965
Financial deposits	14.518	0
Securities for sureties	141.884	137.245
<b>Total</b>	<b>1.487.472</b>	<b>2.052.597</b>

Securities for sureties, amounting to 141,884 euros, relate to the subscription shares to the Intesa Sanpaolo management liquidity fund, used as collateral for the issuances of Unidata's sureties to TIM SpA;

Financial receivables for leases due within 12 months in the amount of 63,384 euros consist of the principal amounts related to 3 sublease contracts valued in accordance with IFRS 16.

financial receivables for leases, which represent future principal amounts, the following is a summary detail including also the future interest amounts that will be collected by the Company, by due date.

	installments Principal	Installments future	Total interest future
Lease finance receivables within 12 months	63.384	14.566	<b>77.950</b>
Lease finance receivables over 12 months	928.833	94.399	<b>1.023.232</b>
Of which Lease finance receivables over 5 years	665.507	45.925	<b>711.432</b>

#### Note No. 19 Other current receivables and assets

This item as of December 31, 2024 is composed as follows.

	31/12/2024	31/12/2023
Accounts receivable for advance payments to suppliers	351.456	248.724
Receivables from employees		34.709
Miscellaneous receivables	611.452	118.924
Inland Revenue c/VAT	4.662	1.676.824
Other matches to be settled	9.008	1.005.061
Prepaid expenses	3.572.644	2.380.713
<b>Total</b>	<b>4.549.221</b>	<b>5.464.955</b>

This item mainly includes prepaid expenses in the amount of 3,572,644 euros, mostly consisting of advance fees charged by suppliers, service fees with accrual beyond closure, annual licenses and annual insurance premiums.

#### Note No. 20 Cash and cash equivalents

	31/12/2024	31/12/2023
Bank and postal deposits	4.710.784	12.401.815
Cash and valuables on hand	9.403	6.526
<b>Total</b>	<b>4.720.187</b>	<b>12.408.341</b>

Bank balances are valued at their nominal value and consist of the cash on ordinary current accounts at various banks with which the company has dealings.

The amounts shown can be readily converted into cash and are subject to an insignificant risk of change in value. The company believes that the credit risk related to cash and equivalents is limited because they are mainly fractional deposits on domestic banking institutions

The above item is also subject to the general rule of impairment, and the "loss rate approach" has been used. However, in view of the fact that these are on-demand accounts, the expected 12-month losses and the expected lifetime losses coincide and are not significant.

For more details of the sources and uses that originated the changes in cash and cash equivalents, please refer to the statement of cash flows.

## PASSIVE

### Note no. 21 Shareholders' equity

For changes in the composition of Shareholders' Equity as of December 31, 2024, please refer to the Statement of Changes in Shareholders' Equity, which is an integral part of these financial statements.

That being said, the main changes for the year related to shareholders' equity are as follows:

- Unidata's profit earned in the previous fiscal year amounting to 6,813,059 euros was allocated, as per the resolution of the Ordinary Shareholders' Meeting:
  - To increase the legal reserve by 340,653 euros;
  - To retained earnings in the amount of 6,168,914 euros;
  - To dividends amounting to 303,492 euros.
- purchase of treasury shares in the amount of 323,768 euros, recognized directly in an unavailable reserve, as a deduction from shareholders' equity, in accordance with IAS 32;
- Achievement consolidated profit in the amount of 10,495,071 euros.

Regarding other changes in shareholders' equity, mainly related to the effects of cash flow hedges on hedging derivatives and the adjustment of the provision for severance pay in accordance with IAS 19, please refer to the Statement of Comprehensive Income.

We report below the information required by Article 2427, Paragraph I, Number 7 bis of the Civil Code, specifying that neither capital nor reserves were used in the previous three years to cover losses.

	31/12/2024	Possibilities for use
Capital	10.000.000	
Legal Reserve	848.291	B
Reserve for treasury stock	-2.662.233	
Extraordinary Reserve	57.007	A, B, C
Share premium reserve	29.414.176	A, B, C
Available reserve Law 145/2018	1.520.779	A, B
Reserve "Stock Grant"	214.061	
Expected cash flow reserve	-929.299	B
Reserve <i>First Time Adoption (FTA)</i> IAS	5.298.320	B
IAS 19 Employee Benefits Reserve (TFR)	329.592	
Stock market listing reserve	-132.724	
Retained earnings (loss)	20.565.547	A, B, C
Profit/(loss) for the year	10.495.071	B, C

Legend possibility of use: A - for capital increase, B - for loss coverage, C - for distribution to shareholders

The share premium reserve consists of the excess of the issue price of shares over their par value and as of December 31, 2024 amounted to 29,414,176 euros.

The available reserve was established as provided for in Article 1, paragraphs 28 to 34 of Law 145 of 12/30/2018 (the so-called "2019 Budget Law") by specific allocation of the profit for the year 2018 and amounts to 1,520,779 euros.

The IAS First Time Adoption (FTA) reserve shows a positive value as a result of IFRS adjustments made to items recorded in accordance with the accounting standards. The value amounts to 5,298,320 euros and is the result of adjustments related to the recognition of expected credit losses and the fair value recognition of the network.

The reserve for employee benefits established in accordance with accounting standard IAS 19, shows a value of 329,592 euros, as a result of the discounting of the Employee Severance Indemnity Reserve (TFR) net of tax effects.

The stock market listing reserve shows a negative value, net of the tax effect for the shares not yet deducted, of 132,725 euros and derives from the application of international accounting standards to the costs of the company's capitalization on the AIM market that were previously immobilized.

Basic and diluted earnings per share as of December 31, 2024, compared with the previous year, are shown below.

	31/12/2024	31/12/2023	Change
Number of shares (A) - average for the year	30.886.610	28.134.230	2.752.380
Net income for the year (B)	10.495.071	6.813.059	3.682.012
Treasury shares (C) - average of the year	585.576	408.645	176.931
Basic and diluted earnings per share B/(A-C)	0,35	0,25	0,10

In accordance with IAS 33, the average number of shares outstanding during the reporting period that best approximates the weighted average number of shares outstanding during the same period was considered.

### **Non-current liabilities**

#### **Note No. 22 Employee benefits**

This item includes the total value of severance pay accrued by staff in service as of December 31, 2024, in application of current laws and labor contracts, net of advances granted, determined in accordance with Article 2120 of the Civil Code, and the transfer to other institutions as supplementary pension benefits. The liability in question was then adjusted in accordance with IAS 19.

Changes in employee benefits are shown below:

	31/12/2024	31/12/2023	Change
Present value obligation at beginning exercise	2.640.727	1.290.228	1.350.499
Change in the scope of consolidation		1.696.386	-1.696.386

Service Cost	604.903	508.532	96.372
Advances and liquidations	-498.416	-409.435	-88.981
Financial losses/(gains)	59.406	81.418	-22.012
Actuarial losses/(gains)	-252.572	-526.401	273.829
<b>Total liabilities for employee benefits</b>	<b>2.554.048</b>	<b>2.640.728</b>	<b>-86.680</b>

The technical bases, as required by IAS 19, on which actuarial considerations were made are briefly summarized below:

- demographic-type hypothesis: the traditional "Table of permanence in the active position" RG48 constructed by the State Accounting Office was used as the basis for evaluating survival, with reference to the selected 1948 generation, projected and distinguished by gender, supplemented by the additional causes of exit (resignations, advances, which constitute a financial-type cause of exit, assessable in terms of probability of elimination, and other);
- Financial assumptions: these assumptions concern:
  - future annual inflation rates, set equal to the average of inflation rates that have occurred in Italy in recent years (source: ISTAT);
  - future annual rates of revaluation of the existing fund and subsequent payments, set, as established by current rules, at 75% of the inflation rate+ 1.50%, net of statutory taxes;
  - future annual discount rates, in compliance with the express indication by IAS 19 (§ 78) of the use of interest rates correlated to the epochs of presumed maturity of the various payments. As of the valuation date, rates are to be set to vary with respect to time, adopting the rate curve constructed on the basis of the effective rates of return on Euro-denominated bonds of leading companies rated AA or higher;
  - the future rates of real wage increases needed to obtain, separately for different categories of employees, the future annual rates of nominal wage increase. These values constitute a forecast of the average future career wage development of a generic employee, depending on length of service and in the presence of monetary and contractual stability. Based on the information provided and taking into account the consistency of the available data, actual rates can be considered undistinguished by gender and, in case of lack of a reliable sample, they are considered constant over time, according to the different levels of contractual classification. From the information provided and taking into account the consistency of the available information, it was decided to consider real rates by sex and constant over time, according to the following scheme:
    - Executives category: real annual rate 2.60%
    - Managers category: real annual rate 1.70%
    - Employees category: real annual rate 1.40%

It should also be noted that, in the liability analysis, changes in the liability measured in accordance with IAS19 in absolute and relative terms were evaluated under the assumption of 10% positive or negative change in the revaluation and/or discount rates.

## Note No. 23 Non-current and current financial debts

This item is composed as follows.

	31/12/2024		31/12/2023	
	Current	Non-Current	Current	Non Current
Payables to banks for advance invoices			2.945.571	
Due to banks c/confirming	1.718.662		2.202.074	
Due to banks for loans	6.810.384	27.302.062	38.709.186	2.245.000
Due to banks for Bond	1.950.632	7.065.945	9.808.731	
Accrued expenses			209.019	
Financial debts for leasing	1.236.729	6.955.410	1.455.678	8.029.495
Due to other lenders	19.565		24.836	
<b>Total financial debt</b>	<b>11.735.972</b>	<b>41.323.416</b>	<b>55.355.095</b>	<b>10.274.495</b>

### Due to banks

The decrease in bank debts is mainly due to the payment of instalments for the year and the repayment of financial debts for advance payments on invoices.

Outstanding loans and main terms are summarized in the following table:

Financing	Month	Deadline	Rate	reference	Spread	Amount financed
Intesa Sanpaolo	72	30/09/2026	variable	Euribor 1	1,20%	4.200.000
BNP Paribas	60	22/07/2027	variable	Euribor 1	0,95%	1.500.000
BNP Paribas, BPM) - Line A1 Pool (Intesa San Paolo, Unicredit,	72	28/02/2029	variable	Euribor 6	Variable	14.600.000
BNP Paribas, BPM) - Line A2 Pool (Intesa San Paolo, Unicredit,	72	28/02/2029	variable	Euribor 6	Variable	20.600.000
BNP Paribas, BPM) - Line B Pool (Intesa San Paolo, Unicredit,	72	28/02/2029	variable	Euribor 4%	Variable	6.000.000 10.000.000
Elite Intesa Sanpaolo Basket Bond	84	28/07/2029	fixed	3,7		

All loans granted were issued without collateral, either collateral or personal.

It should be noted that there are financial covenants on certain loans, to be calculated as of December 31, 2023 on the Group's consolidated financial statements. It should be noted that at the time of the 2023 financial statements, the company, as required by IAS 1, had reclassified as short term the entire debt related to the loan contracted in 2023 for the purchase of the TWT Group and the Basket Bond, amounting to 37.5 and 9.8 million euros, respectively, as of December 31, 2023 because as of that date the company did not meet the parameter required by the Interest Cover Ratio covenant (actual value of 8.58, compared to a condition of greater than or equal to 10).

However, following the *ex tunc* amendment of the 2023 loan agreement and the Basket Bond bondholders' regulation (and the consequent compliance with the Covenants), the company has proceeded to reallocate appropriately as of December 31, 2024, the short-term and long-term portions of the debt, consistent with the amortization schedules under the loan agreement and the Basket Bond bondholders' regulation.

The outstanding debt as of December 31, 2024 of each loan is shown in the following table:

Financing	Debt residual	Within 12 months	Over 12 months	Over 5 months
Intesa Sanpaolo no.	1.470.000	840.000	630.000	
BNP Paribas No. GEFI6163629	775.000	300.000	475.000	
BNP Paribas, BPM) - Line A1 Pool (Intesa San Paolo, Unicredit,	10.704.052	2.342.736	8.361.316	
BNP Paribas, BPM) - Line A2 Pool (Intesa San Paolo, Unicredit,	15.163.393	3.327.648	11.835.745	
BNP Paribas, BPM) - Line B Pool (Intesa San Paolo, Unicredit,	6.000.000		6.000.000	
Elite Intesa Sanpaolo Basket Bond	9.016.577	1.950.632	7.065.945	
<b>Total</b>	<b>43.129.022</b>	<b>8.761.016</b>	<b>34.368.006</b>	<b>0</b>

It should be noted that the covenants on the loan agreements, to be calculated on the values in the consolidated financial statements, are all met as of December 31, 2024, as shown in the following table.

Covenant	Value as of 12/31/2024	Condition of the covenant	Covenant Formula
Interest Cover Ratio	8,71	Greater than or equal to 8	Adjusted EBITDA / Financial Charges
Leveraged Ratio	1,51	Less than or equal to 2	Financial debt / Adjusted EBITDA
Gearing Ratio	0,57	Less than or equal to 1	Financial debt/equity

#### Financial debts for leasing

Lease obligations refer to the recognition of the outstanding financial debt accordance with IFRS 16.

#### Due to other lenders

The item refers to payables to credit card circuits.

#### **Note No. 24 Other non-current liabilities**

This item is composed as follows:

	31/12/2024	31/12/2023
Deferred income I.R.U. fees fiber optics	7.161.040	8.158.958
Deferred income fiber network maintenance optics	22.651	32.723

Deferred income R&D project contributions	354.500	563.271
FISC	37.639	18.478
Other non-current liabilities	0	324
<b>Total</b>	<b>7.575.829</b>	<b>8.773.754</b>

For better understanding, it should be noted that this item consists mainly of the following accounting positions:

- deferred income for I.R.U. rights originated from the sale of rights use on fiber optics for multi-year contracts in the amount of Euro 7,161,040;
- deferred income for revenues on maintenance services of the fiber optic network granted under right use with multi-year contracts in the amount of 22,651 euros;
- Deferred income for capital grants received for research and development projects amounting to 354,500 euros.

### **Current liabilities**

#### **Note No. 25 Trade payables**

This item concerns trade payables to suppliers a commercial nature, which arose in the course of our core business activities. The exposure amounted to 29,203,236 euros as of December 31, 2024, and the composition is shown in the following table:

	31/12/2024	31/12/2023
Suppliers for invoices received	20.455.277	17.108.443
Suppliers for invoices to be received	8.747.960	6.753.045
<b>Total</b>	<b>29.203.236</b>	<b>23.861.488</b>

The composition of the balance of accounts payable largely includes accounts payable to Systems suppliers as part of the construction of the fiber-optic network infrastructure and is almost entirely to Italian counterparties.

During the year, there were no major changes to the purchasing and payment policies agreed upon with suppliers.

#### **Note no. 26 Tax liabilities**

This item, amounting to 5,230,474 euros as of December 31, 2024, consists of current IRES and IRAP tax liabilities.

	31/12/2024	31/12/2023
IRES payables	4.184.409	2.611.722
IRAP payables	1.046.065	607.028
<b>Total Tax Payables</b>	<b>5.230.474</b>	<b>3.218.750</b>

#### **Note No. 27 Other current liabilities**

This item consists of the following:

	31/12/2024	31/12/2023
Payables to staff (including vacations accrued)	1.855.248	1.533.428
Security deposits and security withholdings	463.114	630.495
INPS debts, IRPEF	1.313.839	843.217
Social security debts	-807	52.377
Miscellaneous debts	612.966	1.301.719
Customers w/ contractual advances	610.555	2.608.025
Deferred income from internet contracts	6.361.879	4.661.878
Deferred income Royalties I.R.U. fiber optics	997.918	1.032.487
Network maintenance deferred income	10.073	10.179
Deferred income contributions on R&D Projects.	241.178	242.876
<b>Total</b>	<b>12.465.963</b>	<b>12.916.679</b>

The item is mainly composed :

- Payables to personnel in the amount of 1,855,248 euros, including 1,211,209 euros for accrued and unused vacation leave as of December 31, 2024;
- Clients c/contractual advances," amounting to 610,555 euros, mainly refers to contractual advances obtained from clients as part of the construction of the fiber optic network infrastructure. These advances will be reversed to revenues in subsequent periods based on the progress of work at the respective construction sites.
- Deferred income from Internet contracts in the amount of 6,361,879 euros, which refers to fees invoiced in advance for connection services, pertaining to the following year.

#### **Liabilities not shown on the balance sheet**

Following the repeal of paragraph 3 of Article 2424 of the Civil Code, information on memorandum accounts is given in the Notes to the Financial Statements without evidence of them in the balance sheet and without the relevant accounting entries. Memorandum accounts are important only for legal purposes and therefore there are no documentary details to record the transaction in terms of its balance sheet, financial position and income statement.

Pursuant to Article 6, paragraph 8, letter c) of Legislative Decree 139/2015, the Notes to the Financial Statements will report the total amount of commitments, guarantees and contingent liabilities not shown in the Balance Sheet, with indications of the nature and collateral provided.

#### **Bonds and sureties given**

Sureties granted to third parties, mainly to guarantee the company's obligations under signed service contracts, amounted to 293,359 euros as of December 31, 2024, and there were no changes from December 31, 2023.

## PART C - INCOME STATEMENT INFORMATION

Before proceeding to the analysis of the individual items, it should be recalled that the analytical presentation of positive and negative income components in the Income Statement and the previous comments on the items in the Balance Sheet allow the comments set out below to be limited to the main items.

It should be noted that, where not expressly stated, comparative figures as of December 31, 2023 include 10 months of operations of the TWT Group acquired on March 1, 2023.

### REVENUES

#### Note No. 28 and 29 Revenue from customers and Other revenue

As of December 31, 2024, the Company's revenues amounted to 104,328,570 euros and mainly referred to the provision of telecommunications services in the amount of 76,317,664 euros, the construction and sale of telecommunications infrastructure, including the business of granting I.R.U. (indefeasible Right of Use) concession rights to other operators on the fiber optic network infrastructure built by the Company in the amount of 25,807,502 euros.

The following table shows the breakdown of revenues.

	31/12/2024	31/12/2023 (Reported)	31/12/2023 (Pro forma)	Change 12/31/2024 vs. 31/12/2023 (pro forma)
Consumer	5.367.448	4.251.924	4.251.924	1.115.524
Business	52.027.803	43.353.505	49.711.570	2.316.233
Wholesale	1.828.076	1.278.593	1.278.593	549.483
PA	703.330	647.331	647.331	55.999
Project	12.011.427	5.298.652	5.298.652	6.712.775
Voice Trading and Voice Network	4.379.580	4.436.621	5.496.669	1.117.089
<b>Retail</b>	<b>76.317.664</b>	<b>59.266.627</b>	<b>66.684.740</b>	<b>9.632.924</b>
Wholesale IFRS 16	6.564.006	12.857.993	12.857.993	6.293.987
Unifiber	18.868.799	18.012.720	18.012.720	856.079
Materials trading	374.697	1.413.095	1.413.095	1.038.398
<b>Infrastructure</b>	<b>25.807.502</b>	<b>32.283.808</b>	<b>32.283.808</b>	<b>6.476.306</b>
<b>Deferred income</b>	<b>1.279.562</b>	<b>1.330.477</b>	<b>1.330.477</b>	<b>50.916</b>
<b>Miscellaneous income</b>	<b>923.843</b>	<b>139.171</b>	<b>139.171</b>	<b>784.672</b>
<b>Total</b>	<b>104.328.570</b>	<b>93.020.083</b>	<b>100.438.196</b>	<b>3.890.374</b>

With regard to the Retail line, which mainly accommodates revenues from Internet access services in Fiber Optic, XDSL and wireless modes, there is a substantial increase in production in the main customer categories, due to the acquisition of new contracts of Internet services signed with customers.

Below is an explanatory table of the calculation of average revenue per user (ARPU) broken down by major customer categories and compared with the figure for the same period last year.

Customer type	Number of customers as of 12/31/2024	ARPU as of 12/31/2024	Number of customers as of 12/31/2023	ARPU as of 12/31/2023
<b>Consumer</b>	22.529	21	18.531	22
<b>Business</b>	5.064	396	4.594	370

The item "Project" mainly includes revenues related to projects in the IoT segment, revenues from the Rome 5G project, revenues from the company Unitirreno Submarine Network for the construction of a Landing Station, and revenues from the subsidiary Unisabina Srl for the sale of the infrastructure for the management of the water network.

As for the Infrastructure line, it mainly includes:

- The activity related to granting I.R.U. (Indefeasible Right of Use) concession rights other operators on the fiber optic network infrastructure built by Unidata. This concession of rights was accounted for as a true sale of the infrastructure, consistent with IFRS 16 accounting standard. Revenues from this transfer, together revenues from design, "vertical" network-related work and maintenance, amounted to 6,564,006 euros. The decrease from last year is due to the fact that the underlying contract came to an end in FY 2024.
- Revenues for the construction of telecommunication infrastructure attributable to work related to the Unifiber project, amounting to 18,868,799 euros.

"Deferred income," amounting to 1,279,562 euros, mainly includes capital grants pertaining to the year and the reversal of deferred income related to pre-2019 I.R.U. projects.

The geographical breakdown of revenues (from customers) as of December 31, 2024 is shown below.

	31/12/2024			31/12/2023		
	Italy	Foreign	Total	Italy	Foreign	Total
Retail	69.976.456	6.341.208	76.317.664	53.362.608	5.904.019	59.266.627
Infrastructure	25.807.502		25.807.502	32.283.808		32.283.808
<b>TOTAL</b>	<b>95.783.958</b>	<b>6.341.208</b>	<b>102.125.166</b>	<b>85.646.416</b>	<b>5.904.019</b>	<b>91.550.435</b>

#### Note No. 29 Other income

"Other income," amounting to 2,203,404 euros, mainly includes capital grants pertaining to the year and the reversal of deferred income related to pre-2019 I.R.U. projects, as well as miscellaneous income.

## PRODUCTION COSTS

### Note No. 30 Costs for raw materials and consumables

These amounted to 5,293,590 euros as of December 31, 2024, and consisted mainly of costs for purchases of equipment for networking, peripherals for datacenters.

	31/12/2024	31/12/2023	Change
Raw material costs	4.393.964	8.139.793	-3.745.830
Opening material inventories first	3.669.897	4.376.708	-706.812
Raw materials ending inventory	-2.770.270	-3.669.897	899.626
<b>Total material costs first</b>	<b>5.293.590</b>	<b>8.846.605</b>	<b>-3.553.015</b>

The change from December 31, 2023 is due to lower purchases of raw materials made during the year, with partial use of inventories as of December 31, 2023.

### Note no. 31 Costs for services

Costs for services amounted to 55,952,374 euros as of December 31, 2024. These costs, which are closely related to the implementation of the Company's business, are made up as follows:

	31/12/2024	31/12/2023	Change
Work performed by third parties	13.468.778	13.601.814	- 133.035
Retail services costs	32.606.877	25.331.376	7.275.502
Consulting	1.969.859	2.578.492	- 608.633
Licensing and software	1.023.166	1.147.669	- 124.504
Business expenses	907.951	1.132.154	- 224.203
Electricity and other utilities	888.091	920.028	- 31.937
Bank fees	632.980	826.878	- 193.898
Support services	176.844	700.126	- 523.282
Company car costs	351.747	609.204	- 257.457
Advertising and sponsorship services	261.075	607.601	- 346.526
Insurance	206.951	553.240	- 346.289
Compensation of corporate bodies	411.721	444.683	- 32.962
Audit fees	107.727	244.802	-137.075
Rents payable	484.002	389.738	94.264
Transportation costs	237.523	381.213	-143.691
Maintenance and repairs	453.362	356.465	96.897
Quotation costs	181.822	159.151	22.670
Cleaning services	133.663	156.490	- 22.827
Charges for administration contracts	422.591	139.975	282.616
Postage	75.961	135.446	- 59.486

Entertainment expenses	264.321	84.538	179.783
Other costs for services	685.362	728.829	-43.467
<b>Total Costs for services</b>	<b>55.952.374</b>	<b>51.229.913</b>	<b>4.722.461</b>

The increase from December 31, 2023 is mainly due to costs related to retail services, since the comparative figures at that date included only 10 months of operations TWT (acquired on March 1, 2023 and subsequently merged into Unidata).

#### Note No. 32 Personnel costs

As of December 31, 2024, total labor costs amounted to 12,234,521 euros, and consisted of the following:

	31/12/2024	31/12/2023	Change
Wages and salaries	8.118.496	6.955.891	1.162.604
Social charges	2.707.056	1.937.209	769.847
Severance pay and pension funds	690.100	515.585	174.514
Other personnel costs	718.870	333.936	384.934
<b>Total Personnel Costs</b>	<b>12.234.521</b>	<b>9.742.621</b>	<b>2.491.900</b>

The increase compared to December 31, 2023 is mainly due to costs related to TWT's personnel costs, since the comparative figures at that date included only 10 months of operations of TWT (acquired on March 1, 2023 and subsequently merged into Unidata).

The following table shows the number of employees by contractual classification as of December 31, 2024, with evidence of changes during the year:

	31/12/2023	Change in increase	Decreasing change	31/12/2024
Executives	5	0	-1	4
Workers	10	0	0	10
Employees	178	21	-26	173
<b>Total</b>	<b>193</b>	<b>21</b>	<b>-27</b>	<b>187</b>

#### Note no.33 Other operating costs

Other operating costs amounted to a total of 1,639,402 euros, see their breakdown in the following table:

	31/12/2024	31/12/2023	Change
--	------------	------------	--------

Non-income taxes and fees	454.654	183.571	271.083
Subscriptions and membership fees	81.574	72.904	8.669
Losses on receivables	213.499	125.099	88.401
Occupancy Tax (TOSAP)	210.690	413.950	-203.260
Miscellaneous charges and capital losses	659.781	371.265	288.516
Grants and disbursements	19.205	10.694	8.511
<b>Total Other Operating Costs</b>	<b>1.639.402</b>	<b>1.177.482</b>	<b>461.920</b>

"Non-income taxes and duties" includes Euro 555,091 in government concession fees paid during the year, specifically to MISE, the State Provincial Treasury and the Communications Guarantee Authority.

TOSAP refers to the public land occupation fee paid the fiscal year under the Unifiber project.

#### Note no. 34 Depreciation and amortization

This item amounted to a total of 10,441,889 Euros as of December 31, 2024 (9,466,358 Euros as of December 31, 2023) and consisted of the amortization of intangible assets in the amount of 1,952,671 Euros, the amortization for usage rights in the amount of 2,194 Euros.408, and depreciation of property, plant and equipment amounting to 6,294,811 Euros, calculated on the basis of economic-technical rates deemed representative of the residual possibility of use and the useful life of the tangible assets.

For details of items related to depreciation and amortization, see the schedules of tangible and intangible assets shown in the notes to the balance sheet.

#### Note No. 35 Value adjustments

This item amounted to 41,663 euros as of December 31, 2024 (35,388 euros as of December 31, 2023) and consisted entirely of the provision for doubtful trade receivables. For more details, please refer to the statement of allowance for doubtful accounts shown in the notes to the balance sheet.

#### Note No. 36 Financial income

This item amounted to 111,212 euros as of December 31, 2024 and included the following items:

	31/12/2024	31/12/2023	Change
Interest income from leasing contracts	15.563	16.457	-895
Bank interest income	12.199	75.328	-63.129
Interest income financing	76.136	0	76.136
Securities revaluation	4.639	0	4.639
Foreign exchange differences and other financial income	2.675	9.934	-7.258
<b>Total financial income</b>	<b>111.212</b>	<b>101.719</b>	<b>9.493</b>

#### Note no. 37 Financial charges

The item interest and other financial expenses is composed as follows:

	31/12/2024	31/12/2023	Change
Interest expense on bank accounts	33.799	79.994	-46.194
Interest payable on deferred payment	60.106	45.163	14.943
Interest paid on loans and bonds	3.051.968	2.776.234	275.734
Interest payable on tax amends	7.135	27.195	-20.060
Lease interest expense (IFRS16)	232.059	221.641	10.418
Equitalia file interest payable	0	16	-16
Interest Expense Severance Pay (IAS 19)	59.406	81.417	-22.011
Derivative instrument differentials	-168.776	-93.255	-75.521
Passive foreign exchange adjustments	17.784	26.353	-8.569
<b>Total Financial Charges</b>	<b>3.293.481</b>	<b>3.164.757</b>	<b>128.724</b>

The increase in interest expense on loans is in line with amortization schedules.

#### Note No. 38 Income and expenses from securities and equity-accounted investments

This item amounted to 541,338 euros (negative) as of December 31, 2024, and consisted of the method adjustment of affiliated and jointly controlled equity investments. Specifically, there is an impairment of equity investments of 96,101 Euros for Unifiber, 411,968 Euros for Unitirreno Holding, and 33,269 Euros for Clioiber.

#### Note No. 39 Income taxes

	31/12/2024	31/12/2023	Change
IRES	3.849.084	2.276.165	1.572.919
IRAP	992.968	553.930	439.038
Prepaid/deferred taxes	-335.599	-303.802	-31.796
<b>Total Income Taxes</b>	<b>4.506.453</b>	<b>2.526.293</b>	<b>1.980.160</b>

Income taxes are recognized in the balance sheet on the basis of a realistic forecast of taxable income, determined in accordance with current tax regulations, applying the tax rates in effect at the balance sheet date. The related tax liability is recognized in the balance sheet at face value, taking into account any applicable exemptions. In the event that on account, withholdings and any credits exceed the taxes due, the related tax receivable is recognized.

Taxes were charged to the income statement according to ordinary taxation principles on an accrual basis, recognizing current taxes as well as deferred and prepaid taxes whenever there is an actual divergence between taxable income and statutory profit due to the presence of any temporary differences.

Following are explanatory schedules for the determination current IRES and IRAP as well as reconciliations between the tax burden from the financial statements and the theoretical tax burden, as established by accounting standards:

IRES	31/12/2024	31/12/2023
Earnings before taxes	15.001.523	9.339.351
Ordinary rate applicable	24,00%	24,00%
Theoretical tax burden	3.600.365	2.241.444
<i>Increasing changes:</i>		
Temporary differences	37.000	281.372
Permanent differences	1.131.631	552.459
<i>Decreasing changes:</i>		
Temporary differences	26.545	26.545
Permanent differences	105.761	173.560
Taxable income	<b>16.037.848</b>	<b>9.973.078</b>
A.C.E. Deduction.		489.057
IRES Taxable Income	<b>16.037.848</b>	<b>9.484.021</b>
Effective rate applied	24,00%	24,00%
<b>Current IRES</b>	<b>3.849.084</b>	<b>2.276.165</b>

The total amount of IRES was determined by subjecting the pre-tax result, appropriately adjusted for upward and downward changes required by current tax regulations, to the rate of 24.00%. Any changes resulting from changes in taxes and/or rates will be recognized in the fiscal year in which the new provisions take effect and are actually applicable.

IRAP	31/12/2024	31/12/2023
Difference between value and cost of the production	18.725.121	12.272.595
Unimportant costs	12.276.184	10.027.140
<b>Total</b>	<b>31.001.314</b>	<b>22.299.725</b>
Ordinary rate applicable	4,82%	4,82%
Theoretical tax burden	1.494.263	1.074.847
Increasing changes	1.632.188	708.781
Decreasing changes		
Total changes	1.632.188	708.781
Deductions	-12.032.515	-11.516.172
<b>Taxable IRAP</b>	<b>20.600.988</b>	<b>11.492.334</b>
Effective rate applied	4,82%	4,82%
<b>Current IRAP</b>	<b>992.968</b>	<b>553.930</b>

The total amount of IRAP was determined by subjecting the net value of production, appropriately adjusted for the upward and downward changes provided for in current tax legislation, to the basic rate set at the national level for each category of private-sector taxpayers, increased by 0.92 percentage points (Decree Law No. 206/2006 converted with amendments to Law No. 234/006). The applied rate is therefore 4.82 percent.

Deferred and prepaid taxes are recognized in the income statement in order to represent the tax burden the period, taking into account the tax effects related to temporary differences between the profit in the financial statements and taxable income.

### Basic and diluted earnings per share

Basic Earnings per Share is calculated by dividing the profit for the period attributable to the Company's ordinary shareholders by the average number of ordinary shares outstanding during the period (net of treasury shares held).

Diluted earnings per share shows no difference from basic earnings per share because there are no convertible bonds or other financial instruments with dilutive effects.

The table basic and diluted earnings per share is shown below.

	31/12/2024	31/12/2023	Change
Number of shares (A) - average for the year	30.886.610	28.134.230	2.752.380
Net income for the year (B)	10.495.071	6.813.059	3.682.012
Treasury shares (C) - average of the exercise	585.576	408.645	176.931
Basic and diluted earnings per share B/(A-C)	0,35	0,25	0,10

In accordance with IAS 33, the average number of shares outstanding during the reporting period that best approximates the weighted average number of shares outstanding during the same period was considered.

## PART D - OTHER INFORMATION

### Emoluments of corporate bodies and auditing firms

Pursuant to Article 2427, Paragraph 1, No. 16 of the Civil Code, the total gross compensation for the year due to the Company's directors and members of the Board of Statutory Auditors is shown below:

	2024	2023	Change
Administrative body	333.000	228.000	105.000
Endoconsiliar committees	48.000	30.000	18.000
Board of Auditors	94.000	40.000	54.000
<b>Total</b>	<b>427.000</b>	<b>268.000</b>	<b>159.000</b>

The increase in emoluments takes into account the resolutions passed at the May 10, 2024 Shareholders' Meeting on the renewal and compensation of corporate bodies.

The audit fees for EY S.p.A. are shown below.

	2024	2023	Variations
Legal audit	86.500	86.500	0
<i>Audit of separate and consolidated financial statements</i>	<i>66.500</i>	<i>66.500</i>	<i>0</i>
<i>Review half-yearly report</i>	<i>20.000</i>	<i>20.000</i>	<i>0</i>
Other attestation activities	12.500	12.500	0
<b>Total</b>	<b>99.000</b>	<b>99.000</b>	<b>0</b>

### Related party transactions

Regarding transactions related parties, please refer to the specific section in the management report. A table showing the income statement and balance sheet balances with related parties as of December 31, 2024 is shown below for ease of exposition.

Related part	Activities	Liabilities	Costs	Revenues
Domitilla Srl	13.038.217	4.379.302	278.617	8.000
Voisoft Ltd.	2.064.551	461.177	820.000	116.000
Unisabina Srl	3.787.115			3.033.119
Unifiber SpA	9.657.446	100.368	813.827	18.968.799
Unitirreno Holding SpA	6.609.996		411.968	84.157
Unitirreno Submarine Network SpA	2.024.037	3.834	3.834	1.864.378
Cliofiber Ltd.	591.731		33.269	
Unihold Ltd.	1.762.290	2.978.498	883.436	
<b>Total</b>	<b>39.535.382</b>	<b>7.923.179</b>	<b>3.244.952</b>	<b>24.074.453</b>

### Supervisory Board Law 231/2001

The internal control system of the parent company Unidata is strengthened through the adoption of an Organization, Management and Control Model, pursuant to Legislative Decree 231/2001, approved by the Board of Directors on June 30, 2009, and subsequently supplemented following regulatory developments (most recently by resolution of the Board of Directors on January 30, 2023).

With the adoption of its Organizational Model, understood as a set of rules of a general and operational nature, Unidata has set itself the goal of endowing itself with a general set of principles of behavior that responds to the purposes and requirements of Legislative Decree 231/01 both in terms of prevention of crimes and administrative offenses, and in terms of control of its implementation and the possible imposition of sanctions.

The Oversight and Control Board was renewed by the Board of Directors at its meeting on April 30, 2021, after ascertaining the requirements of honorability, professionalism appropriate to the role to be filled, and exemption from causes of incompatibility and reasons of conflict of interest with other functions and/or corporate positions such as to undermine its independence and freedom of action and judgment.

With a view to raising the level of usability of the Model of organization, management and control by respecting even more the requirement of "adequacy" demanded by the legislator for the benefit of all those who, with different roles, are involved in the Model itself, The Board of Directors, at the request of the SB, in its meeting of January 30, 2023 approved the updating of the Model ex Legislative Decree 231/2001.

The Supervisory and Control Body was renewed during 2024. Following this renewal, the body consists of three members in the person of Messrs: Sergio Beretta (Chairman), Maria Teresa Colacino and Marco Conti.

#### **Privacy and data protection**

In compliance with the provisions of the European Privacy Regulation No.679/2016 art.13 (GDPR), laying down provisions on the technical and organizational methods to be adopted for the protection of sensitive data with information technology tools, the company has followed up on all the necessary activities to ensure compliance with the regulations in force.

#### **Significant events after the end of fiscal year**

As of the date of preparation of these separate financial statements, there are no significant events occurring after the close of December 31, 2024 that have an impact on the balances in the financial statements.

#### **Proposed allocation of profits or coverage of losses**

In view of the above, the Administrative Body proposes to allocate the year's profit of 10,495,071 euros as follows:

- 524,754 euros to increase the legal reserve;
- Euro 302,584 to be allocated to dividend (Euro 0.01 per share, excluding treasury shares);
- Euro 9,667,733 to be carried over to the next fiscal year.

Rome, March 20, 2025

**Renato Brunetti**

Chairman of the Board of Directors.

INDEPENDENT AUDITORS' REPORT,  
BOARD OF AUDITORS' REPORT AND  
ATTESTATION EXECUTIVE IN  
CHARGE



Shape the future  
with confidence

# Unidata S.p.A.

Operating budget as of December 31, 2024

**Report of the independent auditing firm  
Pursuant Article 14 of Legislative Decree No. 39 of January 27,  
2010, and Article 10 of Regulation (EU) No. 537/2014**



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## Report of the independent auditing firm Pursuant Article 14 of Legislative Decree No. 39 of January 27, 2010, and Article 10 of Regulation (EU) No. 537/2014

To the shareholders of  
Unidata S.p.A.

### Report on the audit of the annual financial statements

#### Judgment

We have audited the accompanying financial statements of Unidata S.p.A. (the Company), which comprise the statement of financial position as of December 31, 2024, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows for year then ended, and the notes to the financial statements, which include relevant information about the accounting principles applied.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of December 31, 2024, and of the results of its operations and its cash flows for the year then ended, in accordance with the IFRS accounting standards issued by the International Accounting Standards Board and adopted by the European Union, as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38 of February 28, 2005.

#### Elements underlying judgment

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of this report. We are independent with respect to the Company in accordance with ethics and independence rules and standards applicable in Italian law to the audit of financial statements. We believe that we have obtained sufficient and appropriate audit evidence on which base our opinion.

#### Key aspects of auditing

Key audit matters are those matters that, in our professional judgment, were most significant in the audit of the financial statements for the year under review. These aspects were addressed by us as part of the audit and in forming our opinion on the financial statements as a whole; therefore, we do not express a separate opinion on these aspects.

EY S.p.A.  
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Secondary Office: Via Lombardia, 31 - 00187 Rome Share  
Capital Euro 2,975,000 i.v.  
Registered in the S.O. of the Register of Companies at the Chamber of Commerce of Milan Monza Brianza Lodi  
Tax code and registration number 00434000584 - Milan R.E.A. number 606158 - VAT number 00891231003 Entered  
in the Auditors' Register under no. 70945 Published in the Official Gazette Suppl. 13 - IV Special Series of 17/2/1998

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We identified the following key aspects of the :

Key aspects	Review responses
<p><b>Revenue recognition</b></p> <p>As of December 31, 2024, the Company's revenues amounted to euros 104.3 million and mainly related to the provision of telecommunications services (euros 76.3 million), the construction and sale of telecommunications infrastructure, including the activity of granting I.R.U. (<i>indefeasible Right of Use</i>) concession rights to other operators on the fiber optic network infrastructure built by the Company (euros 25.8 million) other revenues (euros 2.2 million).</p> <p>Verifications of proper revenue recognition required special attention as part of our audit procedures due to (i) a particularly complex accounting process due to the different types of services offered and information systems involved; (ii) the large number of Group customers and consequent parceling of revenues; (iii) of the evaluative complexity of commitments related to contracts for the construction of telecommunications infrastructure and the granting of concession rights on the owned network infrastructure.</p> <p>The Company provided the information about this assessment in Note 28 "Revenue from customers."</p>	<p>Our review procedures in response to the key aspect covered, among other things:</p> <ul style="list-style-type: none"><li>• An understanding of the processes underlying revenue recognition;</li><li>• Understanding and testing the design and operation of relevant controls to guard the revenue recognition process;</li><li>• The verification of the consistency of reports extracted from information systems inherent in the revenue recognition process;</li><li>• The audit, on a sample basis, of some significant transactions related to invoices issued in order to verify that the contractual data and evidence supporting the actual service rendered and/or good transferred were consistent with the accounting policies adopted;</li><li>• Obtaining and reviewing a representative sample of major customer contracts in order to verify consistency in revenue recognition contractual provisions;</li><li>• The external confirmation procedure for a representative sample of customers.</li></ul> <p>Finally, we examined the adequacy of the information provided in the notes to the financial statements in relation to the key issue.</p>
<p><b>Goodwill and brand valuation</b></p> <p>Goodwill as of December 31, 2024 was 37.5 million euros.</p> <p>Goodwill consists of the difference between the <i>fair value</i> of the consideration transferred and the net value of the amounts at the date of acquisition of the identifiable assets acquired and liabilities assumed identifiable <i>at fair value</i> from the acquisition of the TWT Group in FY2023.</p> <p>The directors conducted the impairment test on the book value recorded at the balance sheet date of the independent cash-generating unit (CGU) Unidata.</p>	<p>Our review procedures in response to the key aspect, including using the support of experts, covered, other things:</p> <ul style="list-style-type: none"><li>• An analysis of the key impairment procedure and controls put in place by the Company regarding the valuation of goodwill, taking into account the impairment test procedure approved by the Board of Directors on February 12, 2025;</li><li>• The analysis of CGU identification criteria, including in light of the new structure</li></ul>



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As of January 1, 2024, the Company adopted a new organizational structure, also achieved through the merger of TWT with Unidata, which resulted in the reorganization of the Company's activities mainly through the organizational and management integration of the two entities as well as the portfolio of products and services provided to customers. Consistent with the new segment organization, goodwill has been valued on the basis of the new Unidata CGU as of fiscal year 2024. The recoverable value is determined on the basis of value in use, i.e., the present value of the future cash flows that the Company expects from the CGU, referring to an explicit forecast horizon of the Medium-term Plans and the long-term forecasts made by the directors.

The processes and methods for assessing and determining the Unidata CGU's relative recoverable value are based on sometimes complex assumptions that by their nature involve the use of directors' judgment. This judgment is to be referred, mainly, to the forecast of the Unidata CGU's own cash flows deduced from the Business Plan for the years 2025-2027, approved by the Board of Directors on December 17, 2024, as well as the determination of long-term growth rates and discount rates applied to these forecasts.

Given the judgment required and the complexity of the assumptions used in estimating the recoverable amount of goodwill, we considered this issue to be a key element of the review.

Financial statement disclosures related to the impairment test performed are provided in Note 6 "Goodwill," which, in particular, describes the process of determining the recoverable amount of each asset, the valuation assumptions used, and the sensitivity analyses of recoverable amount to changes in key

Evaluative assumptions.

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organization adopted by the Company and the new configuration of operational management, and the reconciliation of the accounting values attributed to it with the financial statements;

- The consistency of the CGU's future cash flow forecasts with the respective business plan;
- analysis of the reasonableness of the main assumptions of the 2025-2027 Business Plan and related future cash flows, including comparison with industry data and forecasts and verification of the valuation assumptions used in the calculation of the impairment tests developed by management, including the determination discount rates;
- The analysis of the "stress test" conducted by the independent expert, as well as the assessment of his competence, ability and objectivity.

In our audits, we also enlisted the help of our experts in valuation techniques who verified the accuracy of the valuation model adopted by the Company, methodology used, the verification of valuation assumptions including the determination of discount rates, and carried out sensitivity analyses on key assumptions in order to determine changes in assumptions that could significantly impact the valuation of recoverable value.

Finally, we examined the information provided in the explanatory notes in relation to the key aspect.

## Responsibility of directors and the board of auditors for the annual financial statements

Directors are responsible for preparation of financial statements that give a true and fair view in accordance with IFRSs issued by the International



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Accounting Standards Board as adopted by the European Union, as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38 of February 28, 2005, and, within the terms provided by law, for that part of the internal control deemed necessary by them to enable the preparation of financial statements that do not contain material misstatements due to fraud or unintentional conduct or events.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriateness of the use of the going concern assumption, as well as for adequate disclosure in this regard. The directors shall use the going concern assumption in the preparation of the annual financial statements unless they have assessed that conditions exist for liquidation of the Company or discontinuing operations or have no realistic alternatives to such choices.

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

### **Responsibility of the auditing firm for auditing the annual financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or unintentional conduct or events, and to issue an audit report that includes our opinion. Reasonable assurance is defined as a high level of assurance which, however, does not provide assurance that an audit performed in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement, if any. Errors may arise from fraud or from unintentional conduct or events and are considered significant if they could reasonably be expected, individually or in the aggregate, to influence the economic decisions of users made the basis of the financial statements.



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As part of the audit performed in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgment and maintained professional skepticism throughout the . In addition:

- we have identified and assessed the risks of material misstatement of the financial statements due to fraud or unintentional conduct or events; we have defined and performed audit procedures in response to those risks; and we have acquired sufficient and appropriate audit evidence on which to base our judgment. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from unintentional conduct or events because fraud may involve collusion, falsification, intentional omissions, misleading representations, or forcing of internal control;
- we have acquired an understanding of internal control relevant to the audit for the purpose of designing audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of Company's internal control;
- we assessed the appropriateness of the accounting principles used as well as the reasonableness of the accounting estimates made by the directors and the related disclosures;
- we have reached a conclusion as to the appropriateness the directors' use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists regarding events or circumstances that may cast significant doubt about the Company's ability to continue as a going concern. If a significant uncertainty exists, we are required draw attention in the audit report to the relevant financial statement disclosures or, if those disclosures are inadequate, to reflect that fact in the formulation of our opinion. Our conclusions are based on the evidence obtained up to the date of this report. However, subsequent events or circumstances may result in the Company ceasing to operate as a going concern;
- we have assessed the presentation, structure, and content the financial statements as a whole, including disclosures, and whether the financial statements present the underlying transactions and events in a manner that provides a fair representation.

We communicated to those responsible for governance activities, identified at an appropriate level as required by International Standards on Auditing (ISA Italia), among other matters, the planned scope and timing of the audit and the significant findings that emerged, including any significant deficiencies in internal control identified during the audit.

We have also provided those responsible for governance activities with a statement that we have complied with the ethics and independence rules and principles applicable in the Italian legal system, and we have disclosed to them any situation that might reasonably be expected to have an effect on our independence and, where applicable, the actions taken to eliminate the related risks or the safeguards applied.



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Of the matters communicated to those responsible for governance activities, we identified those that were most relevant in the context of the audit of the financial statements for the year under review, and thus constituted the key aspects of the audit. We described these aspects in the audit report.

### **Other information disclosed pursuant Article 10 of Regulation (EU) No. 537/2014**

On April 14, 2023, shareholders' meeting of Unidata S.p.A. appointed us to audit the Company's annual [and statutory] financial statements for the fiscal years ending December 31, 2023 to December 31, 2031.

We declare that no non-audit services prohibited Article 5(1) of Regulation (EU) No. 537/2014 were provided and that we remained independent of the Company in performing the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is in line with that indicated in the additional report intended for the Board of Statutory, in its function as the audit committee, prepared in accordance Article 11 of the aforementioned Regulations.

## **Report on other statutory and regulatory provisions**

### **Judgment on compliance with the provisions of Delegated Regulation (EU) 2019/815**

The directors of Unidata S.p.A. are responsible applying the provisions of the European Commission's Delegated Regulation (EU) 2019/815 on regulatory technical standards relating to the specification of the European Single Electronic Format (ESEF) (hereinafter "Delegated Regulation") to the financial statements as of December 31, 2024, to be included in the annual financial report.

We have performed the procedures specified in Auditing Standard (SA Italy) No. 700B in order to express an opinion on whether the financial statements as of December 31, 2024, comply with the provisions of the Delegated Regulations.

In our opinion, the financial statements as of December 31, 2024 have been prepared in XHTML format and have been marked in all significant aspects in accordance with the provisions of the Delegated Regulations.



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**Judgments and declaration pursuant Article 14, paragraph 2, letters e), e-bis) and e-ter), of Legislative Decree No. 39 of January 27, 2010, and to Article 123-bis, paragraph 4, of Legislative Decree No. 58 of February 24, 1998**

The directors of Unidata S.p.A. are responsible for the preparation of the management report and the report on corporate governance and ownership structure of Unidata S.p.A. as of December 31, 2024, including their consistency with the relevant financial statements and their compliance with legal regulations.

We have performed the procedures outlined in Auditing Standard (SA Italy) No. 720B in order to:

- To express an opinion on the consistency of the management report and certain specific information contained in the report on corporate governance and ownership structure indicated in Article 123-bis, paragraph 4, of Legislative Decree No. 58 of February 24, 1998, with the annual financial statements;
- To express an opinion on the compliance of the management report and certain specific information contained in the report on corporate governance and ownership structure indicated in Article 123-bis, paragraph 4, of Legislative Decree No. 58 of February 24, 1998, with legal regulations;
- make a statement on any significant errors in the management report and in certain specific information in the report on corporate governance and ownership structure indicated in Article 123-bis, paragraph 4, of Legislative Decree No. 58 of February 24, 1998.

In our opinion, the management report and the specific information contained in the report on corporate governance and ownership structure indicated in Article 123-bis, paragraph 4, of Legislative Decree No. 58 of February 24, 1998, are consistent with the financial statements of Unidata S.p.A. as of December 31, 2024.

Furthermore, in our opinion, the management report and the specific information contained in the report on corporate governance and ownership structure indicated in Article 123-bis, paragraph 4, of Legislative Decree No. 58 of February 24, 1998, are prepared in accordance with the law.

With reference to the statement referred to Article 14(2)(e-ter) of Legislative Decree No. 39 of January 27, 2010, made on the basis of the knowledge and understanding of the company and its environment acquired in the course of the audit, we have nothing to report.

Turin, March 31, 2025

EY S.p.A.

Massimiliano Eormetta

**Unidata S.p.A. Benefit Society**

Alexandre Gustave Eiffel Avenue 100 - 00148 Rome RM

C.C.I.A.A. Rome 956645 - Business Register and Tax Code 06187081002

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**REPORT OF THE BOARD OF AUDITORS TO THE SHAREHOLDERS' MEETING**

**Pursuant Article 153 of Legislative Decree No. 58/1998**

Shareholders,

With this Report (hereinafter also the "Report"), prepared pursuant Article 153 of Leg. No. 58/98, as amended ("TUF"), the Board of Statutory Auditors of Unidata S.p.A. (hereinafter also the "Company"), reports to you on the supervisory activities carried out during the fiscal year ending December 31, 2024 and the results thereof, in accordance with the requirements of the law and the relevant principles.

The undersigned Board of Statutory Auditors premises that it was appointed - in accordance with the law and the Articles of Association, on the basis of lists submitted by the Shareholders, also taking into account the provisions on gender balance, by the Shareholders' Meeting of Unidata S.p.A. on April 14, 2023 and will remain in office for three financial years, therefore, until the date of approval of the financial statements as of December 31, 2025

The Shareholders Meeting of Unidata S.p.A. on April 14, 2023 (effective from the date of the start of trading on the Euronext Star Milan Electronic Stock Market) appointed EY S.p.A., with registered office at Via Meravigli no.12, Milan, registration number with the Register of Companies of Milan, tax code and VAT no. 00434000584 and at no. 70945 of the Register Auditors at the Ministry of Economy and Finance to Articles 6 et seq. of Legislative Decree no. 39/2010, as amended by Legislative Decree no. 135/2016, as the company appointed to audit the accounts for the fiscal years 2023 to 2031. The Board of Statutory Auditors has reviewed the separate financial statements as of December 31, 2024, as well as consolidated financial statements as of the same date, both of which consist of the balance sheet, income statement, cash flow statement, statement of changes in shareholders' equity, statement of comprehensive income, and notes to the financial statements, and have been prepared in accordance with International Financial Reporting Standards (hereinafter referred to as IFRS or IAS) issued by the International Accounting Standard Boards (IASB), as interpreted by the International Financial Reporting Interpretation Committee (IFRIC) and adopted by the European Union.

During 2024 fiscal year, the Board of Statutory Auditors carried out the supervisory activities provided for by current regulations with particular reference Article 2403 of the Civil Code and - to extent applicable - Article 149 of the TUF, 1st and 2nd paragraphs and subsequent amendments or additions, overseeing, for the aspects within its competence, compliance with the law and the articles of association, and compliance with the principles of proper administration,

on the adequacy of the organizational structure, the internal control system and the administrative accounting system, as well as on the reliability of the latter in correctly representing operating events and on how the rules of corporate governance are actually implemented.

The Board of Statutory Auditors has carried out its institutional activities in compliance with the provisions of the law and the principles of conduct recommended by the National Council of Accountants for Listed Companies and is preparing this Report also taking into account the indications provided by Consob Communication No. DEM 1025564 of April 6, 2001, and subsequent additions, in view of the fact that the Company's shares are listed on the Mercato Telematico Azionario (now Euronext Milan) - STAR Segment.

## **1. ACTIVITIES OF THE BOARD OF AUDITORS**

### **1.1 . Modalities of conduct and attendance at meetings of the Board of Directors and endoconsiliar committees.**

The Board of Statutory Auditors has planned its activities in light of the regulatory framework, as well as by carrying out the audits deemed most appropriate in relation to structural size of the Company and the nature and manner of pursuing the corporate purpose.

The exercise of control activities also took place through:

- periodic meetings with the heads of corporate functions, organized in order to acquire the information and data from time to time useful and appropriate;
- Attendance at Shareholders' Meetings and meetings of the Board of Administration;
- periodic information exchange with the auditing firm, also in compliance with the regulations;
- The exchange of information with the Supervisory Board, which was renewed during 2024 and enriched in terms of specific professionalism in the field of corporate criminal law;
- The exchange of information with the heads of the Internal Audit Function (including chairman of the SB) and Risk Management & Sustainability;
- participation in the meetings of endoconsiliar committees with advisory, proposing and investigative functions in accordance with the provisions of Articles 4, 5 and 6 of the Corporate Governance Code. In Unidata, the endoconsiliar committees are composed only of independent directors and the *lead independent director* has been appointed in compliance with recommendation 13.3 of the Corporate Governance Code. structure, composition and organization of the responsibilities of the Committees.

endoconsulting committees were redetermined at the meeting of the Board of Directors held on 05/13/2024 following the renewal of the administrative body for the three-year period 2024-2026 resolved by the Shareholders' Meeting on 05/10/2024. The following committees have been established:

- Audit and Risk Committee (Chairman B. Ricciardi, director who made the declaration of independence),
- Nominating, Compensation and Sustainability Committee (Chairman A. Bucci, director who made the declaration of independence),
- Corporate Governance and Related Party Transactions Committee (Chairman S. Argentieri Piuma, director who made the declaration of independence).

More , FY2024, the Board of Auditors:

- Carried out the supervisory activity through 9 meetings of the Board of Statutory Auditors (including the activity on the operating budget);
- participated in 19 meetings of the Board of Directors and 2 meetings of the Shareholders' Meeting, obtaining, in compliance with the provisions Article 2381, paragraph 5 of the Civil Code and the Articles of Association, adequate information on the general performance of operations and its foreseeable evolution, as well as on the most significant transactions, due to their size or characteristics, carried out by the company;
- attended a total of 15 meetings organized by the three endoconsiliar committees, some of which were also conducted in joint session due to the connection of the subjects discussed and, namely: Control and Risk Committee (12 meetings), Nomination, Remuneration and Sustainability Committee (6 meetings) and Corporate Governance and OPC Committee (1);
- Participated in 3 *induction* sessions on Internal Dealing and business issues.

The Board of Statutory Auditors carried out its activities with a *risk-based* approach aimed at identifying and assessing the most critical elements, if any, with a frequency of intervention graded according to the relevance of the perceived risk.

The Board of Statutory Auditors has carried out, with positive results, the annual verification of the maintenance by all members of the independence requirements provided for Article 148, paragraph 3, of the TUF, as well as pursuant to the "Code of Conduct" regarding the independence of Statutory Auditors of listed companies.

The Board of Statutory Auditors has also carried out a self-assessment of its work, noting the suitability of each of its members to carry out their assigned duties in terms of professionalism, competence, availability of time and independence, as well as mutually acknowledging the absence of paid work and other patrimonial relationships in general, such as to constitute an actual risk to independence.

### **1.2. Consideration of the Company's major economic, financial, and capital transactions and their compliance with the law and the articles of incorporation.**

The Board of Statutory Auditors believes that it has acquired adequate information on the transactions of major economic, financial, and equity significance, carried out by the Company, without any non-compliance with the law, the bylaws, and/or failure to meet the company's interest being detected.

Among the significant events that occurred during the year, the Board of Auditors notes that 2024 was a year of consolidation of results and organizational adjustment even after the extraordinary transactions and acquisitions of 2023.

In this context, the Board of Directors has periodically evaluated and monitored the achievement of the goals of the 2024-2026 Plan (approved on November 20, 2023), proceeding-most recently-to update the 2025-2027 Business Plan on December 17, 2024.

The Board of Statutory Auditors monitored the market performance of the stock, acquiring information from the executive bodies about the fluctuations, including negative fluctuations, which mainly characterized the first half of 2024 with gradual recovery in the second part of the year, as well as the implementation of the Shareholders' resolution of May 2024 on the share buyback program. As of December 31, 2024, the company has purchased and holds a total of 628,181 treasury shares with a total countervalue of 2,662,233 euros, classified in an unavailable reserve, as a direct deduction from corporate equity, as required by IAS 32.

### **1.3. Related party transactions**

The Board acquired appropriate information on intercompany and related party transactions.

These transactions are described in the Management Report in the section "Transactions with parent, associated, affiliated and other related parties." For the definition of "*related party*," reference is made to International Accounting Standard IAS 24, which defines related parties as all those "*persons who have the ability to control another person, or to exercise significant influence over the making of financial operating decisions by the reporting entity, or key management personnel of the entity.*"

The Board of Directors explicitly acknowledged that "*the transactions carried out during 2024 with related parties comply with principles and criteria of transparency and substantive and procedural fairness, are not classifiable either as atypical or unusual, and are part of company's ordinary course of business, when not concluded on standard terms or dictated by specific regulatory conditions, were in any case settled with terms and conditions equivalent to those prevailing in free transactions.*"

It is acknowledged that they comply with the law, the bylaws, the Procedure on Transactions with Parties

related parties, their compliance with the company's interest, as well as absence of situations involving further considerations and comments, recalling how these transactions are also monitored by the independent auditors and the Related Party Transactions Committee.

**1.4. Adequacy of the information made, in the Directors' Report on Operations, regarding atypical and/or unusual transactions, including intercompany and related party transactions**

The case does not arise.

**1.5. Comments and proposals on the findings and recalls (disclosure of the contents of the auditors' reports)**

In accordance with provisions of Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors, identified in that article as the "Internal Control and Committee," carried out the prescribed supervisory activity on the operations of the auditing firm.

The auditing firm EY S.p.A., as aforesaid appointed by the shareholders' meeting of 14.04.2023 to audit the accounts for the financial years 2023 to 2031, today issued the reports pursuant to Article 14 of Legislative Decree No. 39/2010 and Article 10 of EU Regulation No. 537/2014 in which it certifies that the separate financial statements of Unidata S.p.A. as of December 31, 2024, and the consolidated financial statements of the Group as of December 31, 2024, give a true and fair view of the financial position, results of operations and cash flows for the year then ended, in accordance with *International Financial Reporting Standards* as adopted by the European Union, as well as the provisions issued in implementation of Article 9 of Legislative Decree No. 38 of February 28, 2005.

In their audit reports, the auditors gave evidence of the key aspects of the audit (KAM) of the (separate) financial statements for the year and the consolidated financial statements, which in both cases relate to revenue recognition and goodwill and brand valuation.

Today, EY released the additional report for the Audit Committee on the results of the statutory audit, which includes, also, the statement regarding the independence of the same statutory auditor.

The independent auditors are also of the opinion that the Management Report and the information in the Report on Corporate Governance and Ownership Structures indicated in Article 123-bis, paragraph 4, of the TUF are consistent with the financial statements of Unidata S.p.A. and the Group's consolidated financial statements as of December 31, 2024, and are prepared in accordance with the law.

The Board of Statutory Auditors and the auditing firm maintained continuous information exchanges; the auditing firm periodically reported to the Board of Statutory Auditors on the statutory audit work and

To the absence of uncertain situations or any limitations in the verifications conducted.

**1.6. Indication of any filing of complaints under Article 2408 of the Civil Code, any steps taken and their outcomes**

The Board of Statutory Auditors reports that fiscal year 2024 it did not receive any complaints under Article 2408 of the Civil Code.

**1.7. Indication of whether any complaints have been filed, any steps taken, and their outcomes**

It is acknowledged that no complaints were received by the Board of Auditors FY2024.

**1.8. Indication of whether the auditing firm has been given additional assignments and the associated costs**

The auditing firm received fees totaling 99,000 euros for the audit of the statutory and consolidated financial statements, including work performed on the consolidated half-yearly financial statements and for certain *audit-related* services, broken down as follows:

	<i>Partials</i>	<b>Totals</b>
Statutory audit, of :		86.500
<i>Audit of separate and consolidated financial statements</i>	<i>66.500</i>	
<i>Auditing half-yearly financial statements</i>	<i>20.000</i>	
Other attestation activities (euro 3,500 for quarterly verifications and euro 9,000 for verification of the covenants)		12.500
<b>Total</b>		<b>99.000</b>

During 2024, the following additional engagements were awarded to the auditing firm EY S.p.A., with reference to which the undersigned Control Body issued specific opinions:

- 13.02.2024 non-audit services for specialized methodological support for the adoption of the new format electronic XBRL ESEF in the amount of 15,000.00 euros (one-time from the 2023 budget);
- 03.06.2024 *audit related* services for verification of compliance of economic and financial parameters required under the loan agreement in the amount of 9,000.00 euros.

In issuing the aforementioned opinions, the Board of Statutory Auditors preliminarily verified that the *scope of work* of the additional assignments did not fall within the prohibited services referred to in Article 5 of European Regulation No. 537/2014, as referred to Article 17, Paragraph 3 of Legislative Decree No. 39/2010, and that the legal limits were not exceeded.

**1.9. Indication of whether any appointments have been made to individuals related to the auditing firm by ongoing relationships and their costs**

During fiscal year 2024 and up to the date of this Report, no further appointments have been made to the partners, directors, members of supervisory bodies, and employees of the auditing firm itself and its subsidiaries or affiliates.

The Board of Statutory Auditors confirms that no critical issues have arisen regarding the independence of the auditing firm.

**1.10. Indication of the existence of opinions, proposals and comments issued, pursuant to law during fiscal year**

The Board of Statutory Auditors acknowledges that during 2024 it issued the opinions referred to in Section 1.8 of this report.

The auditing body also expressed its opinion in all those cases in which it was requested by the Board of Directors, including in fulfillment of the provisions that, for certain decisions, require prior consultation with the Board of Auditors.

**1.11. Observations on compliance with the principles of sound administration**

The Board of Statutory Auditors acquired knowledge of and supervised, to the extent of its competence, compliance with the fundamental criterion of prudent management of the Company and the more general principle of diligence all on the basis of attendance at meetings of the Board of Directors, documentation and information directly received from the various management bodies in relation to the operations carried out by the Group and with, where appropriate, specific analyses and verifications. Information acquired made it possible to ascertain the compliance with the law and the bylaws of the actions deliberated and implemented and to verify that they were not manifestly imprudent or risky.

The Board of Statutory Auditors believes that the *governance* tools and institutions adopted by the Company, on the whole, constitute a suitable safeguard for compliance with the principles of proper administration in operational practice.

The Board of Statutory Auditors supervised the deliberative processes of the Board of Directors and verified that management decisions were in accordance with applicable regulations (substantive legitimacy), adopted in the interest of the Company, compatible with Company's resources and assets, and adequately supported by processes of information, analysis, and verification, including the use, when deemed necessary, of the advisory activities of endoconsiliar committees and external professionals.

**1.12. Observations on the adequacy of the organizational structure**

During the year under review, the Board of Statutory Auditors acquired knowledge of and supervised, to the extent of

its competence, on the adequacy of the Company's organizational structure in relation to the size and nature of company's business, having no specific findings to report in this case.

The Board of Auditors highlights how the Board of Directors has:

- established internally the Audit and Risk Committee, the Nominating, Compensation and Sustainability Committee, and the Governance and Related Party Transactions Committee, as further detailed in Section 1.1 of this Report;
- established and strengthened the functions in charge of second- and third-level control (Risk Management & Sustainability and Internal Audit, respectively);
- adopted the organizational model 231/2001;
- established internal regulations by updating them due to the organizational structure and the safeguards to be adopted for the relative mitigation of risks, as reported in detail in the Report on Corporate Governance and Ownership Structure.

### **1.13. Observations on the adequacy of the internal control system and in particular on the activity carried out by internal control officers**

For the purpose of expressing its opinion on the overall tightness of the internal control system, the Board of Statutory Auditors also monitored the activities carried out by the main players in the internal control and risk management system.

The Board of Statutory Auditors has taken note of the overall assessment of the internal control and risk management system by the Head of the Internal Audit Department and the Financial Reporting , the conclusions of which are set out below:

*"Based on the analysis carried out to date, relating to the verification of the operation of controls 262, no deficiencies were found that could have a material impact on the accuracy of the information that flows into the Separate and Consolidated Financial Statements. (...)" and again "(...) Considering the monitoring by the relevant corporate structures and bodies and the results of the audits carried out with reference to the relevant paragraph of this report, I consider it reasonable to conclude that:*

*- The administrative-accounting procedures/instructions for the preparation of the separate and consolidated financial statements*

*in FY2024, are substantially adequate and effectively implemented;*

*- That the Separate and Consolidated Financial Statements correspond to the results in the books and records;*

*- that the Consolidated Management's Report includes a reliable analysis of the company's performance and results of operations together with a description of the main risks and uncertainties to which it is exposed. The attestation I will render in accordance with Article 33 of the Articles of Association will highlight the above opinion with reference to the Draft Separate Financial Statements and Consolidated Financial Statements as of December 31, 2024."*

The Board of Statutory Auditors has evaluated, to the extent of its competence, adequacy of the internal control system, and based also on the findings of the exchanges of information with the Internal Audit Function, the endoconsiliar Committees and the Supervisory Board, and has not found, to date, any particularly weak elements.

The Board of Statutory Auditors also acknowledges that the Company has adopted the "Model 231," in accordance with the provisions of Legislative Decree no. June 8, 2001 no. 231, in order to protect the Company from any conduct that may result in its administrative liability in connection with crimes committed or attempted in its interest or to its advantage by persons in so-called "apical" positions within the organizational structure or by persons subject to the supervision and control of the latter, and has appointed the Organismo di Vigilanza, endowed with autonomous powers of initiative and control, in accordance with the law.

The Board of Statutory Auditors acquired information from the Supervisory Board during specific meetings, as well as from reviewing the half-yearly reports prepared by the latter. No discrepancies were found between what was represented in the documents produced by *management*, Supervisory Board ex. D. Lgs. 231/2001 and the company in charge of the statutory audit.

**1.14. Observations on adequacy of the administrative/accounting system and reliability  
Of this to correctly represent management facts.**

The Board of Statutory Auditors has assessed, to the extent of its competence, the reliability of the administrative and accounting system to correctly record and represent operating events by obtaining information directly from the Directors, the Executive in charge of Financial Reporting, the heads of the various functions, and the independent auditors during meetings review the work plan carried out by the latter.

The Board of Statutory Auditors also supervised financial reporting process.

The Board of Statutory Auditors supervised through specific meetings with the parties involved and requests for clarification of the methods adopted (methods used and forecast flows) the process followed for the *impairment test* process, which was approved by the Company's Board of Directors March 20, 2025.

The results of the impairment process confirm the recoverability of the value of intangible assets with an indefinite useful life recorded in the consolidated balance sheet of the Unidata Group and the sustainability of the carrying value of the Investments recorded in the Company's statutory financial statements. With regard to the provisions of Article 15, paragraph 1, letter c, point ii), of the Market Regulations (Conditions for listing shares of parent companies companies incorporated and regulated by the law of non-EU states), the Board of Statutory Auditors has not found any facts and circumstances involving the inability of the administrative and accounting system of the subsidiaries to regularly provide the management and the auditor of the parent company with the economic, balance sheet and financial data necessary for the preparation of the consolidated financial statements.

**1.15. Observations on the adequacy of the provisions made by the Company to the Subsidiaries pursuant Article 114(2) of the TUF.**

The Board of Statutory Auditors acquired knowledge of and supervised, to the extent of its competence, the adequacy of the provisions issued by the Company to its subsidiaries, pursuant to Article 114, paragraph 2, of the TUF, through the acquisition of information from the heads of the relevant corporate functions, the Independent Auditors, and the Boards of Statutory Auditors (where established) of the subsidiaries, as part of the mutual exchange of relevant data and information. No critical profiles were reported from the information flows received.

**1.16. Observations on any relevant issues that arose during the meetings held with the auditing firm pursuant Article 150(3) of the TUF.**

During 2024, the Board of Statutory Auditors held special meetings with the independent auditors, at which data and information relevant to performance of their respective duties were exchanged. The Board of Statutory Auditors analyzed the work carried out by the auditing firm, with particular reference to the audit approach and strategy for FY2024, as well as the definition of the audit plan. The main issues and related business risks were shared, thus being able to appreciate the adequacy of the auditor's planned response.

Board of Statutory Auditors ascertained, through information obtained from the Company's independent auditors and *management*, compliance with IAS/IFRS, as well as with other laws and regulations pertaining to the preparation and layout of the separate financial statements, the consolidated financial statements, and the accompanying Management Report.

Finally, the Board of Statutory Auditors has noted, as verified by the Independent Auditors and stated in the relevant report, that the Company has made the necessary arrangements for the purpose of preparing the financial statements in electronic format, using XHTML technology, in accordance with the requirements of the European Commission's Delegated Regulation (EU) 2019/815 on regulatory technical standards relating to the specification of the single electronic communication format ESEF.

**1.17. Indication of the Company's adherence, if any, to the Corporate Governance Code of the Committee for the Corporate Governance of Listed Companies**

The Company has adhered to the Corporate Governance Code approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, ANIA, Assogestioni, Assonime, and Confindustria, as reflected in the Report on Corporate Governance and Ownership Structure.

The Report on Corporate Governance and Ownership Structure has been prepared in accordance with the instructions of the Regulations of Markets organized and managed by Borsa Italiana S.p.A. (also based on the format made available to issuers by Borsa Italiana in December 2024) and describes in detail the *governance* system adopted by the Company.

The Board of Statutory Auditors monitored how the rules of corporate governance were actually implemented

contained therein. This system complies with and adheres to the rules of the *governance* model prescribed by the Corporate Governance Code for Listed Companies and international *best practice* and prescribed principles so that they are effectively and properly applied.

The Report on Corporate Governance and Ownership Structure for year 2024 gives an account of the conclusions reached by the Directors at the meeting held on March 20, 2025 regarding the confirmation of the adequacy and effectiveness of the organizational, administrative and accounting structure of the Company and its main subsidiaries, including with particular reference to the System of Internal Control and Risk Management ("SCIGR"), subject to the opinion of the Endoconsulting Control and Risk Committee, also taken following the assessments carried out by the Head of the Company's Internal Audit Department and in general the work carried out by the Committee itself.

The assessment of the administrative and accounting structure was also conducted on the basis of feedback provided by the top management bodies of the Group's subsidiaries (see Article 1, Recommendation No. 1, d), of the Corporate Governance Code. On the subject of risk management, see more detail in Section 9 of the Corporate Governance Report).

Please refer to the FY2024 Report Corporate Governance and Ownership, with respect to which the Board of Statutory Auditors gives an overall positive assessment.

**1.18. Concluding assessments with regard to the supervisory activity carried out, as well as with regard any omissions, censurable facts or irregularities noted in the course of it**

The Board of Statutory Auditors acknowledges that the supervisory activity was carried out, during FY2024 with a normal character and that no significant facts emerged from it such as to require specific reporting in this Report.

**1.19. Indication of any proposals to be represented to the Shareholders' Meeting pursuant to Article 153, paragraph 2, of the TUF in the matter pertaining to the Board of Statutory Auditors**

Other than what is stated in the following chapter, the Board of Statutory Auditors does not deem it necessary to make any further proposals or remarks.

**1.20. Individual Declaration of Non-Financial Character pursuant to Legislative Decree 254/2026**  
**1.21. Impact Report L. Dec. 28, 2015, no. 208**

Starting in 2020, Unidata S.p.A. has started on a voluntary basis the compilation and publication of the Individual Declaration of Non-Financial Character pursuant to Legislative Decree No. 254/2016 (DNF). This process, aims to provide a comprehensive view of environmental, social and governance (ESG) activities.

Over the years, Unidata has focused on identifying and bringing together all activities relevant to the ESG field into a unified document.

Key performance indicators (KPIs) useful for initial evaluations and subsequent monitoring were also defined at the occasion.

As a result of the enactment of Legislative Decree 125/2024, Unidata would have been obliged to prepare sustainability reports as of the fiscal year ending December 31, 2025. However, some proposals to simplify European sustainability regulations with the aim of reducing reporting burdens for smaller companies could result in Unidata dropping its sustainability reporting and *assurance* obligation.

Therefore, on a voluntary basis the Board of Directors of Unidata S.p.A. on March 20, 2025 approved the integrated document consisting of the Consolidated Statement of Non-Financial Character 2024 pursuant to Legislative Decree No. 254/2026 and the Impact Report 2024 pursuant to Law No. 208/2015.

As a benefit company, Unidata has included in its bylaws three specific purposes of common benefit: *"To promote for all people the right connection as a lever of social inclusion by spreading the widest access to connectivity and digital services throughout the territory. To research, develop and promote increasingly high-performance solutions as a tool for people's lives and business productivity.*

*Foster employee and collaborator satisfaction through training opportunities for personal and professional development and favorable conditions for work flexibility.*

*To implement a gradual evolution of its operating and business model toward a climate-neutral economy, in line with European climate neutrality goals and national ecological transition goals, including by adopting policies for the responsible use of natural resources through the reduction of pollution and consumption."*

In this context, the Board of Directors has adopted specific policies and objectives that incorporate ESG factors, particularly in long-term (stock grant) and short-term (MBO) incentive plans, welfare plans, corporate energy and mobility policies, and the promotion of a culture of respect for diversity.

The Board of Statutory Auditors monitored the application of the principles of proper administration, the adequacy of the internal control system aimed at ensuring that relevant information is collected and transfused into the Report. It also positively evaluated the work of the Directors, including the balance between profit and benefit purposes, as well as the adequacy of the person appointed pursuant to Paragraph 380 of Law No. 208 of December 28, 2015, to fill the role entrusted to him/her.

#### **1.22. Events after close of fiscal year 2024**

As of the date of the preparation of these financial statements, there are no further significant events that have occurred after the close of December 31, 2024 that have an impact on the balances in the financial statements.

## **2. COMMENTS AND PROPOSALS REGARDING THE ANNUAL BUDGET AND ITS APPROVAL**

The financial statements of the Company, prepared by the Board of Directors in accordance with the law, were duly transmitted by the Board of Directors and illustrated to the Board of Statutory Auditors together with the Report on Operations on March 20, 2025 at the Board meeting held on that date.

With regard to the control of the proper maintenance of accounts and the correct recording of operating events in the accounting records, as well as the verification of correspondence between the information in the financial statements and the results of the accounting records and the compliance of the financial statements with the law, the Board of Statutory Auditors recalls that these tasks are entrusted to the auditing company.

Specifically, the auditor reported to the Board of Auditors that, based on the audit procedures performed during the year and on the financial statements for the fiscal year and consolidated financial statements for the year ended December 31, 2024, no uncertainties or limitations were found in the audits conducted, and that the auditor's report bears an unmodified opinion with no calls for disclosure.

The Board of Statutory Auditors has supervised the general approach given to the annual financial statements and specifies that the supervision of the financial reporting process, through the examination of the control system and the processes of production of information that has as its specific object accounting data in the strict sense, was to be conducted having regard not to the information data but to the process through which the information is produced and disseminated.

In particular, having preliminarily ascertained, through meetings with the heads of functions concerned and with the auditing firm, adequacy of the administrative and accounting system to detect to correctly represent operating events and to translate them into reliable data systems for the realization of external information, the Board of Statutory Auditors acknowledges that:

- the financial statements have been prepared in accordance with IFRSs issued by the International Accounting Standards Board as also attested in the Notes to the Financial Statements;
- the formation, layout and format of the annual financial statements comply with laws and regulatory measures;
- the financial statements are consistent with the facts and information that have come to our attention as a result of our participation in meetings of the Corporate Bodies, which have enabled us to acquire information about the most significant economic, financial, and equity transactions carried out by the Company;
- to the best of the Board of Statutory Auditors' knowledge, the Directors, in preparing the financial statements, have not departed from the provisions of law pursuant to Article 2423, paragraph five, of the Civil Code;
- the financial statements have been prepared by the Board of Directors on a going concern basis

corporate;

- development costs bear an increase in 2024 of 38,247 euros and total 105,790 euros; they were recorded with the consent of the Board of Statutory Auditors in accordance with Article 2426(5) of the Civil Code;
- goodwill as of December 31, 2024 amounted to €37,525,267 and consisted of the difference between the fair value of the consideration transferred and the net value of the amounts as of the date of acquisition of the identifiable assets acquired and the liabilities assumed identifiable at fair value from the acquisition of the TWT Group, which took place in fiscal year 2023. The Board of Statutory Auditors has given its consent to the recognition pursuant to Article 2426(6) of the Civil Code, also taking into account the positive outcome of the results of the *impairment test*;

Board of Statutory Auditors ascertained that:

- the Management Report complies with applicable laws and is consistent with the resolutions adopted by the Board of Directors and the information available to Board;
- the information illustrated in the said document complies with the relevant provisions and contains an overall analysis of the Company's situation, performance and result of operations, as well as an indication of the main risks to which the Company is exposed and expressly shows the elements that may affect the development of operations.

With reference to the financial statements for the year ended December 31, 2024, the Board of Statutory Auditors has no further comments or proposals to make.

The Financial Reporting Officer has issued, the declaration ex. Art. 154-bis of the TUF, certifying that the financial statements and the consolidated financial statements have been prepared in accordance with the applicable international accounting standards recognized in the European Community pursuant to Regulation (EC) No. 1606/2002 by the European Parliament and Council of July 19, 2002, correspond to the results in the accounting books and records and are suitable to provide a true and fair representation of the assets and liabilities, economic and financial situation of the Issuer and the Group.

The supervision and control activities carried out during the year, as, outlined in this Report, did not reveal any additional facts to be reported to the Shareholders' Meeting.

### **3. CONCLUSIONS**

As a result of the supervisory activities carried out during the 2024 financial year and also taking into account the findings of the activities carried out by the statutory auditor, a summary of which is contained in the report accompanying the financial statements, the Board of Statutory Auditors:

- a) acknowledges the adequacy of the organizational, administrative and accounting structure adopted by the enterprise and its actual operation as well as the efficiency and effectiveness of the system of internal controls and risk management;

- b) expresses, within the scope of its competence, a favorable opinion on the approval of the financial statements for the year ended December 31, 2024 and the proposal made by the Board of Directors to allocate the net profit for the year of 10,495,071 euros as follows:
- 524,754 euros to increase the legal reserve;
  - Euro 302,584 to be allocated to dividend (Euro 0.01 per share, excluding treasury shares);
  - Euro 9,667,733 to be carried over to the next fiscal year.

Rome, March 31, 2025

x **The Board of Statutory Auditors**

Dr. Pierluigi Scibetta (President)

Pierluigi  
Scibetta  
31.03.2025  
18:27:36  
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# **Manager's Report to the Board of Directors.**

*Draft Separate Budget 2024 Consolidated*

*Budget 2024*

20.03.2025

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## 1. Introduction

On the basis of the Company's bylaws and acts, the Manager in charge of preparing corporate accounting documents referred to Article *154-bis* of Legislative Decree 58/1998, as amended (hereinafter also the Manager in charge) is obliged to:

- Prepare appropriate administrative and accounting procedures for the preparation of the Separate Financial Statements and Consolidated Financial Statements;
- certify, jointly with the Chief Executive Officer, in a special report on the Separate Financial Statements and Consolidated Financial Statements, the adequacy and effective application of the procedures, as well as the correspondence of the Financial Statements with the results in the books and accounting records and their suitability to provide a true and fair view of the financial position, results of operations and financial position of the companies and enterprises included in the consolidation;
- certify with the delegated administrative bodies that the Management Report and Corporate Governance Report include the reliable analysis of the operating performance and result, as well as the situation of the companies included in the consolidation, together with the description of the main risks and uncertainties to which the Group companies are exposed.

The main activities carried out with regard to the internal control system and the administrative and accounting system are summarized below, which made reference the methodologies and criteria for analyzing the regulatory environment, national and international leading practices as well as the guidelines of various bodies (ANDAF, Confindustria).

## **2. Environment of control**

The main elements that identify and characterize control environment are:

- the ethical values expressed in the Organization, Management and Control Model prepared pursuant to Legislative Decree 231/2001 and subsequent amendments, compliance with which is monitored by the Supervisory Board endowed with autonomous powers of initiative and control;
- The adoption and dissemination of the Code of Ethics, which defines the cornerstone principles of the Organizational Model, through a system of rules of conduct aimed at preventing the commission of the crimes set forth in Legislative Decree 231/2001;
- The attention, paid by management, to internal controls designed to mitigate risks that may jeopardize the achievement of set goals.

The organizational structure, as a whole, also contributes to effective control environment through a system of responsibilities and delegation of authority consisting of, among other things: Company organization chart and function chart, service orders, organizational provisions and communications, and system of powers and proxies. In addition, the control environment includes an internal control system with first, second and third level controls. Any administrative-accounting issues are reported and discussed by the Executive in Charge with the Independent Auditors and the Board of Statutory Auditors at periodic meetings. The same are concerned for any changes to the accounting treatments of administrative management.

Within the internal control system, the assignment of tasks is generally made consistent with the principle of segregation of responsibilities.

Accounting flows are supported by IT systems that regulate, among other things, the collection, recognition and recording of business transactions for the purpose of processing, preparing and controlling corporate reporting. It should be noted that during 2024, post-merger integration activities continued with TWT through Zucchetti's Infinity accounting system, not only with regard to general accounting, but also with reference to treasury, purchasing and warehouse management. This integration was part of a post-merger corporate reorganization at all levels, affecting the organizational, administrative and commercial areas.

### **3. Activities carried out**

#### **3.1 Introduction of monthly accounting reporting**

During 2024, the monthly reporting process on accounting and balance sheet data has been carried out regularly: starting in March 2024 (with reference to the closing data as of February 29), accounting closings with processing of income statement/balance sheet/financial statement have been conducted continuously; starting June 1, 2024, monthly sessions to present economic/financial/management data to top management with a focus on budget performance and year-end projection have been held regularly.

#### **3.2 Administrative - accounting procedures**

In compliance with the provisions of Law 262/2005, the Executive in Charge has provided Unidata with a body of administrative and accounting procedures designed to regulate the activities of processes related to accounting flows.

During the period under review, the procedures "Formation of financial statements and related relations with corporate and supervisory bodies," "Management of administrative processes," and "Purchasing procedures" were updated and approved. Other corporate procedures with an economic component, namely "Payrolling procedure" and "Procedure on resource incentive policies," are also in the process of approval.

Finally, the "warehouse procedure" and the "customer accreditation procedure" are being revised.

### 3.3 Supervision of compliance with accounting procedures

In the Administration and Finance Function there is the figure "Support to the Executive in Charge," which was created to comply with Paragraph 4 of Article 154-bis of Legislative Decree 58/1998 ("The executive in charge of the preparation of corporate accounting documents must be given adequate powers and means for the exercise of the tasks assigned under this article").

Based on the analyses conducted to date regarding the verification of the operation of controls 262, no deficiencies were found that could have a material impact on the accuracy of the information flowing into the Separate and Consolidated Financial Statements.

It should be recalled that during 2023, the Executive in Charge had encountered slowdowns in the performance of control activities due to the shift of the "Planning and Control" own function outside the Administrative Area as a result of the organizational revision implemented post-acquisition of the TWT Group. That being said, it should be noted that during 2024 the "Planning and Control" function returned under the aegis of the Administrative Area, precisely in order to overcome the critical issues detected during the last fiscal year. This repositioning allowed already in the second

mid-2024 to overcome these critical issues.

#### 4. Activities of coordination

The Executive in Charge, from the information obtained from the audit reports prepared by the "Internal Audit" Function, in respect of 2024, did not become aware of any news special significance that has not already been considered in the accounting records.

Below is the list of Audits conducted during year 2024:

<b>2024 Audit List</b>		
<b>N.</b>	<b>Audit/ Follow up</b>	<b>Title audit</b>
<b>1</b>	<b>AUDIT</b>	Privacy Management
<b>2</b>	<b>AUDIT</b>	Related party transactions
<b>3</b>	<b>AUDIT</b>	Corporate governance
<b>4</b>	<b>AUDIT</b>	Sponsorship process

#### 5. Disclosure

The reporting of the Executive in Charge to the Board of Directors, the Board of Auditors and the Supervisory Board was systematic and covered, from time to time, the final cost statements, application of the principles

accounting and the application of administrative accounting procedures.

## **6. Manager in charge**

The Director of the Administration and Finance Function is the Manager in charge of preparing corporate accounting documents, appointed by the Board of Directors at its meeting on May 9, 2023 (with commencement of operations on June 6, 2023 following the move to the Star segment of the Italian Stock Exchange).

## **7. Action plan and activities in ongoing**

The post-merger integration process between Unidata and TWT led, as mentioned, to the review and realignment of administrative accounting procedures, as well as the updating of ERP and CRM. Post-merger integration activities and *fine tuning* on cost accounting to improve the cost accounting process and, consequently, management control dashboards will continue in the coming year.

## **8. Conclusions**

Taking into account that:

- the expression of the opinion on the truthfulness and fairness of the Financial Statements is based on the concept of materiality, according to which an omission or error in an item in the Financial Statements assumes materiality if, considering the quantitative dimension of the item and the circumstances of its omission or inaccuracy, it can alter or influence the economic decisions of the users of the Financial Statements<sup>1</sup>;
- a system of internal control over financial reporting, even if well designed and functioning, can only provide reasonable assurance about

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<sup>1</sup> This principle is expressly defined by the IASB's Framework of International Accounting Standards in para. 30 and by the *International Standard on Auditing (ISA320) "Audit Materiality"* expressly referred to by the *"Confindustria Guidelines for the performance of the activities of the Manager Responsible for Preparing Company's Financial Reports pursuant to Article 154-bis TUF"*

The veracity of the Financial Statements<sup>2</sup>.

Given the monitoring by the relevant corporate structures and bodies and the results of the audits conducted with reference to the relevant paragraph of this report, I believe it is reasonable to conclude that:

- the administrative-accounting procedures/instructions for the preparation of the Separate and Consolidated Financial Statements in FY2024 are substantially adequate and effectively implemented;
- That the Separate and Consolidated Financial Statements correspond to the results in the books and records;
- that the Consolidated Management Report includes a reliable analysis of the company's performance and results of operations, as well as its results together with a description of the main risks and uncertainties to which it is exposed.

The attestation I will render in accordance with Article 33 of the Articles of Association will highlight above opinion with reference to the Draft Separate Financial Statements and Consolidated Financial Statements as of December 31, 2024.

This attestation will be issued on the proposed Draft Separate Financial Statements and Consolidated Financial Statements attached to this report; any changes made by the Board of Directors in the final drafting of these documents or new facts that may have an impact on it should therefore be considered for the purpose of issuing the attestation.

The Executive in Charge

Roberto Giacometti



Digitally signed by Roberto Giacometti  
Date: 2025.03.20 10:03:21 +01'00'

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<sup>2</sup> As pointed out in the Confindustria Guidelines, the effectiveness of a system of internal control over financial reporting is in fact affected by the limitations inherent in all control systems, consisting of the fact that the judgments exercised in making a decision may turn out to be erroneous, that in instituting controls the persons in charge must consider the relative costs and benefits, and that dysfunctions of various kinds may occur due to simple errors or oversights; moreover, controls may be circumvented through the collusion of two or more persons; moreover, it is always possible for Management to circumvent the internal control system