

FINANCIAL STATEMENTS

General information about the company

Data

Name: AB IMPIANTI SRL

Headquarters: Via CADUTI DEL LAVORO 13 ORZINUOVI 25034 BS
Italia

Share Capital: 1000000.00

Share capital fully paid: si

Code CCIAA: BS

VAT code: 01895490983

Fiscal code: 01895490983

REA number: 366498

Legal form: LIMITED LIABILITY COMPANY

Main business sector (ATECO): 271100

Company in liquidation: no

Single member company: no

Company subject to management and coordination by others: si

Name of the company or entity that exercises management and coordination: AB Holding Spa

Membership in a group: si

Name of the parent company: AB Holding Spa

Parent company country: Italy

Registration number in the register of cooperatives:

Balance sheet

	31-12-2019	31-12-2018
Balance sheet		
Active		
B) Intangible		
I - Intangible assets		

	31-12-2019	31-12-2018
3) industrial patent rights and rights to use intellectual property	563.316	60.476
6) fixed assets in progress and advances	310.515	-
7) other	467.791	701.386
Total intangible fixed assets	1.341.622	761.862
II - Tangible fixed assets		
1) land and buildings	478.415	487.762
2) plants and machinery	2.580.618	3.047.418
3) industrial and commercial equipment	403.004	481.392
4) other	1.078.852	1.052.376
5) fixed assets in progress and advances	14.809	77.596
T	4.555.698	5.146.544
III - Total tangible financial fixed assets		
1) participation in		
d-bis) other companies	3.373	3.373
Total participations	3.373	3.373
2) credits		
d-bis) towards others		
due beyond the next financial year	1.101	491
Total credits towards others	1.101	491
Total credits	1.101	491
Total financial fixed assets	4.474	3.864
Total fixed assets (B)	5.901.794	5.912.270
C) Current assets		
I - Inventory		
1) raw, auxiliary and consumable materials	28.069.514	26.893.396
2) work in progress and semi-finished products	6.857.049	6.291.749
3) work in progress on ordination	40.176.291	46.025.505
5) down payments	2.138.085	1.996.140
Total inventory	77.240.939	81.206.790
II - Credits		
1) towards clients		
due within the next financial year	9.204.946	6.352.908
Due beyond the next financial year	2.088.791	1.112.157
Total credits towards clients	11.293.737	7.465.065
4) towards parent companies		
Due within the next financial year	218.283	694.635
Total credits towards parent companies	218.283	694.635
5) towards companies under parent companies		
Due within the next financial year	37.857.833	25.051.604

	31-12-2019	31-12-2018
Total credits from companies under parent company	37.857.833	25.051.604
5-bis) tax credits		
Due within the following financial year	1.411.570	3.343.513
Total tax credits	1.411.570	3.343.513
5-ter) prepaid taxes	155.309	95.274
5-quater) towards others		
Due within the following financial year	1.317.351	208.821
Total credits towards others	1.317.351	208.821
Total credits	52.254.083	36.858.912
IV - Availability		
1) bank and postal deposits	8.199.682	13.083.950
3) cash	3.464	3.430
Total availability	8.203.146	13.087.380
Total current assets (C)	137.698.168	131.153.082
D) Accruals and deferrals	113.792	218.694
Total assets	143.713.754	137.284.046
Passive		
A) Net assets		
I - Capital	1.000.000	1.000.000
IV – Legal reserve	200.000	200.000
VI - Other reserves, clearly indicated		
Extraordinary reserve	63.107.903	61.770.106
Reserve for unrealized exchange gains	22.978	-
Other reserves	(2)	3
Total other reserves	63.130.879	61.770.109
IX - Profit (loss) for the year	2.733.667	1.360.775
Total net patrimony	67.064.546	64.330.884
B) Provisions for risks and charges		
2) for taxes, including deferred	27.268	5.515
4) other	815.087	1.157.340
Total risk and charges fund	842.355	1.162.855
C) Employee termination payments	324.118	337.342
D) Debts		
4) debts towards banks		
Due within the following financial year	750.758	1.999.527
Due beyond the following financial year	630.268	1.381.026
Total debts towards banks	1.381.026	3.380.553
6) down payments		
Due within the following financial year	13.862.467	19.726.607

	31-12-2019	31-12-2018
Total down payments	13.862.467	19.726.607
7) debts towards suppliers		
Due within the following financial year	21.372.891	23.067.155
Total debts towards suppliers	21.372.891	23.067.155
11) debts towards parent companies		
Due within the next financial year	10.944.851	5.555.334
Total debts towards parent companies	10.944.851	5.555.334
11-bis) debts towards companies under to the control of the parent companies		
Due within the following financial year	22.926.586	15.874.204
Total debts to companies subject to the control of the parent companies	22.926.586	15.874.204
12) Tributary debts		
Due within the following financial year	1.496.129	742.908
Total tributary debts	1.496.129	742.908
13) debts to welfare and social security institutions		
Due within the following financial year	1.154.863	1.068.404
Total debts to welfare and social security institutions	1.154.863	1.068.404
14) other debts		
Due within the following financial year	1.997.427	1.894.401
Total other debts	1.997.427	1.894.401
Total debts	75.136.240	71.309.566
E) Accruals and deferrals	346.495	143.399
Total passive	143.713.754	137.284.046

Income statement

	31-12-2019	31-12-2018
Income statement		
A) Value of production		
1) revenues from sales and services	117.483.260	85.803.494
2) changes in inventories of work in progress, semi-finished and finished products	565.300	607.825
3) changes in work in progress to order	(5.849.214)	17.393.363
4) increases in fixed assets for internal work	433.790	536.499
5) total income		
Operating grants	539.870	489.463
other	986.928	436.780
Total other income	1.526.798	926.243
Total value of production	114.159.934	105.267.424
B) Costs of production		
6) for raw, ancillary, consumable and goods materials	64.125.896	69.981.170

	31-12-2019	31-12-2018
7) for services	24.800.906	18.477.046
8) for the use of third party assets	1.889.093	1.583.699
9) for the staff		
a) salaries	13.639.111	12.614.214
b) social charges	3.656.055	3.326.866
c) severance indemnity	816.724	749.992
e) other costs	(152.482)	-
Total staff costs	17.959.408	16.691.072
10) depreciation and write-downs		
a) depreciation of intangible fixed assets	1.093.281	518.983
b) depreciation of tangible fixed assets	1.272.336	1.307.166
d) write-downs of receivables included in current assets and liquid assets	462.836	-
Total depreciation and write downs	2.828.453	1.826.149
11) changes in inventories of raw, ancillary and consumable materials and goods	(1.176.118)	(6.322.229)
13) other provisions	448.792	956.007
14) various management charges	414.735	423.675
Total production costs	111.291.165	103.616.589
Difference between value and cost of production (A - B)	2.868.769	1.650.835
C) Financial income and expenses		
16) other financial income		
d) income other than above		
other	216.604	130.448
Total income other than above	216.604	130.448
Total other financial income	216.604	130.448
17) interests and other expenses		
other	17.521	8.802
Total interests and other expenses	17.521	8.802
17-bis) gains and losses on foreign exchange	248.294	116.808
Total financial income and expenses (15 + 16 - 17 + - 17-bis)	447.377	238.454
Result before taxes (A - B + - C + - D)	3.316.146	1.889.289
20) Income taxes for the year, current, deferred and prepaid		
Current taxes	610.393	458.562
Previous financial year taxes	10.368	22.864
Prepaid and deferred taxes	(38.282)	47.088
Total income taxes of the year, current, deferred and prepaid	582.479	528.514
21) Profit (loss) of the year	2.733.667	1.360.775

Cash flow statement, indirect method

	31-12-2019	31-12-2018
Cash flow statement, indirect method		
A) Cash flows deriving from operating activities (indirect method)		
Profit (loss) for the year	2.733.667	1.360.775
Income taxes	582.479	528.514
Interest expense / (assets)	(199.082)	(121.645)
(Dividendi)	0	0
(Capital gains) / Losses deriving from the sale of assets	(16.995)	(1.063)
1) Profit (loss) for the year before income taxes, interest, dividends and capital gains / losses on disposal	3.100.069	1.766.581
Adjustments for non-monetary items that have not had a counterpart in the net working capital		
Provisions to funds	(315.212)	586.214
Depreciation of fixed assets	2.365.616	1.826.148
Writedowns for permanent losses in value	0	0
Value adjustments of financial assets and liabilities of derivative financial instruments that do not involve monetary movements	0	0
Other increases / (decreases) adjustments for non-monetary items	0	29.682
Total adjustments for non-monetary items that have not had a counterpart in the net working capital	2.050.404	2.442.044
2) Cash flow before changes in net working capital	5.150.473	4.208.625
Changes in net working capital		
Decrease / (Increase) in inventories	3.965.851	(24.808.646)
Decrease / (Increase) in trade receivables	(16.158.549)	3.919.298
Increase / (decrease) in trade payables	10.747.634	9.185.919
Decrease / (Increase) in accrued income and prepaid expenses	104.902	153.271
Increase / (Decrease) in accrued liabilities and deferred income	203.095	(37.041)
Other decreases / (Other increases) in net working capital	(4.554.214)	11.462.074
Total changes in net working capital	(5.691.281)	(125.125)
3) Cash flow after changes in net working capital	(540.808)	4.083.500
Other adjustments		
Interest received / (paid)	12.150	17.148
(Income taxes paid)	0	(2.204.099)
Dividends collected	0	0
(Use of funds)	(18.512)	(20.660)
Altri incassi/(pagamenti)	0	0
Total other adjustments	(6.362)	(2.207.611)
Cash flow from operating activities (A)	(547.170)	1.875.889
B) Financial flows deriving from investment activities		
Immobilizzazioni materiali		
(Investments)	(681.815)	(823.636)

	31-12-2019	31-12-2018
Divestments	17.320	1.675
Intangible assets		
(Investments)	(1.673.041)	(461.814)
Divestments	0	0
Financial fixed assets		
(Investments)	0	0
Divestments	0	0
Non-fixed financial assets		
(Investments)	0	0
Divestments	0	0
(Acquisition of company branches net of cash and cash equivalents)	0	0
Sale of company branches net of cash	0	0
(B) Financial flow of investment activity	(2.337.536)	(1.283.775)
C) Financial flows deriving from financing activities		
Third party means		
Increase / (decrease) in short-term payables to banks	0	1.026
Opening of financing	0	4.000.000
Reimbursement of loans	(1.999.527)	(3.992.316)
Own means		
Capital increase against payment	0	0
Repayment of capital	0	0
Sale / (Purchase) of own shares	0	0
Dividends and interim dividends paid	0	0
Cash flow from financing activities (C)	(1.999.527)	8.710
Increase (decrease) in cash and cash equivalents (A ± B ± C)	(4.884.233)	600.824
Cash and cash equivalents at the beginning of the year		
Bank and post office deposits	13.083.950	12.481.165
Cash and valuables	3.430	5.391
Total cash availability at the beginning of the year	13.087.380	12.486.556
Not freely usable	0	0
Availability at the end of the year		
Bank and post office deposits	8.199.682	13.083.950
Cash and valuables	3.464	3.430
Total cash availability at the end of the year	8.203.146	13.087.380
Not freely usable	0	0

Explanatory note, initial part

Introduction

The financial statements for the year ended on 31/12/2019, of which this Explanatory Note forms an integral part pursuant to art. 2423, paragraph 1, of the Italian Civil Code, was prepared in the hypothesis of operation and business continuity and corresponds to the results of the accounting records regularly kept. It is drawn up in compliance with the principle of clarity and with the aim of truthfully and correctly representing the equity and financial situation of the company and the economic result for the year.

If the effects deriving from the obligations of recognition, evaluation, presentation and disclosure are irrelevant in order to give a truthful and correct representation, they will not be adopted and their failure to comply will be highlighted in the rest of these explanatory notes.

The citation of the tax rules refers to the provisions of the Consolidated Income Tax Law (TUIR) DPR 917/1986 and subsequent amendments and additions.

As a result of the rounding of the amounts to the unit of euro, it may happen that in some statements, containing detailed data, the sum of the details differs from the amount shown in the total row.

This Explanatory Note has been prepared in compliance with the constraints set by the XBRL taxonomy currently in force.

Drafting principles

General principles for preparing the financial statements

Pursuant to art. 2423, c. 2, C.C. these financial statements represent in a true and correct manner the equity and financial situation of the company and the economic result for the year.

The following general postulates were observed in the preparation of the financial statements:

- the evaluation of the items was made:

or according to prudence. To this end, only the profits made at the closing date of the financial year have been indicated, while the risks and losses pertaining to the financial year have been recognized even if known after the closing of this; furthermore, there are no heterogeneous elements included in the individual items;

or and in the perspective of the continuation of the business, therefore taking into account the fact that the company constitutes a functioning economic complex destined, at least for a foreseeable future period of time, to produce income;

- the recording and presentation of items is carried out taking into account the substance of the transaction or contract; in other words, the correctness of the registration or cancellation of equity and economic elements has been ascertained on the basis of the comparison between the accounting principles and the rights and obligations derived from the contractual terms of the transactions;

- income and charges for the year were taken into account, regardless of the date of collection or payment. It should be noted that the costs are related to the revenues for the year;

- the valuation of the components of the financial statements was carried out in compliance with the principle of "constancy in the valuation criteria", that is to say that the valuation criteria used have not been modified with respect to those adopted in the previous year, except for any necessary exceptions to the truthful and correct representation of company data;

- the relevance of the individual elements that make up the items in the financial statements was judged in the overall context of the financial statements, taking into account both qualitative and quantitative elements;

- the comparability of the balance sheet items over time was taken into account; therefore, for each item of the balance sheet and income statement the amount of the corresponding item of the previous year was indicated, except in exceptional cases of incomparability or unsuitability of one or more items;
- the process of preparing the financial statements was conducted in compliance with the neutrality of the editor.

The structure of the balance sheet and income statement is as follows:

- the Balance Sheet and the Income Statement reflect the provisions of articles 2423-ter, 2424 and 2425 of the Civil Code;
- the entry of the Balance Sheet and Income Statement items was made in accordance with the principles of Articles 2424-bis and 2425-bis of the Civil Code.

The cash flow statement was drawn up in accordance with art. 2425-ter of the Civil Code and in compliance with the provisions of accounting standard OIC 10 "Cash flow statement".

The Explanatory Note, drawn up in compliance with art. 2427 and 2427-bis of the Civil Code and other provisions of the Civil Code different from the previous ones, as well as in compliance with specific laws other than the above, also contains all the complementary information deemed necessary to provide a true and correct representation of the situation. economic, financial and equity, even if not required by specific legal provisions.

Exceptional cases pursuant to art. 2423, fifth paragraph, of the Civil Code

It is acknowledged that in these financial statements there have been no exceptional cases involving the use of the derogation referred to in the fifth paragraph of art. 2423

Changes in accounting principles

Transitional regulation

With reference to the amendments to the Civil Code introduced by Legislative Decree n. 139/2015 which led to the change in the valuation criteria of some items and in relation to the consequent transitional regulation, it should be noted that the items that have not yet exhausted their effects in the financial statements will be commented on in the sections dedicated to them of these Explanatory Notes, giving evidence of the respective evaluation criteria adopted.

Change of evaluation criteria

There were no changes in the evaluation criteria.

Correction of errors

There is evidence that no significant errors were found during the financial year covered by this financial statement.

Problems of comparability and adaptation

The balance sheet items are perfectly comparable, so no adaptation was necessary with respect to the items of the previous year.

Appraisal criteria applied

The evaluation criteria adopted are those specifically provided for in art. 2426 and in the other regulations of the Civil Code.

For the assessment of specific cases not expressly regulated by the aforementioned regulations, the national accounting standards prepared by the Italian Accounting Body (OIC) were used.

Other information

Foreign currency exchange

During the year, foreign currency transactions were converted at the spot exchange rate on the date of the transaction. In particular, non-monetary items (tangible and intangible fixed assets, inventories, work in progress on order valued with the criterion of the completed order, long-term investments and current assets and other securities, advances, deferred income and expenses) are recorded in the balance sheet at the exchange rate at the time of their purchase, ie at their initial registration cost.

Monetary items only (receivables and payables of current assets, long-term receivables and payables, contract work in progress valued with the criterion of the percentage of completion, cash and cash equivalents, accrued income and liabilities, debt securities, provisions for risks and charges) , already accounted for during the year at the exchange rates in force at the date of the transaction, were entered at the spot exchange rate at the end of the year.

The adjustments to foreign currency items led to the recognition of "differences" (Profits or losses on foreign exchange) in the income statement, in the specific item "C17-bis profits and losses on foreign exchange", for a total of 248,294 euros, broken down as follows:

Commercial profits during the year	157.788
Profits on loans made during the year	0
Commercial loss during the year	23.109
Losses on loans during the year	0
"Expected" profits from evaluation	113.615
"Presumed" losses from valuation	0
Acc.to a f.do risks on changes	0
Total C 17-bis profits and losses on foreign exchange	248.294

In compliance with the provisions of art. 2426 c. 1 n. 8-bis of the Italian Civil Code, the alleged net profit on exchange rates, equal to 113,615 euros, has been set aside in a special non-distributable reserve until this profit is actually realized.

It should be noted that the charges and income deriving from the year-end adjustment of monetary items in foreign currencies are not fiscally relevant, therefore deferred tax liabilities relating to the presumed net profit on exchange rates have been set aside for an amount equal to € 27,268 for solely for the purposes of IRES, as it concerns financial income excluded from IRAP taxation.

It is also specified that there are no credits and debts originally expressed in non-accounting currency "covered" by "forward transactions", "repurchase agreements", "domestic swaps", "options", etc.

Explanatory note, active

In this section of the Explanatory Notes, according to the articulation dictated by the XBRL taxonomy and in compliance with the provisions of article 2427 of the Italian Civil Code, the comment on the items which, in the financial statements for the year ended 31/12/2019, make up the Balance sheet assets.

Receivables from shareholders for payments still due

No changes occurred during the year.

Intangibles

Intangible assets

EVALUATION CRITERIA AND REGISTRATION IN THE FINANCIAL STATEMENTS

Intangible fixed assets include:

- multi-year charges (start-up and expansion costs; development costs);
- intangible assets (industrial patent rights and rights to use intellectual property; concessions, licenses, trademarks and similar rights);
- goodwill;
- intangible assets in progress;
- advances.

They are entered at purchase or production cost, including the related accessory charges. These fixed assets are shown in the financial statements under item B.I. of the assets in the balance sheet and amount, net of funds, to € 1,341,622.

Intangible assets, i.e. those non-monetary assets that usually represent legally protected rights, are recorded in the assets as:

- they are individually identifiable (ie separated from the company and transferable) or derive from contractual or other legal rights;
- their cost can be estimated with sufficient reliability;
- the company acquires the power to take advantage of the future economic benefits deriving from the asset itself and can limit its access by third parties.

The multi-year charges have been recorded in the assets of the balance sheet, with the consent, where existing, of the Board of Statutory Auditors, as their future usefulness is demonstrated, there is an objective correlation with the relative future benefits that the company will enjoy and can be estimated with reasonable certainty their recoverability, taking due account of the principle of prudence. If in the years following that of capitalization, this condition is no longer valid, the fixed asset will be written down.

No amount entered as goodwill.

Intangible fixed assets under construction include the internal and external costs incurred for the construction of the asset. These costs remain recorded under construction in progress until ownership of the right has been acquired or the project has been completed, at which point they are reclassified to the respective items pertaining to intangible fixed assets.

Advances to suppliers for the purchase of intangible assets, whose entry in the financial statements is not yet possible, have been recognized in the financial statements to an extent equal to the amounts of payments made.

Depreciation

The amortization of intangible assets was carried out systematically and in each financial year, in relation to the residual possibility of future economic use of each individual asset or cost. The cost of the fixed assets in question, in fact, was amortized on the basis of a "plan" which is believed to ensure a correct distribution of the same over the useful economic life period of the asset to which it refers, a period which, due to multi-year costs, is not over five years. The amortization plan will eventually be readjusted only if a residual useful economic life different from that originally estimated is ascertained.

The amortization plan applied, "on a straight-line basis", does not differ from that used for previous years.

Description	Depreciation coefficients
Industrial patent law and rights of use of intellectual property	
Licenced software	50%
Other intangible fixed assets	
Charges on third party assets	20%

Write-downs and write-backs

At each balance sheet date, the company assesses whether there is an indicator that an intangible asset may have suffered a reduction in value.

If this indicator exists, the company estimates the recoverable value of the asset and makes a write-down in the event that the latter is lower than the corresponding net book value.

If there is an indication that an asset may have suffered a permanent loss in value, this may make it appropriate to review its residual useful life, depreciation method or residual value and adjust them accordingly, regardless of whether the loss actually occurs. detected.

Any devaluation due to permanent impairment of intangible assets is reinstated if the reasons that justified it no longer exist. The restoration of value is carried out within the limits of the value that the asset would have had if the value adjustment had never taken place.

With regard to the individual items, it is emphasized that they have been recorded in the assets of the balance sheet on the basis of a prudent evaluation of their multi-year usefulness and the following details are provided.

Industrial patent rights and rights to use intellectual property

The costs incurred for intellectual creations to which the legislation recognizes particular protection and for which future economic benefits are expected for the company are recorded under this asset item.

Capitalized costs are represented by internal production / external acquisition costs and the related ancillary costs. These costs are capitalized within the limit of the recoverable value of the asset. The amounts, contractually provided, commensurate with the actual volumes of production or sales are excluded from the capitalization.

There are no costs recognized as "Patents", "Concessions", "Licenses" and "Trademarks".

The rights of use of intellectual property are recorded in the assets of the balance sheet, under item B.I.3, for € 563,316.

The rights of use of intellectual property are amortized on a straight-line basis in n. 2 years, which represents the useful life period of the assets.

La voce è comprensiva dei costi di acquisizione a titolo di proprietà / licenza d'uso a tempo determinato/indeterminato di software applicativo tutelato ai sensi di Legge sui diritti d'autore.

Other intangible fixed assets

The costs recorded in this residual item, classified in the balance sheet under item B.I.7 for Euro 467,791, are deemed productive of benefits for the company over a period of several years and are characterized by clear evidence of recoverability in the future. They concern:

- costs for improvements and incremental expenses on third party assets for € 416,014;
- multi-year charges for 51,777 euros.

The other intangible fixed assets are recognized in the balance sheet on the basis of the cost incurred.

Software costs

The costs incurred for the internal production of the “unsecured” application software, which gave rise to programs that can be used for a certain number of years within the company, were recorded in the other intangible assets. Capitalized costs include direct and indirect costs to the extent that they contributed to the development of the software. Instead, indirect costs attributable to the project were excluded.

The amortization of the cost of the non-protected software is carried out in the foreseeable period of use.

Costs for improvements and incremental expenses on third party assets

The costs incurred for improvements and incremental expenses on third party assets are recorded in the item in question as they cannot be separated from the assets themselves.

Depreciation is made in the shorter period between the future usefulness of the costs incurred and the residual one of the lease, taking into account any renewal period.

Accessory charges on loans

The “Other intangible fixed assets” recognized in the financial statements include the accessory charges on loans as the company has availed itself of the right to take advantage of the transitional provision established by Legislative Decree 139/2015, as a result of which the ancillary costs on loans relating to operations carried out prior to the opening date of the year of first application of Legislative Decree 139/2015 can continue to be accounted for according to the previous provisions rather than being recognized in deferrals assets in application of the amortized cost debt valuation criterion introduced by the aforementioned Decree.

... // ...

We also remind you that, in accordance with the provisions of art. 2426 of the Italian Civil Code, c. 1, no. 5, fourth period, until the amortization of the multi-year charges indicated therein is completed, profits can be distributed only if sufficient reserves remain available to cover the amount of unamortized costs. On the basis of the balance sheet figures shown in these financial statements, the company is not subject to this limitation up to the amount of the recorded values.

Movements in intangible fixed assets

B I – INTANGIBLE ASSETS

Balance 31/12/2019	1.341.622
Balance 31/12/2018	761.862
Variations	399.760

The following table highlights the movements of intangible fixed assets recorded under item B.I of assets.

	Patent rights and. and usage rights. ingenuity works	Imm. Imm. In progress and down payments	Other imm. Imm.	Total imm. Imm.
Value at the beginning of the year				
Cost	920.919	0	1.634.584	2.555.503
Revaluation	0	0	0	0
Depreciation (Fund)	860.443	0	933.198	1.739.641
Write downs	-	0	0	0
Balance value	60.476	-	701.386	761.862
Year variations				
Increase for acquisitions	71.631	130.515	1.290.894	1.493.040
Decreases for disposals and divestments (of the balance value)	0	0	0	0
Revaluation during the year	0	0	0	-
Depreciation of the year	623.791	0	469.489	1.093.280
Write downs made during the year	0	0	0	0
Other variations	1.055.000	0	(1.055.000)	0
Total variacions	502.840	130.515	(233.595)	399.760
Value end of the year				
Balance sheet value	563.316	310.515	467.791	1.341.622

Revaluations

It should be noted that no revaluation of the assets owned by the company took place in the year under review and in previous years.

Previous years goodwill

No amount entered under this title.

Measure and reasons for the reductions in value applied to intangible fixed assets (art. 2427 c. 1 no. 3-bis CC)

It should be noted that none of the intangible fixed assets existing in the financial statements has been subjected to devaluation, as none of them express lasting losses in value. In fact, it is reasonable to expect that the net book values recorded in the balance sheet at the end of the financial year can be recovered through the use or through the sale of the goods or services to which they refer.

Tra le immobilizzazioni immateriali non si rilevano costi di impianto, ampliamento e sviluppo.

Tangible fixed assets

EVALUATION CRITERIA AND REGISTRATION IN THE FINANCIAL STATEMENTS

Tangible fixed assets are recorded in the assets of the balance sheet in sub-class B.II at the purchase or production cost plus the related directly attributable ancillary charges, for a total of EUR 4,555,698, reflecting the following classification:

- 1) land and buildings;
- 2) plants and machinery;
- 3) industrial and commercial equipment;
- 4) other assets;
- 5) assets in progress and advances.

The production cost of self-built assets and the incremental cost of depreciable assets includes all costs directly attributable to them; the value was defined by adding the cost of materials, direct labor and that part of production costs directly attributable to the asset.

The "incremental" costs were eventually calculated on the purchase cost only in the presence of a real and "measurable" increase in productivity, the useful life of the goods or a tangible improvement in the quality of the products or services obtained, or, finally, an increase in the safety of use of goods. Any other cost relating to the assets in question was instead fully charged to the income statement.

Financial charges relating to the loan obtained for the construction and manufacture of the asset, incurred prior to the time from which the assets can be used, are also attributable.

The details of the financial charges capitalized during the administrative period covered by these financial statements are provided in the appropriate chapter provided for by the XBRL taxonomy.

Fixed assets in progress and advances

Fixed assets in progress are initially recognized on the date in which the first costs for the construction of the asset were incurred. They will remain registered as such until the date on which the asset, available and ready for use, can be reclassified in the specific item of tangible fixed assets.

Advances to suppliers for the purchase of tangible fixed assets whose entry in the financial statements is not yet possible, have been recognized in the financial statements to an extent equal to the amounts of payments made.

Advances to suppliers for the purchase of tangible fixed assets whose entry in the financial statements is not yet possible, have been recognized in the financial statements to an extent equal to the amounts of payments made.

Public grants commensurate with the cost of tangible fixed assets - Grants for plant account - indirect method

It should be noted that, where the conditions are met, the amount of the grants in the plant account has been recognized under item "A5 Other revenues and income" of the income statement, recording the portion to be deferred to subsequent years in the deferred income, as expressly required by document 16 of the national accounting standards (indirect method). As a result of this accounting approach, the depreciation rates are therefore calculated on the cost of the asset gross of the grant.

Depreciation process of tangible fixed assets

Depreciation was carried out systematically and in each financial year, in relation to the residual possibility of use of each individual asset.

The cost of fixed assets, with the exception of land and building or built areas, was amortized in each year on the basis of a plan, of a technical-economic nature, which is considered to ensure a correct distribution of the same over the years of its life. economic profit of the assets to which it refers.

As regards non-instrumental buildings (for example for residential purposes), OIC 16, starting from 01.01.2016, eliminated the right not to depreciate them. However, in continuity with what was applied in the financial statements of the last year prior to the application of the 2016 edition of OIC 16, the properties purchased subsequently were not subject to any depreciation.

The depreciation method applied for the year ended 12/31/2019 does not differ from that used for the depreciation of previous years.

The amortization plan would possibly be readjusted only if a residual useful economic life other than that originally estimated was ascertained. In particular, in addition to the considerations on the physical duration of the goods, all the other factors that affect the duration of "economic" use such as, for example, technical obsolescence, intensity of use , the maintenance policy, etc.

Based on the residual possibility of use, the coefficients adopted in the depreciation process of tangible fixed assets are as follows:

:

Description	Depreciation coefficients
Lands and buidings	
Built land	/
Buildings	3%
Light constructions	10%
Plants and machinery	
Generic plants	10% 15%

CHP plants	10%
Lifting plants	12%
Depuration plants	15%
Macchinery	12,5%
Scaffoldings	10%
Industrial and commercial equipment	
Equipment various	25%
Civil linen	40%
Civil equipment	25%
Other tangible fixed assets	
Computers and office machines	20%
Office machines - telephones	20%
Trucks	20%
Companu cars for employee personal use	25%
Office furniture	12%
Workshop and lab furniture	12%
Civil furniture	10%
Van equipment	12%
Lifting forks	20%

Depreciation coefficients have not undergone any changes compared to the previous year.

It should be noted that the depreciation was also calculated on temporarily unused assets.

For tangible fixed assets acquired during the year, it was deemed appropriate and adequate to reduce the depreciation coefficients by half.

Depreciation of buildings

Considering that these financial statements have been drawn up in compliance with national accounting standards, it should be noted that - according to the provisions of OIC 16 - for the purposes of depreciation, the value of the buildings is separated, also based on estimates, in the event that the of buildings incorporate the value of the land on which they stand.

We then proceeded to separate the values referable to the areas of land with respect to the value of the buildings.

With regard to the depreciation rates calculated on the buildings, it is considered appropriate to specify that the D.L. 4th July 2006, n. 223, converted with amendments into Law 4 August 2006, n. 248, provided for the non-deductibility of the part of this depreciation referring to the cost of the underlying land and pertinent to the buildings. The aforementioned provision was taken into account in the determination of taxes (IRES and IRAP) for the year.

On the basis of the periodic review of the amortization plan initially prepared, it is acknowledged that no changes have occurred such as to require a modification of the estimates of the residual possibility of use.

Fixed assets in progress are recorded in the balance sheet assets and are not subject to any depreciation process, until they are reclassified in the respective items pertaining to tangible fixed assets.

These values will be reclassified to the respective items pertaining to tangible fixed assets when ownership of the right is acquired or construction / production is completed.

The advances have been recorded in the balance sheet under item B.II.5 and are not subject to any amortization process, until the conditions for the recording of the tangible fixed assets in the financial statements are met.

Write-downs and write-backs

At each balance sheet date, the company assesses whether there is an indicator that a tangible fixed asset may have suffered a reduction in value.

If this indicator exists, the company estimates the recoverable value of the asset and makes a write-down in the event that the latter is lower than the corresponding net book value.

If there is an indication that an asset may have suffered a permanent loss in value, this may make it appropriate to review its residual useful life, depreciation method or residual value and adjust them accordingly, regardless of whether the loss actually occurs.

Any write-down for permanent losses in value is reinstated if the reasons that justified it no longer exist. The restoration of value is carried out within the limits of the value that the asset would have had if the value adjustment had never taken place.

Movements of tangible fixed assets

B II – FIXED ASSETS

Balance 31/12/2019	4.555.698
Balance 31/12/2018	5.146.544
Variations	-590.846

The following table highlights the movements in tangible fixed assets recorded under item B.II of the assets

	Land and buildings	Plants and machinery	Industrial and commercial equipment	Other fixed assets	Fixed assets in progress and down payments	Total tangible fixed assets
Value beginning of the year						
Cost	575.488	10.734.925	1.905.917	5.953.208	77.596	19.247.134
Revaluation	0	0	0	0	0	0
Depreciation (Fund)	87.726	7.687.507	1.424.525	4.900.832	0	14.100.590
Write downs	0	0	0	0	0	0
Balance sheet value	487.762	3.047.418	481.392	1.052.376	77.596	5.146.544
Year variations						
Increases due to acquisitions	10.773	240.800	130.744	362.285	42.409	787.011
Decreases for disposals and divestments (of the book value)	0	0	0	325	30.188	30.513

	Land and buildings	Plants and machinery	Industrial and commercial equipment	Other fixed assets	Fixed assets in progress and down payments	Total tangible fixed assets
Revaluation during the year	0	0	0	0	-	0
Depreciation of the year	20.120	707.600	208.742	335.874	-	1.272.336
Writedowns during the year	0	0	0	0	-	0
Other variations	0	0	(390)	390	(75.008)	(75.008)
Total variations	(9.347)	(466.800)	(78.388)	26.476	(62.787)	(590.846)
End year value						
Balance sheet value	478.415	2.580.618	403.004	1.078.852	14.809	4.555.698

Revaluations of tangible fixed assets

It should be noted that no revaluation of the assets owned by the company took place in the year under review and in previous years.

Measure and reasons for the reductions in value applied to tangible fixed assets (art. 2427 c. 1 no. 3-bis of the Italian Civil Code)

It should be noted that none of the tangible fixed assets existing in the financial statements has been subjected to devaluation, as none of them express permanent losses in value. In fact, it is reasonable to expect that the net book values recorded in the balance sheet at the end of the financial year may be recovered through the use or through the sale of the goods or services to which they refer.

Fixed assets held for sale and / or obsolete

Tangible fixed assets that the company has decided to allocate for sale, and / or those that are obsolete and no longer used in the production cycle permanently, have been classified under a specific item of current assets.

This reclassification was carried out because the assets are salable at their current conditions or do not require changes, the sale appears likely given the initiatives undertaken, the expected price and market conditions, and the transaction should also be completed in the short term.

Assets intended for sale and / or obsolete assets are no longer subject to depreciation.

Financial leasing operations

The company does not have any financial leasing transaction in place at the closing date of the financial year in question

Financial fixed assets

B III – FINANCIAL FIXED ASSETS

In the balance sheet of the financial statements for the year ended 31/12/2019, financial assets are recognized at the following values

Balance 31/12/2019	4.474
Balance 31/12/2018	3.864
Variations	610

They are made up of equity investments, long-term loans, securities intended to remain permanently in the company's economy, derivative financial instruments.

EVALUATION CRITERIA AND REGISTRATION IN THE FINANCIAL STATEMENTS

Equity investments

Long-term equity investments are recorded in item B.III.1 of the Assets, for Euro 3,373, at purchase or subscription cost, including accessory costs, i.e. those costs directly attributable to the transaction, such as, for example, the costs of banking and financial intermediation, commissions, expenses and taxes. They may include consultancy costs paid to professionals for the preparation of contracts and feasibility and / or convenience studies.

In the case of an increase in the investment due to a paid capital increase subscribed by the participant, the cost value at which the fixed investment is recorded in the financial statements is increased by the amount corresponding to the amount subscribed.

There are no investments in subsidiaries and associates.

Credits vs. subsidiaries, associates, parent companies, subject to the control of parent companies and others

The receivables in question, classified under financial fixed assets, are entered under item B.III.2 for € 1,101 and effectively represent a third party obligation towards the company.

Art. 2426 c. 1 n. 8) C.C. provides that receivables are recognized in the financial statements with the amortized cost criterion, taking into account the time factor and the estimated realizable value.

Amortized cost is the value at which the financial asset was valued at the time of initial recognition, net of repayments of capital, increased or decreased by accumulated amortization using the effective interest criterion on any difference between the initial value and the upon maturity and deducting any reduction in value or recoverability.

Furthermore, to take into account the time factor, it is necessary to "discount" the loans which, at the time of initial recognition, are not interest bearing (or which produce interest at a rate significantly lower than the market rate).

It should be noted that the company did not proceed with the valuation of long-term loans at amortized cost, as the transaction costs, commissions and any other difference between the initial value and the expiry value are of little significance; furthermore, no discounting of the same receivables was carried out as the effective interest rate was not significantly different from the market interest rate.

Consequently, the initial recognition of the receivables in question was carried out at nominal value net of the premiums, discounts, rebates provided for in the contract or in any case granted. At the end of the year, the nominal value was adjusted to the presumed realizable value.

This item also includes receivables for guarantee deposits relating to utilities.

In the financial statements for the year ended 31/12/2019 there are no active derivative financial instruments, nor have financial instruments with the requirements of derivatives been separated from the company contracts.

Movements of equity investments, other securities and fixed asset derivative financial instruments

The following table highlights the movements in financial fixed assets recorded in subclass B.III of assets under items 1) Equity investments, 3) Other securities and 4) Financial derivative instruments

	Partecipazioni in altre imprese	Totale Partecipazioni	Altri titoli	Strumenti finanziari derivati attivi
Values beginning of year				
Cost	3.373	3.373	0	0
Book value	3.373	3.373	-	-
Variations in the year				
Increases due to acquisitions	0	0	-	-
Decreases for disposals)	0	0	-	-
Depreciation during the year	0	0	-	-
Other variations	0	0	-	-
Total variations	0	0	-	-
Value end of the year				
Cost	3.373	3.373	-	-
Balance sheet value	3.373	3.373	-	-

Revaluations and write-downs

It should be noted that no revaluation and / or write-down of financial fixed assets took place in the year under review and in previous years.

SECURITIES ENROLLED ON THE CLOSING DATE OF THE LAST FINANCIAL YEAR PREVIOUS THAT OF FIRST APPLICATION OF D. LGS 139/2015

It should be noted that only the long-term securities recorded in the financial statements of the last financial year prior to the first application of Legislative Decree 139/2015 were not valued at amortized cost as the transitional provision was used as a result of which the company applies this criterion exclusively applies to securities recognized in the financial statements after the opening date of the first-time application of Legislative Decree 139/2015.

Variations and maturity of long-term loans

The following table of the XBRL taxonomy indicates, separately for each item, the totals of fixed assets as well as any amount due beyond five years. In determining the deadline, the contractual conditions and, where appropriate, the factual situation were taken into account.

	Value beginning of the year	Year variations	Values end of the year	Portion due within the year	Portion due after the year	With a residual duration of than 5 years
Fixed debts towards others	491	610	1.101	-	1.101	0
Total fixed debts	491	610	1.101	0	1.101	0

As can be seen from the prospectus, there are no long-term loans with a residual duration of more than five years.

Based on the information provided by OIC 15, the nature of the debtors and the composition of item B.III.2.d-bis) "receivables from others" are reported below, recorded in the balance sheet assets for a total of 1,101 euros .

Amounts due within 12 months

Nothing to detect.

Amounts due beyond 12 months

Description	Amount
Deposits for services	1.101

FIXED RECEIVABLES ENROLLED AT THE CLOSING DATE OF THE LAST FINANCIAL YEAR BEFORE THE FIRST APPLICATION OF Legislative Decree 139/2015

It should be noted that, with regard to long-term receivables recorded in the financial statements of the last financial year prior to the first application of Legislative Decree 139/2015, the transitional provision was used, as a result of which the company applies the amortized cost exclusively to receivables arising from the opening date of the first application of Legislative Decree 139/2015.

Details on long-term investments in subsidiaries

The company does not hold equity investments in subsidiaries.

Details on long-term investments in associated companies

The company does not have equity investments with associated companies.

Breakdown of long-term receivables by geographical area

In relation to the provisions of the last part of no. 6 c. 1 of art. 2427 of the Italian Civil Code, with reference to the indication of the breakdown by geographical areas of receivables, it should be noted that all long-term receivables present in the financial statements refer to subjects residing in Italy.

Long-term receivables relating to transactions with the obligation of retrocession at term

At the closing date of the financial year, there are no transactions that provide for the obligation for the buyer to repay

	Long-term receivables relating to transactions that provide for the obligation of retrocession at term
Credit to subsidiaries	0
Credit to associated companies	0
Credit to parent companies	0
Long-term receivables from companies subject to the control of the parent companies	0
Credit to others	0
Total	0

Value of financial fixed assets

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

Current assets

Item C - Changes in current assets

Current assets groups, under the letter "C", the following sub-classes of the "Assets" section of the balance sheet:

- Subclass I - Inventories;
- Sub-class Tangible fixed assets held for sale;
- Subclass II - Loans;
- Sub-class III - Financial assets that are not fixed assets;
- Subclass IV - Cash and cash equivalents.

The amount of current assets as at 31/12/2019 is equal to 137,698,168 euros. Compared to the previous year, it underwent an increase of € 6,545,086.

Below are provided, according to the scheme dictated by the XBRL taxonomy, the details (evaluation criteria, handling, etc.) relating to each of these sub-classes and the items that compose them.

Inventories

CRITERIA FOR EVALUATION AND REGISTRATION IN THE FINANCIAL STATEMENTS

Warehouse inventory

Inventories are made up of assets intended for sale or that contribute to their production in the normal business of the company and are valued in the financial statements at the lower of purchase or production cost and the realizable value inferable from the market.

The valuation of inventories at the lower of cost and realization value was carried out in constant application of the valuation methods.

Inventories valued at cost

Pursuant to c. 1 n. 9 of the art. 2426 of the Italian Civil Code, the following inventories were valued at purchase or production cost, as these values do not exceed the estimated realizable value inferable from the market trend at the end of the year:

- Raw, ancillary and consumable materials;
- Work in progress;
- Work in progress with a duration of less than one year and semi-finished products;
- Finished products and goods.

Inventories valued at break-up value

Nothing to detect.

Categories of fungible goods - Weighted average cost

The cost of fungible goods was quantified using the weighted average cost method, i.e. assuming that the cost of each remaining asset is equal to the weighted average of the cost of the similar goods in stock at the beginning of the year and the cost of the similar goods purchased or produced during the year. The weighting was calculated on the basis of each movement.

The adoption of this method is provided for by c. 1 n. 10 of the art. 2426 of the civil code and art. 92 of the D.P.R. 22 December 1986, n. 917.

The cost thus determined does not differ significantly from current costs at the end of the year.

Non-fungible categories of goods

For the valuation of inventories consisting of non-fungible goods (i.e. goods that can be clearly identified with a high unit value and / or that cannot be grouped into homogeneous categories), the criterion of specific cost was followed, as it is lower than the market value, evaluating each asset at the related cost actually incurred for its purchase or construction.

Works in progress on ordination

Criterion of the completed order

Contract work in progress was valued at the lower of cost and presumed realizable value, ie on the basis of the industrial cost attributable to them, determined as the sum of the "direct" industrial costs and the share of "indirect" industrial costs reasonably attributable based on the results of industrial accounting.

In no case were the charges related to the financing of the manufacture added, as also permitted by art. 2426 c. 1 nos. 1 and 9 of the Italian Civil Code.

Work in progress and finished products

Work in progress, finished products as well as work and services in progress are valued on the basis of directly attributable expenses and charges incurred during the year, according to the criterion of the completed order.

Advances

Advances represent advances on supplies and are entered at nominal value.

Item CI - Changes in inventories

Inventories are recorded in the "assets" section of the balance sheet under the sub-class "C.I" for a total amount of 77,240,939.

The following table shows the details of the changes that occurred in the year ended 12/31/2019 in the items that make up the Inventories sub-class.

	Value beginning of the year	Variations of the year	Value end of the year
Raw, ancillary and consumable materials	26.893.396	1.176.118	28.069.514
Prodotti in corso di lavorazione e semilavorati	6.291.749	565.300	6.857.049
Work in progress with an order	46.025.505	(5.849.214)	40.176.291
Down payments	1.996.140	141.945	2.138.085
Total inventories	81.206.790	(3.965.851)	77.240.939

Write downs

No write downs during the year

Tangible fixed assets for sale

	Variation during the year
Tangible fixed assets for sale	0

Receivables included in current assets

CRITERIA FOR EVALUATION AND REGISTRATION IN THE FINANCIAL STATEMENTS

In the financial statements for the year ended 31/12/2019, the sub-class of the C.II Credit asset includes the following items:

- 1) towards customers

- 4) towards parent companies
- 5) towards companies subject to the control of the parent companies
- 5-bis) tax credits
- 5-ter) prepaid taxes
- 5-quater) towards others

The classification of receivables in current assets is carried out according to the criterion of destination of the same with respect to the ordinary management activity.

Art. 2426 c. 1 n. 8) C.C. provides that receivables are recognized in the financial statements with the amortized cost criterion, taking into account the time factor and the estimated realizable value.

Amortized cost is the value at which the asset was valued at the time of initial recognition, net of capital repayments, increased or decreased by accumulated depreciation using the effective interest criterion on any difference between the initial value and the initial value. maturity and deducting any reduction in value or irrecoverability.

Furthermore, to take into account the time factor, it is necessary to "discount" the loans which, at the time of initial recognition, are not interest bearing (or which produce interest at a rate significantly lower than the market rate

Commercial credits

The valuation of trade receivables, recorded under item C.II.1), was carried out at amortized cost, which, in the absence of transaction costs and substantially coinciding between the effective interest rate and the market rate, corresponds to their nominal value.

During this year, the conditions for applying the calculation of the amortized cost for receivables arising during the year have not been met. It should be noted that the interest pertaining to the year 2019 but referring to receivables arising in previous years is equal to Euro 1,155.

It should be noted that the recorded receivables have been reduced by the amounts that are not expected to be collected, by allocating a total amount of 1,662,627 to the bad debt provision.

The bad debt provision has undergone the following changes:

Existence at the beginning of the year	1.204.241
Profits / (losses) of the year	(4.450)
Write downs and provisions for the year	462.836
(Adjustment) fund for value alignment	
Valore fondo a fine esercizio	1.662.627

. Credits vs. subsidiaries, associates, parent companies, subject to the control of parent companies

Also for the loans in question, the Civil Code and the national accounting standards provide for recognition in the financial statements with the amortized cost criterion, taking into account the time factor and the estimated realizable value.

In particular, the following were recorded in the financial statements:

- item C.II.2 Receivables from subsidiaries for € 0.
- item C.II.3 Receivables from associates for € 0.
- item C.II.4 Receivables from parent companies for € 218,283.
- item C.II.5 Receivables from companies subject to the control of parent companies for € 37,857,833.

The valuation of the aforementioned financial receivables was carried out at amortized cost. This criterion aligns, in a financial logic, the initial value of the asset with its repayment value at maturity. This means that during the initial recognition, the other components referable to the transaction (fees, commissions, taxes and transfer charges directly attributable to the acquisition, etc.) were also recognized together with the credit.

For the application of the amortized cost criterion, it was necessary to use the effective interest rate method: in summary, the transaction costs / revenues are charged over the useful life of the instrument and the interest recorded in the income statement is the effective one and not the nominal one deriving from the contractual agreements.

Furthermore, to take into account the time factor, loans were “discounted” which, at the time of initial recognition, were not interest bearing (or which produced interest at a nominal rate significantly lower than the market rate).

Research and development tax credit

During the year, the amount of the tax credit for investments in research and development referred to in Article 3, paragraph 1 of the Legislative Decree is charged to the income statement (item A5) n. 145/2013, converted with amendments by Law no. 9/2014 and amended by Law no. 190/2014 and n. 232/2016 for which the right matured with reference to the 2017 fiscal year.

This tax credit, originally recorded for Euro 531,123, was fully offset during the current year and relates to the research and development activity conducted by the company in compliance with tax regulations, the Community regulations on research, development and innovation. (2014 / C198 / 01), as well as the OECD guidelines (2015 Edition - "Di Frascati"), which presented characteristics of novelty, creativity, systematicity, transferability and / or reproducibility.

The amount of the research and development tax credit was determined following an accurate assessment contained in a specific technical dossier kept in the company's records.

Deferred tax assets

Item C.II 5-ter of the assets of the balance sheet is charged with the amount of the so-called "pre-paid taxes" (deferred "assets"), equal to, on the basis of the provisions of document no. 25 of the National accountants.

These are "current" taxes (IRES and IRAP) relating to the period in question, connected to "temporary deductible changes", whose transfer to taxable income in the next tax periods is reasonably certain both in existence and in the capacity of the "net" taxable income that can be expected.

Receivables from others

The "Receivables from others" entered in the financial statements are shown at nominal value, which coincides with the presumed realizable value.

Variations and maturity of receivables recorded in current assets

Item CII - Changes in receivables

The total amount of the Receivables is placed in the "assets" section of the balance sheet under sub-class "C.II" for a total amount of 52,254,083 euros.

The following table provides details of the changes that occurred during the year covered by this financial statement in the individual items that make up the receivables recorded in current assets

	Values beginning of the year	Variations in the year	Values end of the year	Portion due within the year	Portion due after the year	Of which a residual duration of over 5 years
Receivables from customers included in current assets	7.465.065	3.828.672	11.293.737	9.204.946	2.088.791	0
Receivables from parent companies included in current assets	694.635	(476.352)	218.283	218.283	-	0
Receivables from companies subject to the control of the parent companies included in current assets	25.051.604	12.806.229	37.857.833	37.857.833	-	0
Tax credits recorded in current assets	3.343.513	(1.931.943)	1.411.570	1.411.570	-	0
Deferred tax assets recognized in current assets	95.274	60.035	155.309			
Receivables from others included in current assets	208.821	1.108.530	1.317.351	1.317.351	-	0
Total receivables entered in current assets	36.858.912	15.395.171	52.254.083	50.009.983	2.088.791	0

There are no receivables recorded in current assets with a residual duration of more than five years

Composition of receivables from parent company

Receivables from the parent company consist of:

- trade receivables for an amount equal to 218,283 euros;

- from financial receivables for an amount equal to Euro 0.

Composition of receivables from companies subject to the control of parent companies

Receivables from companies subject to the control of the parent companies consist of:

- trade receivables for an amount equal to € 37,857,833;
- from financial receivables for an amount equal to Euro 0.

Nature and composition Receivables from others

On the basis of the information provided by OIC 15, the nature of the debtors and the composition of item C.II.5-quater) "receivables from others" are reported below, recorded in the balance sheet for a total of € 1,317,351 .

Amounts due within 12 months

Descrizione	Importo
Anticipi a fornitori	885.480
Note credito da ricevere	239.200
Anticipi a dipendenti per trasferte	15.470
Costi sospesi	21.676
Inail da compensare	138.526
Altri crediti	16.999

Amounts due beyond 12 months

No amount.

CURRENT RECEIVABLES EXISTING AT THE CLOSING DATE OF THE LAST FINANCIAL YEAR PREVIOUS THAT OF FIRST APPLICATION OF Legislative Decree 139/2015

It should be noted that, with regard only to the receivables of the current assets recorded in the financial statements of the last financial year prior to the first application of Legislative Decree 139/2015, the transitional provision was used as a result of which the company applies the criterion of the amortized cost and the discounting back exclusively to the receivables arising from the opening date of the year of first application of Legislative Decree 139/2015.

With regard to trade receivables maturing beyond 12 months, the credit is valued at nominal value, plus interest calculated at the nominal interest rate, less the collections received for principal and interest and net of estimated write-downs and credit losses accounted for to adjust the credit to the presumed realizable value.

Breakdown of receivables recorded under current assets by geographical area

In order to highlight the "country risk", the receivables present in current assets relating to the geographical areas in which the company operates are clearly indicated in the table below.

Geographic area	Italia	Belgium	Germany	France	United Kingdom	Greece	Polond	Romania
Receivables from customers included in current assets	4.906.267	22.850	570.394	45.000	292.871	120.000	126.667	136.193
Receivables from parent companies included in current assets	218.283	0	0	0	0	0	0	0
Receivables from companies subject to the control of the parent companies included in current assets	11.710.987	0	3.287.467	375	5.746	0	947.783	26.093
Tax credits recorded in current assets	1.411.570	0	0	0	0	0	0	0
Deferred tax assets recognized in current assets	155.309	0	0	0	0	0	0	0
Receivables from others included in current assets	1.317.351	0	0	0	0	0	0	0
Total receivables entered in current assets	19.719.767	22.850	3.857.862	45.375	298.617	120.000	1.074.450	162.286
Geographic area	Non EU Countries	Brazil	Canada	Ecuador	Moldavia	Mexico	Israel	Russia
Receivables from customers included in current assets	0	2.581.806	0	108.477	1.058.310	0	0	475.091
Receivables from parent companies included in current assets	0	0	0	0	0	0	0	0
Receivables from companies subject to the control of the parent companies included in current assets	228	321.491	13.147.298	0	0	995.771	1.063.427	9.785
Tax credits recorded in current assets	0	0	0	0	0	0	0	0
Deferred tax assets recognized in current assets	0	0	0	0	0	0	0	0
Receivables from others included in current assets	0	0	0	0	0	0	0	0

Geographic area	Non EU Countries	Brazil	Canada	Ecuador	Moldavia	Mexico	Israel	Russia
Total receivables entered in current assets	228	2.903.297	13.147.298	108.477	1.058.310	995.771	1.063.427	484.876
Geographic area				Serbia	Turchia	Stati Uniti d'America	Totale	
Receivables from customers included in current assets				0	400.000	449.811	11.293.737	
Receivables from parent companies included in current assets				0	0	0	218.283	
Receivables from companies subject to the control of the parent companies included in current assets				26.037	0	6.315.346	37.857.833	
Tax credits recorded in current assets				0	0	0	1.411.570	
Deferred tax assets recognized in current assets				0	0	0	155.309	
Receivables from others included in current assets				0	0	0	1.317.351	
Total receivables entered in current assets				26.037	400.000	6.765.157	52.254.083	

Receivables entered in current assets relating to transactions with the obligation of retrocession at term

Sale and purchase transactions with the obligation of retrocession (Article 2427 no. 6-ter C. C.)

At the closing date of the financial year, there are no transactions that provide for the obligation for the buyer to repay

	Receivables recorded in current assets relating to transactions that provide for the obligation of retrocession at term
Receivables from customers	0
Receivables from subsidiaries	0
Receivables from associated companies	0
Receivables from parent companies	0
Receivables from companies subject to the control of the parent companies	0
Receivables from others	0
Total	0

Financial assets that are not fixed assets

Changes in financial assets that are not fixed assets

At the closing date of the financial year, the company does not hold any type of non-fixed financial assets.

In the financial statements for the year ended 31/12/2019 there are no active derivative financial instruments, nor have financial instruments with the requirements of derivatives been separated from the company contracts.

Cash and cash equivalents

CRITERIA FOR EVALUATION AND REGISTRATION IN THE FINANCIAL STATEMENTS

Cash and cash equivalents, shown in the "assets" section of the balance sheet under sub-class "C.IV for € 8,203,146, correspond to the balances on current accounts held with banks and to the liquidity existing in the social funds at the end of the year and were valued at face value.

The table below shows the details of the movements of the individual items that make up the Cash and cash equivalents.

	Value at the beginning of the year	Change in the year	Year-end value
Bank and post office deposits	13.083.950	(4.884.268)	8.199.682
Cash and other valuables in hand	3.430	34	3.464
Total cash equivalents	13.087.380	(4.884.234)	8.203.146

Prepayments and accrued income

CRITERIA FOR EVALUATION AND REGISTRATION IN THE FINANCIAL STATEMENTS

Class D. "Accruals and deferrals", shown in the "assets" section of the balance sheet, includes income pertaining to the year payable in subsequent years and costs incurred by the end of the year, but pertaining to subsequent years. In particular, only portions of costs and income common to two or more financial years have been recognized, the amount of which varies over time.

The accrued income and prepaid expenses recorded in the financial statements for the year ended 31/12/2019 amount to 113,792 euros.

Compared to the previous year, the changes shown in the following table are noted.

	Value at the beginning of the year	Change in the year	Year-end value
Prepayments	218.694	(104.902)	113.792
Total accrued income and prepaid expenses	218.694	(104.902)	113.792

The changes that have taken place relate to normal management events.

Composition of accrued income and prepaid expenses (art. 2427 c. 1 no. 7 CC)

The composition of the items "Accrued income and prepaid expenses" is as follows

Prepayments	31/12/2019	31/12/2018
-------------	------------	------------

Prepayments on insurance	14.421	30.501
Prepayments on advertising expenses	10.230	9.059
Prepayments on third party services	4.588	60.517
Prepayments on subscriptions	126	0
Prepayments for software license fees	6.025	6.771
Prepayments on software updates	32.785	48.222
Prepayments on IT assistance	9.901	12.651
Prepayments on maintenance fees	4.877	3.027
Prepayments on financial charges	16.355	22.271
Prepayments on partial expenses deductible	11.808	21.942
Prepayments OTHER	2.676	3.733
TOTAL	113.792	218.694

Duration of accrued income and prepaid expenses

Below is the breakdown of accrued income and deferred income with a duration within and beyond the financial year as well as beyond five years:

Description	Amount within the financial year	Amount beyond the financial year	Amount beyond 5 years
Accrued income	0		
Prepayments	87.317	26.475	0

Capitalized financial charges

Capitalized financial charges

During the year, no financial charges were charged to values recognized in the balance sheet assets.

Notes to the financial statements, liabilities and shareholders' equity

In this section of the Explanatory Notes, according to the articulation dictated by the XBRL taxonomy and in compliance with the provisions of Article 2427 of the Italian Civil Code, the comments on the items which, in the financial statements for the year ended 31/12/2019, make up the Assets net and balance sheet liabilities

Net patrimony

Equity is the difference between balance sheet assets and liabilities. The shareholders' equity items are recognized in the liabilities of the balance sheet in class A "Shareholders' equity" with the following classification:

I - Capital

II - Share premium reserve

III - Revaluation reserves

IV - Legal reserve

V - Statutory reserves

VI - Other reserves, indicated separately

VII - Reserve for hedging operations of expected cash flows

VIII - Profits (losses) carried forward

IX - Profit (loss) for the year

Loss written off

X - Negative reserve for treasury shares in portfolio

Changes in shareholders' equity items

Item A - Changes in shareholders' equity

Shareholders' equity amounts to 67,064,546 euros and shows an increase of 2,733,662 euros.

The changes that have occurred in the consistency of equity items, as required by art. 2427 c.1 n. 4 C.C. , as well as the composition of the item "Various Other reserves"

	Value at the beginning of the year	Allocation of the result of the previous year	Other variations	Operating result	Year-end value
		Altre destinazioni	Incrementi		
Capital	1.000.000	-	-		1.000.000
Legal reserve	200.000	-	-		200.000
Other reserves					
Extraordinary reserve	61.770.106	1.337.797	-		63.107.903
Reserve for unrealized exchange gains	-	22.978	-		22.978
Various other reserves	3	-	(5)		(2)
Total other reserves	61.770.109	1.360.775	(5)		63.130.879
Profit (loss) for the year	1.360.775	(1.360.775)	-	2.733.667	2.733.667
Total net patrimony	64.330.884	0	(5)	2.733.667	67.064.546

Detail other various reserves

Description	Amount
reserve	(2)
Total	(2)

Availability and use of net patrimony

Equity reserves can be used for different transactions depending on their constraints and their nature. The notion of distributability of the reserve may not coincide with that of availability. Availability concerns the possibility of using the reserve (for example for free capital increases), while distributability concerns the possibility of disbursement to shareholders (for example in the form of a dividend) of sums that can be withdrawn in whole or in part from the relative reserve. Therefore, availability and distributability may or may not coexist.

The origin, the possibility of use and distribution, as well as the actual use in previous years, in relation to each item of the accounting net assets, are highlighted in the following tables.

	Amount	Origin / nature	Possibility of use	Available share	Summary of the uses made in the three previous years	
					to cover losses	for other reasons
Capital	1.000.000	capitale e utili	B	1.000.000	0	0
Legal reserve	200.000	utili	B	200.000	0	0
Other reserves						
Extraordinary reserve	63.107.903	utili	A, B, C	63.107.903	0	0
Reserve for unrealized exchange gains	22.978	utili	A, B, C	22.978	0	0
Various other reserves	(2)			-	-	-
Total other reserves	63.130.879			63.130.881	-	-
Total	64.330.879			64.330.881	0	0
Non-distributable share				1.222.978		
Residual distributable share				63.107.903		

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

Origin, possibility of use and distributability of the various other reserves

Description	Amount
reserve	(2)
Total	(2)

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

Changes in the reserve for hedging operations of expected cash flows

Reserve for hedging operations of expected cash flows

There are no transactions in progress involving derivative instruments for the purpose of hedging cash flows, therefore there is no reserve in the company assets for hedging operations of expected cash flows.

	Reserve for hedging operations of expected cash flows
Changes during the year	
Increase due to change in fair value	0
Decrease due to change in fair value	0
Release to income statement	0
Release to adjustment of assets / liabilities	0
Deferred tax effect	0

Rounding reserve to the unit of euro

For the sole purpose of allowing the balance sheet to be reconciled, a rounding reserve equal to Euro -2 was entered in the financial statements for the year ended 31/12/2019. As it is not explicitly contemplated by the XBRL taxonomy relating to the balance sheet, this reserve has been included in the sub-item Various other reserves.

Provisions for risks and charges

Provisions for risks and charges

The "Provisions for risks and charges", shown in class B of the "Liabilities" section of the balance sheet, include, in compliance with the principles of economic competence and prudence, the provisions made for the purpose of covering losses or debts of a specific nature and certain or probable existence, the amount of which or the date of occurrence of which are however undetermined.

The amount of the provision is measured with regard to the estimate of costs at the balance sheet date, including legal fees, determined in a non-random and arbitrary manner, necessary to face the underlying certain or probable liability.

In assessing the risks and charges whose actual materialization is subject to the occurrence of future events, the information that became available after the end of the year and up to the date of preparation of these financial statements was also taken into consideration.

In compliance with the criteria for classifying costs "by nature", the provisions for risks and charges relating to the characteristic and ancillary activity are entered among the items of class B of the income statement other than items B.12 and B.13; in particular, the provision to the provision for cyclical maintenance for € 22,868 was entered under item B7.

Provisions for risks and charges relating to financial activity are entered in class C or D of the income statement.

The allocations for the year in question to provisions for risks other than those mentioned above have been entered in item B.13, with regard to the provision for cyclical maintenance of plants whose amount has not already been allocated to item B7, as it is easily identifiable the nature of the service.

Provisions for taxes also deferred

With reference to the "Provisions for taxes, including deferred", recorded in class "B.2) of the Liabilities" for € 27,268, it should be noted that:

a. of probable taxes, having an undetermined amount or date of occurrence (example: from non-definitive assessments or pending disputes and other similar cases);

- a. deferred "passive" taxes on the overall taxable temporary differences between the economic result for the year and the taxable amount, determined in the manner prescribed by the national accounting principle no. 25. In this regard, it must be said that, since these are "passive" deferred taxes, an allocation was made based on a prudent criterion, allocating an estimated IRAP amount with a rate of 3.90% and an IRES amount estimated according to a rate of 24%, rates provided for by the tax legislation in force at the reference date of these financial statements.

In the financial statements for the year ended 31/12/2019 there are no financial derivative instruments, nor have financial instruments with the requirements of passive derivatives been separated from the company contracts.

The table below provides details of the movements that occurred during the year covered by this financial statement in the items under the item Provisions for risks and charges.

	Provision for taxes also deferred	Other provisions	Total provisions for risks and charges
Value beginning of year	5.515	1.157.340	1.162.855
Variations during the year			
Provision for the year	21.753	448.792	470.545
Use in the year	0	791.045	791.045
Other variations	0	0	0
Total variations	21.753	(342.253)	(320.500)
Value end of year	27.268	815.087	842.355

Use and surplus of funds

Since situations that had given rise to the recognition of the provision for works to be supported were resolved during the year in question, the surplus provision was reduced by recording the total amount equal to under item A5 of the income statement euro 381,554, divided as follows:

- use of the provision for "works to be supported" for € 791,045, corresponding to the incurring of costs previously estimated and relating to completed projects;
- surplus provision for € 0, resulting from the cancellation of the provision for "works to be supported" subject to overestimation.

Composition of the item Other provisions

In compliance with the provisions of art. 2427 c. 1 n. 7 of the Italian Civil Code, the following table provides the breakdown of the item "Other provisions"

Other funds	31/12/2019	31/12/2018
Future maintenance fund	14.339	0
Contractually provided works to be supported	800.748	1.157.340
Total	815.087	1.157.340

Employee severance indemnity

Severance indemnity

The severance pay represents the actual debt accrued to employees in accordance with the law and the employment contract in force, pursuant to art. 2120 C.C ..

It constitutes a certain remuneration charge recorded in each financial year with the criterion of economic competence.

Pursuant to Law no. 296 (2007 Finance Law):

- the severance indemnities accrued up to 31 December 2006 remained in the company;
- the severance indemnities accrued starting from 1 January 2007, at the choice of the employee, were allocated to forms of supplementary pension or were kept in the company, which periodically transfers the severance indemnities to the Treasury Fund, managed by INPS.

We highlight:

to. in class C of the liabilities the shares kept in the company, net of the substitute tax on the revaluation of the TFR, for EUR 324,118;

b. in item D.14 of the liabilities, the payables relating to the shares not yet paid as at 31/12/2019 for 73,494 euros. The shares paid to the aforementioned funds have not been revalued as the revaluation is charged to the pension funds (or to the INPS Treasury Fund).

The related provision is made in the income statement under sub-item B.9 c) for € 816,724.

Therefore, the liability for severance indemnities corresponds to the total of the individual indemnities accrued in favor of employees at the balance sheet date, net of the advances paid and is equal to the amount that should have been paid to employees in the event of termination of the employment relationship. on that date.

The amounts of severance indemnity relating to terminated employment relationships, whose payment has already expired or will expire on a specific date of the following financial year, have been recognized in item D.14, among the liabilities of the liabilities for 0 euros.

The following table provides details of the movements that occurred in the severance indemnity during the year covered by this financial statement.

	Employee severance indemnity
Value beginning of year	337.342
Variations during the year	

	Employee severance indemnity
Provision for the year	816.724
Use in the year	18.512
Other variations	(811.436)
Total variations	(13.224)
Value end of the year	324.118

In uses, the amounts of the liability for severance indemnity transferred to the INPS treasury fund, to supplementary pension funds and to employees following advances and / or resignations are shown.

The item "Other changes" includes the portions of employee leaving indemnity which, pursuant to Law no. 296, were periodically allocated to forms of complementary pension or transferred to the Treasury Fund managed by INPS

Debts

EVALUATION CRITERIA AND REGISTRATION IN THE FINANCIAL STATEMENTS

Art. 2426 c. 1 n. 8 of the Italian Civil Code, requires that payables be recognized in the financial statements with the amortized cost criterion, taking into account the time factor.

The amortized cost criterion aligns, in a financial logic, the initial value of the liability to its payment value at maturity.

This means that, on initial recognition, the other components referable to the transaction (fees, commissions, taxes, etc.) are also recognized together with the debt.

For the application of the amortized cost criterion it is necessary to use the effective interest rate method: in summary, the transaction costs are charged over the useful life of the instrument and the interest recorded in the income statement is the effective one and not the nominal one resulting from the negotiation agreements.

Furthermore, to take into account the time factor, it is necessary to "discount" the payables which, at the time of initial recognition, do not bear interest (or produce interest at a nominal rate significantly lower than the market rate).

Debts of financial nature

In particular, the following financial payables were recognized in the financial statements:

- item D 4) for Euro 1,381,026

whose valuation was carried out at amortized cost.

It should be noted that the company has not assessed financial debts over 12 months at amortized cost as transaction costs, commissions and any other difference between initial value and value at maturity are of little significance.

Furthermore, no discounting of the same payables was carried out as the effective interest rate was not significantly different from the market interest rate.

Commercial debts

The valuation of trade payables, recorded in the liabilities under item D.7), was carried out at amortized cost, which, in the absence of transaction costs and substantially coinciding between the effective interest rate and the market rate, corresponds to their nominal value.

Only the trade payables due beyond 12 months, without payment of interest, or with interest significantly different from the market interest rates and the related costs, were initially recognized at the value determined by discounting the debt at the market interest rate. At 31/12/2019, the installments paid have been reduced and the difference between the IRR (which represents the effective interest rate of the aforementioned payables) and the interest rate was recognized among the financial charges, under item C.17 market, equal to euro 0.

Commercial debts

The valuation of trade payables, recorded in the liabilities under item D.7 was carried out at nominal value.

It should be noted that the company has not assessed trade payables due beyond 12 months at amortized cost, as the transaction costs, commissions and any other difference between the initial value and the value at maturity are absent / of little significance.

Furthermore, no discounting was carried out as the effective interest rate was not significantly different from the market interest rate.

There are no debts subject to suspensive conditions.

Tax payables

Tax payables for current taxes are recognized on the basis of a realistic estimate of taxable income (IRES) and of the value of net production (IRAP) in compliance with the provisions in force, taking into account any concessions in force and any tax credits in what is due. If the taxes to be paid are lower than the tax credits, the advances paid and the withholding taxes, the difference represents a credit and is recorded in the balance sheet under item C.II.5-bis "Tax credits".

Composition of payables to parent companies

Payables to the parent company consist of:

- trade payables for an amount equal to 10,944,851 euros;
- from financial payables for an amount equal to Euro 0.

Composition of payables to companies under the control of parent companies

Payables to companies subject to the control of the parent companies consist of:

- trade payables for an amount equal to Euro 22,926,586;
- from financial payables for an amount equal to Euro 0.

Other debts

Other payables, entered under item D.14 of the liabilities, are shown at nominal value. Below is the composition of this item at the closing date of the financial year covered by these financial statements

Description	Amount
-------------	--------

Payables to employees for current salaries	1.134.760
Payables to employees for deferred remuneration	746.182
Payables to credit card issuers	33.807
Credit notes to be issued	2.000
Other debts	80.678

Variations and due dates of payables

The total amount of payables is placed in the "liabilities" section of the balance sheet in class "D" for a total amount of € 75,136,240.

The following table provides details of the changes that occurred during the year covered by this financial statement in the individual items that make up the debt class

	Value at the beginning of the year	Variation during the year	End year value	Portion due within the year	Portion due beyond the year	With a residual duration of over 5 years
Debts to banks	3.380.553	(1.999.527)	1.381.026	750.758	630.268	0
Downpayments	19.726.607	(5.864.140)	13.862.467	13.862.467	-	0
Debts to suppliers	23.067.155	(1.694.264)	21.372.891	21.372.891	-	0
Debts to parent companies	5.555.334	5.389.517	10.944.851	10.944.851	-	0
Debts to companies under parent company control	15.874.204	7.052.382	22.926.586	22.926.586	-	0
Tax debts	742.908	753.221	1.496.129	1.496.129	-	0
Payables to welfare and social security institutions	1.068.404	86.459	1.154.863	1.154.863	-	0
Other debts	1.894.401	103.026	1.997.427	1.997.427	-	0
Total debts	71.309.566	3.826.674	75.136.240	74.505.972	630.268	0

In compliance with the provisions of art. 2427 c. 1 n. 6 of the Italian Civil Code, it should be noted that there are no debts with a residual duration exceeding five years.

PAYABLES EXISTING AT THE CLOSING DATE OF THE LAST FINANCIAL YEAR BEFORE THE FIRST APPLICATION OF THE D. LGS 139/2015

It should be noted that, with regard only to the payables recorded in the financial statements of the last financial year prior to the first application of Legislative Decree 139/2015, the transitional provision was used as a result of which the company continued to evaluate them at nominal value , thus not applying the amortized cost criterion.

Breakdown of payables by geographical area

In relation to the provisions of the last part of no. 6 c. 1 of art. 2427 of the Italian Civil Code, in order to highlight the "country risk", the payables of the company referable to the geographical areas in which it operates are indicated separately in the table below.

Geographic area	Italy	Austria	Germany	Romania	Greece	Holland	Poland	Belgium
Debts to banks	1.381.026	0	0	0	0	0	0	0
Down payments	4.310.900	96.140	1.721.152	416.000	821.050	0	111.517	45.700
Debts to suppliers	11.213.430	9.633.581	128.667	136	(4.000)	69.209	7.902	309.500
Debts to parent company	10.944.851	0	0	0	0	0	0	0
Debts to companies under parent company control	18.353.996	0	991.974	240.589	0	0	538.069	0
Tax debts	1.496.129	0	0	0	0	0	0	0
Payables to welfare and social security institutions	1.154.863	0	0	0	0	0	0	0
Other debts	1.997.427	0	0	0	0	0	0	0
Debts	50.852.623	9.729.721	2.841.793	656.726	817.050	69.209	657.489	355.200
Geographic area	France	United Kingdom	Czech Republic	Argentina	United States of America	Moldavia	Russia	Canada
Debts to banks	0	0	0	0	0	0	0	0
Down payments	137.200	0	68.000	437.200	449.811	1.059.135	546.500	0
Debts to suppliers	70	(333)	10.039	0	0	0	234	0
Debts to parent companies	0	0	0	0	0	0	0	0
Debts to companies under parent company control	28.736	296.944	0	0	731.901	0	41.453	632.335
Tax debts	0	0	0	0	0	0	0	0
Payables to welfare and social security institutions	0	0	0	0	0	0	0	0
Other debts	0	0	0	0	0	0	0	0
Debts	166.006	296.611	78.039	437.200	1.181.712	1.059.135	588.186	632.335
Geographic area		Brazil	Switzerland	Israel	Turkey	Other countries	Total	
Debts to banks		0	0	0	0	0	1.381.026	
Down payments		1.946.161	1.196.000	0	500.000	0	13.862.467	
Debts to suppliers		0	0	1.791	0	2.665	21.372.891	

Geographic area	Brazil	Switzerland	Israel	Turkey	Other countries	Total
Debts to parent companies	0	0	0	0	0	10.944.851
Debts to companies under parent company control	29.714	0	1.018.913	0	21.959	22.926.586
Tax debts	0	0	0	0	0	1.496.129
Payables to welfare and social security institutions	0	0	0	0	0	1.154.863
Other debts	0	0	0	0	0	1.997.427
Debts	1.975.876	1.196.000	1.020.704	500.000	24.624	75.136.240

Debts secured by collateral on corporate assets

In relation to the provisions of the last part of c. 1 n. 6 of art. 2427 C.C., it should be noted that there are no debts secured by real guarantees on corporate assets

	Debiti non assistiti da garanzie reali	Totale
Debts to banks	1.381.026	1.381.026
Down payment	13.862.467	13.862.467
Debts to suppliers	21.372.891	21.372.891
Debts to parent companies	10.944.851	10.944.851
Debts to companies under parent company control	22.926.586	22.926.586
Tax debts	1.496.129	1.496.129
Payables to welfare and social security institutions	1.154.863	1.154.863
Other debts	1.997.427	1.997.427
Total debts	75.136.240	75.136.240

Payables relating to transactions with an obligation to return on term

At the closing date of the financial year, there are no transactions that provide for the obligation for the buyer to repay

Loans made by shareholders of the company

Loans made by shareholders to the company (Article 2427 c. 1 n. 19-bis of the Italian Civil Code)

The company has not collected any type of financing from its shareholders.

Accrued liabilities and deferred income

CRITERIA FOR EVALUATION AND REGISTRATION IN THE FINANCIAL STATEMENTS

Class E. "Accruals and deferrals" include costs pertaining to the year payable in subsequent years and income received by the end of the year, but pertaining to subsequent years.

In particular, only portions of costs and income common to two or more financial years have been recognized, the amount of which varies over time.

Accrued liabilities and deferred income recorded in the financial statements for the year ended 31/12/2019 amount to € 346,495.

Compared to the previous year, the changes shown in the following table are noted.

	Value beginning of the year	Variation during the year	Value end of the year
Accrued liabilities	123	(117)	6
Deferred income	143.276	203.213	346.489
Total accruals and deferred income	143.399	203.096	346.495

The change that occurred relates to normal management events.

Composition of the item Accruals and deferred income (art. 2427 c. 1 no. 7 CC)

The composition of the item "Accrued liabilities and deferred income" is analyzed using the following tables

Deferred income	31/12/2019	31/12/2018
Deferred income on interest income	345.859	143.276
Deferred income on plant engineering revenues	630	0
Total	346.489	143.276
Accrued liabilities	31/12/2019	31/12/2018
Accrued expenses on interest expense	6	123
Total	6	123

Below is the breakdown of accruals and deferred income with a duration within and beyond the financial year as well as beyond five years:

Description	Amount during the year	Amount after the year	Amount after five years
Accrued liabilities	0		
Deferred income	193.009	153.480	0

Explanatory notes, income statement

Introduction

In this section of the Explanatory Notes, according to the articulation dictated by the XBRL taxonomy and in compliance with the provisions of article 2427 of the Italian Civil Code, the comment on the items that, in the financial statements for the year ended 31/12/2019, make up the Account cheap

In line with OIC 12, the distinction between characteristic and ancillary activities, not expressly provided for by the Civil Code, was maintained to allow, exclusively on the revenue side, to distinguish the components that must be classified under item A.1) " Revenues from the sale of goods and services "from those of item A.5)" Other revenues and income ".

In particular, in item A.1) the revenues deriving from the characteristic or typical activity are recorded, while in the item A.5) those revenues which, not falling within the characteristic or financial activity, have been considered as having an ancillary nature.

On the other hand, on the cost side, this distinction cannot be implemented as the classification criterion of the profit and loss account envisaged by law is that by nature.

Production value

Revenues from sales and services

Revenues from the sale of products and goods or from the provision of services relating to the characteristic management have been indicated net of returns, discounts of a commercial nature, allowances and bonuses, as well as taxes directly connected with the sale of products and services. of services and amount to € 117,483,260.

Non-financial revenues, relating to ancillary activities, have been entered under item A.5) and amount to € 986,928, divided as follows:

- Use and excess of provisions for risks and charges € 791,045;
- Occasional leases € 42,000;
- Capital gains € 17,312;
- Contingent assets € 105,415;
- Other revenues from ancillary activities for € 31,156

Breakdown of revenues from sales and services by business category

As required by art. 2427 c. 1 n. 10 of the Italian Civil Code, the breakdown of revenues by business category is shown in the following table

Category	Current year value
CHPP sales profit	110.327.564
Service profit	2.483.921
Electrical plant engineering profits	1.486.940
Profits from material sales	1.957.573
OTHER profits	1.227.262
Total	117.483.260

Breakdown of revenues from sales and services by geographic area

As required by art. 2427 c. 1 n. 10 of the Italian Civil Code, the breakdown of revenues by geographical area of destination is shown in the following table.

Geographic area	Current year value
Italy	51.356.724
Germany	14.105.332
France	2.555.403
United Kingdom	12.347.275
Rumania	419.169
Poland	1.756.171
Brazil	12.892.981
United States of America	3.488.227
Canada	15.459.002
Serbia	1.038.165
Mexico	2.013.863
Israel	44.514
Other countries	6.434
Total	117.483.260

Research and development tax credit

As previously indicated, during the year, the amount of the tax credit for investments in research and development referred to in Article 3, paragraph 1, of Legislative Decree n. 145/2013, converted with amendments by Law no. 9/2014 and amended by Law no. 190/2014 and n. 232/2016.

The total amount of the operating grants indicated in item A.5) of the income statement is equal to Euro 531,123.

Cost of production

The costs and charges of class B of the income statement, classified by nature, were shown net of returns, discounts of a commercial nature, allowances and bonuses, while discounts of a financial nature were recognized in item C.16, constituting income financial.

Costs for raw materials, ancillaries, consumables and goods also include ancillary purchase costs (transport, insurance, loading and unloading, etc.) if the supplier has included them in the purchase price of the materials and goods. Otherwise, they have been entered among the costs for services (item B.7).

It should be noted that the non-recoverable VAT was incorporated into the purchase cost of the goods. Not only the costs of a certain amount resulting from invoices received from suppliers, but also those of an

estimated amount not yet documented, for which specific checks have been carried out, have been attributed to items B.6, B.7 and B.8.

It should be noted that, since the criterion of the classification of costs "by nature" must prevail, the provisions for risks and charges have been entered among the items of the management activity to which the transaction refers, other than items B.12 and B.13.

In particular, item B.7 also includes provisions relating to cyclical maintenance costs for € 22,868.

Overall, the production costs pertaining to the year ended 12/31/2019, net of returns, commercial discounts and rebates, amount to 111,291,165 euros.

Financial income and expenses

All the positive and negative components of the economic result for the year connected with the financial activity of the company, characterized by the operations that generate income, charges, capital gains and losses from sales, relating to securities, were recognized in class C of the income statement. equity investments, bank accounts, receivables recorded in fixed assets and loans of any kind, both active and passive, and profits and losses on exchange rates.

Financial income and charges have been recognized on an accruals basis.

Since the company has valued the following payables and receivables at amortized cost, sub-item C.16 d) "other financial income other than the above" includes the difference between the IRR (which represents the effective interest rate) of trade receivables over 12 months and the market rate, equal to 1,155 euros.

Composition of income from participation

	Income other than dividends
From subsidiaries	0
From affiliated companies	0
From parent companies	0
From companies subject to the control of parent companies	0
From others	0
Total	0

Breakdown of interest and other financial charges by type of debt

Interest and other financial charges are entered under item C.17 of the income statement on the basis of the amount accrued in the year net of the related deferrals.

Since the company has valued the following payables and receivables at amortized cost, sub-item C.16 d) "other financial charges other than the above" includes the difference between the IRR (which represents the effective interest rate) of trade receivables beyond 12 months and the market rate, equal to euro 0.

In compliance with the provisions of art. 2427 c. 1 n. 12 of the Italian Civil Code, the details are provided, based on their origin, of the interest and financial charges recorded under item C.17 of the Income Statement

	Interest and other financial charges
Bonds	0
Debts to banks	15.818
Other	1.703
Total	17.521

Details of the net gains / losses recorded under item C.17-bis of the income statement are provided for € 248,294

Description	31/12/2019	31/12/2018
Commercial profits during the year	157.788	102.310
Profits on loans made during the year	0	0
Commercial losses during the year	23.109	8.480
Losses on loans during the year	0	0
"Expected" profits from valuation	113.615	22.978
"Presumed" losses from valuation	0	0
Risks from changes	0	0
Total profits and losses from changes	248.294	116.808

Value adjustments of financial assets and liabilities

The company has not made any write-downs or revaluations or reinstatement of the value of financial assets and liabilities

Amount and nature of the individual elements of revenue / cost of exceptional size or incidence

Profit	Amount
	0
Total	0
Cost	Amount
	0
Total	0

Income taxes, current, deferred and prepaid

This item includes direct taxes for the year in question or for previous years. The item also includes the positive (or negative) difference between the amount due following the settlement of a dispute (or an assessment) compared to the value of the provision set aside in previous years.

Direct taxes

Taxes are recognized according to the accrual principle; therefore represent:

- current taxes to be paid for the year determined according to the rates and regulations in force, including penalties and accrued interest relating to the year in question;
- taxes relating to previous years, for example resulting from registrations in the role, liquidation and assessment / adjustment notices and other litigation situations, including penalties and accrued interest, as well as the positive (or negative) difference between the amount due following the settlement of the dispute with respect to the value of the provision set aside in previous years;
- the amount of deferred taxes in relation to temporary differences that arose or canceled in the year or in previous years;
- adjustments to deferred tax balances to take into account changes in tax rates / the establishment of new taxes that occurred during the year.

Temporary differences and recognition of deferred tax assets and liabilities

Considering that the financial statements must be drawn up in compliance with the principle of the economic competence of costs and revenues, regardless of the moment in which the financial manifestation takes place, deferred taxation was recognized as income taxes and " IRAP have the nature of charges incurred by the company in producing the economic result and, consequently, are similar to other costs to be accounted for, in compliance with the principles of competence and prudence, in the year in which the costs and the revenues to which these deferred taxes refer.

For IRES purposes, art. 83 of the D.P.R. 917/86 provides that business income is determined by making increases and decreases to the economic result for the year to adapt the assessments applied when drafting the financial statements to the various criteria for determining the total taxed income. These different criteria for determining the statutory result on the one hand and the taxable income on the other, can generate differences. Consequently, the amount of taxes due, determined in the tax return, may not coincide with the amount of income taxes for the year.

The IRAP regulations also contemplate cases in which the determination of the taxable base is obtained by making increases and decreases in the positive and negative components of the financial statements which are in the nature of temporary differences and therefore require the recognition of deferred tax assets or liabilities.

In the preparation of these financial statements, only temporary differences have been taken into account which consist of the difference between the civil and tax assessments that arose during the year and which are destined to cancel out in subsequent years.

In application of the aforementioned principles, the taxes which, although pertaining to future years, are due with reference to the current year (prepaid taxes) and those which, although pertaining to the year, will only be due in future years (deferred taxes).

It should be noted that the registration of deferred taxation took place in accordance with the provisions of national accounting standards and, consequently, in compliance with the principle of prudence.

Assets deriving from prepaid taxes have been recognized as there is reasonable certainty of the existence, in the financial years in which the temporary deductible differences that led to the recognition of prepaid taxes, of a taxable income not lower than the amount of the differences that will be canceled.

Deferred tax liabilities were recognized as taxable temporary differences arose in relation to which there are well-founded reasons to believe that this debt arises.

The deferred taxation was calculated on the basis of the tax rates that are expected to be applicable in force in the year in which the temporary differences will reverse. These rates are those envisaged by the tax legislation in force at the reference date of these financial statements.

Consequently:

- in the assets of the balance sheet, in the sub-class "CII - Credits", under item "5 ter - prepaid taxes" (without any separation of the amounts due within and beyond the following year) the amounts of deferred tax assets and the deferred tax assets allocated in previous years relating to those differences that were canceled during the year in question have been reabsorbed;

- in the liabilities of the balance sheet in the sub-class "B - Provisions for risks and charges", under item "2 - for taxes, including deferred", the deferred tax liabilities whose collection seems probable have been recorded and the deferred taxes allocated in previous years relating to those differences that were canceled during the year in question;

- in the income statement under item "20 - Income taxes for the year, current, deferred and prepaid", the taxes relating to deferred taxes have been allocated and reabsorbed in the following respective amounts:

Current taxes	610.393
Previous years taxes	10.368
IRES Tax	21.753
IRAP Tax	0
Re-absorption of deferred IRES taxes	0
Re-absorption of deferred IRAP taxes	0
Total deferred taxes	21.753
IRES pre paid taxes	60.035
IRAP pre paid taxes	0
Re-absorption of prepaid IRES taxes	0
Re-absorption of prepaid IRAP taxes	0
Total prepaid taxes	-60.035
Income (charges) from joining the consolidated tax / tax transparency	0
Total taxes (20)	582.479

The following table shows the values assumed by the deferred tax fund and the deferred tax assets of the current year compared with those of the previous year:

Balance sheet description	Esercizio corrente	Esercizio precedente
IRES	27.268	5.515
IRAP	0	0
Total	27.268	5.515
IRES Deferred tax assets	155.309	95.274
IRAP Deferred tax assets	0	0
Total	155.309	95.274

The following tables show, in detail, the temporary differences that resulted in the recognition of deferred and prepaid taxes in the current and previous years, with details of the rates applied. Due to the specificity of the IRAP rules on taxability and deductibility, in determining the tax burden on temporary differences, separate calculations were carried out.

Statement of deferred and prepaid taxes and consequent effects - Current year				
	Amount of temporary IRES differences	Tax effect of IRES rate 24%	Amount of temporary IRAP differences	Tax effect of the IRAP rate 3.9%
Deductible temporary differences				
Prepaid taxes				
1. plant and expansion costs	0	0	0	0
2. development costs	0	0	0	0
3. intangible assets	0	0	0	0
4. startup	0	0	0	0
5. multi year charges	0	0	0	0
6. instrumental buildings	0	0	0	0
7. plants and machinery	0	0	0	0
8. other material assets	0	0	0	0
9. Manufactured leasing	0	0	0	0
10. Leasing plants and machinery	0	0	0	0
11. Leasing other material assets	0	0	0	0
12. Credit devaluation	250.144	60.035	0	0
13. Down p. ciclical work	0	0	0	0
14. Down p restoration and replacement costs	0	0	0	0
15. Down p prize competition operations	0	0	0	0
16. Down p deductible taxes	0	0	0	0
17. Down p other funds	0	0	0	0
18. Maintenance costs	0	0	0	0
19. Remuneration of directors	0	0		
20. Non-deductible interest expense	0	0		
21. non paid taxes	0	0	0	0
22. Tax losses reported	0	0		
23. Other non-deductible costs	0	0	0	0
Total temporary differences	250.144		0	
Totale imposte anticipate (A)		60.035		0
Temporary taxable differences				
Deferred taxes				
1. Capital gains	0	0		
2. art. 88 c2 Contingencies	0	0		

3. art. 88 c3 b) Contingencies	0	0	0	0
4. Other profits	0	0	0	0
Total temporary differences	0		0	
(B) Total deferred taxes		0		0

Diferred taxes (prepaid) net (B-A)	-60.035			0
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Prepaid taxes for operating losses (Article 2427, paragraph 1, point 14, letter b)

Prepaid taxes relating to fiscal losses for the year	0			
Prepaid taxes relating to fiscal losses for the prev. years	0	0		

Temporary differences excluded from the determination of (prepaid) and deferred taxes

1. Fiscal losses				
2. Exchange gains from estimates	90.637	21.753		
NET	90.637	21.753		

Statement of deferred and prepaid taxes and consequent effects - Previous year

	Amount of temporary IRES differences	Tax effect of IRES rate 24%	Amount of temporary IRAP differences	Tax effect of the IRAP rate 3.9%
Deductible temporary differences				
Prepaid taxes				
1. Plant and expansion costs	0	0	0	0
2. Development costs	0	0	0	0
3. intangible assets	0	0	0	0
4. Startup	0	0	0	0
5. multi year charges	0	0	0	0
6. instrumental buildings	0	0	0	0
7. plants and machinery	0	0	0	0
8. other material goods	0	0	0	0
9. Leasing manufactured goods	0	0	0	0
10. Leasing plants and machinery	0	0	0	0
11. Leasing other material goods	0	0	0	0
12. Credit devaluation	0	0	0	0
13. Down p ciclical work	0	0	0	0

14. Down p restoration	0	0	0	0
15. Down p for prize competitions operations	0	0	0	0
16. Down p deductible taxes	0	0	0	0
17. Down p other funds	0	0	0	0
18. Maintenance costs	0	0	0	0
19. Remuneration of directors	0	0		
20. Non-deductible interest expense	0	0		
21. Unpaid taxes	0	0	0	0
22. Fiscal losses	0	0		
23. Other non-deductible costs	0	0	0	0
Total temporary differences	0		0	
(A) Total prepaid taxes		0		0
Temporary taxable differences				
Deferred taxes				
1. Capital gains	0	0		
2. art. 88 c2 Contingencies	0	0		
3. art. 88 c3 b) Contingencies	0	0	0	0
4. Other profits	0	0	0	0
Total temporary differences	0		0	
Total deferred taxes (B)		0		0
Deferred taxes (prepaid) net (B-A)		0		0
Prepaid taxes for operating losses (Article 2427, paragraph 1, point 14, letter b)				
Prepaid taxes relating to fiscal losses for the year	0			
Previous Prepaid taxes relating to fiscal losses for the years	0	0		
Temporary differences excluded from the determination of (prepaid) and deferred taxes				

1. Tax losses that can be carried forward				
2. Exchange gains from estimates	22.978	5.515		
NET	22.978	5.515		

Information on tax losses

	Current year	Previous year
	Amount	Amount
Fiscal losses		
Of the year	0	0
Of previous years	0	0
Total fiscal losses	0	0
Tax losses carried forward recoverable with reasonable certainty	0	0

Determination of taxes for the year

Based on the so-called "Principle of reinforced derivation" referred to in art. 83, paragraph 1, of the TUIR, which gives fiscal relevance to the accounting representation of income and equity components based on the criterion of the prevalence of substance over form envisaged by national accounting standards, the company has applied some provisions envisaged for IAS-adopters, best identified by the DM 3 August 2017 (hereinafter D.M.).

In particular, in determining the taxes charged for the year allocated in the financial statements:

- the rules contained in art. 109, paragraphs 1 and 2, of the T.U.I.R. ; in this way, the identification of the fiscal competence of the income components has been fully entrusted to the correctly applied accounting rules, moreover the certainty of the existence and the objective determinability of the relative amounts have been found on the basis of the criteria established by the accounting principles adopted by the company , subject to the provisions of the DM which avoid the generalized deduction of costs that are still uncertain or in any case estimated;
- the recognition for IRES purposes of the recognition in the balance sheet of securities, credits and debts occurred at a different value from the nominal value due to the application of the amortized cost criterion with discounting. In relation to credits, the income components accounted for were not compared with the 0.50% deductibility ceiling provided for by art. 106 of the T.U.I.R. ;
- the accounting criteria adopted did not generate double deductions or double taxation;
- for IRAP purposes, the components charged directly to shareholders' equity are recognized in the same way as those recorded in the income statement and having the same nature;
- the tax deductibility of the provisions recorded in the financial statements pursuant to accounting principle OIC 31, where, even if classified under ordinary cost items, they have been treated in compliance with the provisions of art. 107, paragraphs 1 to 3, of the T.U.I.R. ;
- the concept of the instrumentality of the property, on which the deductibility of the depreciation allocated in the financial statements depends, has remained anchored in the provisions of art. 43 of the T.U.I.R. ..

The payables for IRES and IRAP for the year, recorded under item D.12 of the liabilities in the balance sheet, are indicated to an extent corresponding to the respective amounts recognized in item E.20 of the income statement, relating to the year ended 12/31/ 2019, taking into account the tax return and the IRAP return that the company must submit within the deadline established by the regulations in force.

Determination of taxes for the year

The payable for IRES and IRAP, recorded under item D.12 of the liabilities of the balance sheet, was indicated in an amount corresponding to the respective amount recognized in item E.20 of the income statement, relating to the year ended 31/12/2019, taking into account the tax returns that the company must submit.

Explanatory note, financial statement

The report allows you to evaluate:

to. the cash and cash equivalents produced / absorbed by operating activities and the methods of use / hedging;

b. the company's ability to meet short-term financial commitments;

c. the company's ability to self-finance.

The cash flows presented in the cash flow statement derive from operating activity, investment activity and financing activity. The algebraic sum of the aforementioned cash flows represents the increase or decrease in cash and cash equivalents that occurred during the year.

Cash flows from operating activities include flows deriving from the acquisition, production and distribution of goods and the provision of services and other flows not included in the investment and financing activities.

The cash flow deriving from operating activities is determined with the indirect method, by which the profit (or loss) for the year, profit (or loss) before taxes, is adjusted to take into account all those changes, (depreciation of fixed assets, provisions for risks and charges, provisions for severance indemnities, write-downs for permanent losses in value, changes in inventories, changes in trade receivables and payables to suppliers, changes in accrued income and prepaid expenses / liabilities, capital gains or losses deriving from the sale of assets), which have the purpose of transforming the positive and negative components of income into receipts and payments (i.e. changes in cash).

The cash flow deriving from operating activities was determined using the direct method, directly highlighting the gross positive and negative cash flows deriving from the activities included in the operating activity, in other words, the cash flow is broken down into the main categories of payments and gross receipts.

The financial flows of investment activities include the flows deriving from the purchase and sale of tangible, intangible and financial assets and non-fixed financial assets. The main receipts or payments deriving from the investment activity were therefore represented separately, distinguishing them according to the different classes of fixed assets (intangible, tangible and financial).

The cash flows of the financing activity include the flows deriving from the obtaining or repayment of liquid assets in the form of risk capital or debt capital, therefore the main categories of receipts or payments deriving from the activity have been represented separately. financing, distinguishing the financial flows deriving from risk capital and debt capital.

Explanatory note, other information

With reference to the financial year ended 31/12/2019, this section of the Explanatory Note provides, according to the articulation of the XBRL taxonomy and in compliance with the provisions of art. 2427 C.C. as well as other legal provisions, the following information:

- Employment data
- Remuneration, advances and credits granted to directors and statutory auditors and commitments undertaken on their behalf
- Remuneration of statutory auditor or auditing company
- Categories of shares issued by the company
- Securities issued by the company
- Information on other financial instruments issued by the company
- Commitments, guarantees and potential liabilities not resulting from the balance sheet
- Information on assets and loans intended for a specific business
- Information on transactions with related parties
- Information on agreements not resulting from the balance sheet
- Information on significant events occurring after the end of the financial year
- Companies that draw up the consolidated financial statements of the largest / smallest set of companies to which it belongs as a subsidiary
- Information relating to derivative instruments pursuant to art. 2427-bis of the Italian Civil Code
- Summary statement of the financial statements of the company that exercises management and coordination
- Information relating to cooperatives
- Information on start-ups, including social ones, and innovative SMEs
- Information pursuant to art. 1, paragraph 125, of law no. 124
- Proposal for the allocation of profits or coverage of losses

Furthermore, it should be noted that the following additional information was provided in the final comment to this section of the Explanatory Notes:

- Any significant effects of changes in exchange rates occurring after the end of the financial year (Article 2427 paragraph 1 6-bis of the Italian Civil Code)
- Prospectus and information on revaluations
- Reserves and funds to be subject to taxation if distributed
- Equity investments involving unlimited liability

Employment data

Average number of employees broken down by categories (art. 2427 c. 1 no. 15 CC)

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

	Average number
Managers	1
Quadri	7
Employees	139
Workers	137
Other employees	22
Total employees	306

Collaboration relationships organized by the client

In determining the number of employees employed, the collaboration relationships organized by the client, governed by Legislative Decree no. 81/2015.

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

Total amount of the remuneration, advances and credits granted to directors and statutory auditors and of the commitments undertaken on their behalf (art. 2427 c. 1 no. 16 CC)

The remuneration due, the advances and credits granted to the Directors and Statutory Auditors during the year in question, as well as the commitments undertaken on their behalf as a result of guarantees of any kind given, are shown in the following table:

	Directors	Mayors
Compensation	0	37.226
Advances	0	0
Credits	0	0
Commitments made on their behalf due to guarantees given	0	0

Remuneration to the statutory auditor or auditing company

Fees due for statutory audit, other verification services, tax consultancy and other services (Article 2427 c. 1 n. 16-bis of the Italian Civil Code)

The fees paid to the Board of Statutory Auditors for the services provided pursuant to art. 2427 n. 16-bis of the Italian Civil Code result from the following table:

	Value
Statutory audit of annual accounts	7.500
Other verification services performed	0

	Value
Tax advisory services	0
Other services other than auditing	0
Total fees due to the statutory auditor or auditing company	7.500

Categories of shares issued by the company

Number and nominal value of each category of company shares and of the new shares subscribed (art. 2427 c. 1 n. 17 CC)

No information in this regard as the company is incorporated in the legal form of a Limited Liability Company (S.r.l.)

Securities issued by the company

Entitlement shares, bonds convertible into shares, securities or similar values issued by the company (art. 2427 c. 1 n. 18 CC)

The company has not issued dividend rights, convertible bonds, securities or other similar values.

	Number	Rights attributed
Shares of enjoyment	0	0
Convertible bonds	0	0
Warrants	0	0
Options	0	0
Other titles or similar values	0	0

Details on other financial instruments issued by the company

Number and characteristics of the other financial instruments issued by the company (art. 2427 c. 1 n. 19 CC)

The company has not issued any type of financial instrument.

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

Commitments

The commitments not resulting from the balance sheet represent obligations undertaken by the company towards third parties with certain mandatory effects, but not yet executed.

With these assumptions there is nothing to report.

Guarantees

The guarantees not resulting from the balance sheet include guarantees given by the company, ie guarantees issued by the company with reference to an obligation of its own or of others.

The guarantees given by the company include both personal guarantees and real guarantees.

Personal guarantees are understood to mean the guarantee obligations provided by the company with reference to a certain relationship which require the guarantor to respond indiscriminately with his own assets.

With these assumptions, the company has not directly contracted any guarantee obligation, but has made use of some credit, financial or insurance institutions which, for consideration, have issued, on behalf of the company itself, sureties in favor of third parties subject to in order to guarantee the latter for contractual or administrative commitments of various kinds.

It should be noted that the enforcement of the financial subjects who issued the sureties would take place only and exclusively in the hypothesis, not recorded at the date of preparation of the financial statements, of contractual or administrative default. Only upon the occurrence of this event would the issuing financial entities have the right to recourse against the company.

In this regard, it is believed that the risks deriving from the aforementioned guarantees are remote and insignificant and that, consequently, no patrimonial, financial and economic effect will occur.

In any case, for the purposes of further information, these guarantees are indicated:

UNICREDIT		FIDO	€ 6.100.000,00	
CLIENT	DESCRIPTION	AMOUNT	START DATE	ENDING DATE
M+W CENTRAL EUROPE GMBH	Balance 27/05/2019	€ 530.000	05/07/2016	INDET
OMV PETROM SA	PERFORMANCE BOND - Site: Barbuncesti	€ 237.000	10/08/2017	07/02/2032
SIR INDUSTRIALE SPA	WARRANTY BOND	€ 81.000	17/06/2019	09/05/2021
SACCIR SPA	PERFORMANCE BOND - Site: Presidio ospedaliero San Filippo Neri Roma	€ 420.000	19/08/2019	28/02/2020
TOTAL		€ 1.268.000		
BANCA INTESA		TRUST	€ 5.000.000,00	
CLIENT	DESCRIPTION	AMOUNT	START DATE	END DATE
AGRAFERM GMBH	ADVANCE PAYMENT BOND	€ 103.065	18/06/2019	31/12/2019
AGRAFERM GMBH	ADVANCE PAYMENT BOND	€ 206.564	23/09/2019	31/12/2019
AGRAFERM GMBH	ADVANCE PAYMENT BOND	€ 516.410	08/10/2019	31/12/2019
JMP FLOWERS POWER SP ZOO	ADVANCE PAYMENT BOND	€ 113.028	31/10/2019	30/04/2020

EGGERSMANN ANLAGENBAU CONCEPT GMBH	ADVANCE PAYMENT BOND	€ 144.000	02/12/2019	02/09/2020
TOTAL €		€ 1.083.067		
BANCA NAZIONALE DEL LAVORO		TRUST	€ 5.000.000,00	
CLIENT	DESCRIPTION	AMOUNT	START DATE	END DATE
NOVA IGUACU ENERGIA E GAS RENOVAVEL LTDA	WARRANTY BOND	€ 458.094	20/02/2019	30/10/2020
SAS METHAJOULE	ADVANCE PAYMENT BOND	€ 135.000	05/07/2019	31/01/2020
TOTAL		€ 593.094		
TOTAL BANK GUARANTEES		€ 2.944.161,00		

Contingent liabilities

Contingent liabilities represent liabilities connected to situations already existing at the balance sheet date, but with a pending outcome as they will be resolved in the future, the amount of which cannot be determined except in a random and arbitrary manner.

With these assumptions there is nothing to report.

	Amount
Commitments	0
Guarantees	0
Contingent liabilities	0

Information on assets and loans for a specific business

Assets intended for a specific business (art. 2427 c. 1 n. 20 of the Italian Civil Code)

The company has not set up assets intended for a specific business.

Loans intended for a specific business (art. 2427 c. 1 n. 21 C.C.)

The company has no loan agreements for a specific business at the end of the financial year in question.

Information on transactions with related parties

Transactions carried out with related parties (art. 2427 c. 1 n. 22-bis of the Italian Civil Code)

In order to ensure compliance with the legislative provisions and, in particular, with the provisions of Legislative Decree 3/11/2008 n. 173 regarding corporate disclosure regarding transactions with related

parties, the company, in the financial year ended 31/12/2019, it defined the criteria for identifying the transactions concluded with the aforementioned related parties.

The transactions in question were usually carried out under conditions similar to those applied for transactions concluded with independent third parties. The transactions were carried out on the basis of evaluations of mutual economic convenience as well as the definition of the conditions to be applied was carried out in compliance with fairness.

The types of related parties, significant for the company, include:

- the subsidiaries;
- associated companies;
- directors and senior management of key management personnel;
- close family members of key management personnel and companies controlled by (or associated with) key management personnel or their close relatives;
- pension funds for the benefit of employees.

In this regard, it should be noted that during the year ended 31/12/2019 no atypical and / or unusual transactions were carried out which, due to their significance and / or relevance, could give rise to doubts regarding the safeguarding of company assets and protection of shareholders / minority shareholders, neither with related parties nor with subjects other than related parties.

Remuneration of key management personnel

Information on key management personnel remuneration is provided below, specifying that close family members of a person are considered to be those family members who are expected to influence, or be influenced by, the person concerned in their dealings with the entity. They may include:

- a. the partner and the children of the subject;
- b. the children of the partner;
- c. dependents of the subject or cohabitant.

	Short term benefits	Post employment benefits	Other long term benefits	Indemnity for termination of the relationship
Directors	0	0	0	0
Managers	0	0	0	0
Close relatives	0	0	0	0

Information on agreements not resulting from the balance sheet

Nature and economic purpose of agreements not resulting from the balance sheet (art. 2427 c. 1 n. 22-ter of the Italian Civil Code)

There are no agreements not resulting from the balance sheet with the requisites referred to in no. 22-ter of art. 2427 C.C.

Information on significant events occurring after the close of the year

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

After the end of the year, no significant events were found that could be illustrated in these explanatory notes.

The only mention is provided regarding the Covid-19 Pandemic.

In order to provide adequate information to the financial statements for the year ended 31/12/2019, the estimates of the effects that the serious epidemiological situation could have on the equity, financial and economic situation of the company are shown below.

It is unfortunately evident to everyone that the pandemic emergency of Covid-19, in addition to the devastating human and social effects, is producing serious and inevitable negative impacts on the socio-economic fabric of the entire country. The damage at the production level that is emerging risk putting a strain on the resilience of most companies.

As is known, the health emergency emerged in Italy towards the end of February 2020 and was declared a world pandemic on 11 March by the WHO, thus placing itself among those "significant events" that occurred after the closure of the financial year which must be illustrated in the explanatory notes.

During the first months of 2020, the Italian and world economies experienced a persistent and growing slowdown caused by the negative effects of the "coronavirus" which forced government bodies to suspend all those activities not considered indispensable to tackle the growing pandemic.

Specifically, our company is included among those suspended by the provisions issued by the Presidency of the Council of Ministers and by the Ordinances of the Lombardy Region.

On the basis of the evidence currently available, the scenarios that are emerging, the uncertainties, the times and the ways in which it will be possible to get out of this serious crisis which has, among other things, considerably compromised the entire socio-economic fabric in Italy and worldwide, it is considered impossible to estimate with an acceptable approximation the effects that the pandemic will have, in the medium-long term, on the economic, equity and financial situation of the company.

In this context, it seems appropriate to also emphasize the fact that the company has long ago revised and improved its organizational, administrative and accounting system in order to make it suitable for monitoring the company's economic and financial balance.

In light of the foregoing, it is considered appropriate to specify that the events that occurred between the end of the financial year and the date of formation of these financial statements have not affected the assumption of business continuity provided for by accounting standard OIC 19.

Therefore, as already mentioned above, the assessment of the balance sheet items was made in the perspective of the continuation of the activity.

Companies that draw up the financial statements of the largest / smallest set of companies to which it belongs as a subsidiary

	Greater together
Company name	AB Holding Spa
City (in Italy) or foreign country	Orzinuovi, BS
Fiscal code (for Italian companies)	02243290984

	Greater together
Luogo di deposito del bilancio consolidato	Registro delle Imprese di Brescia

Information relating to derivative financial instruments pursuant to art. 2427-bis of the Civil Code

Information relating to the fair value of derivative financial instruments (Article 2427-bis paragraph 1 No. 1 of the Italian Civil Code)

At the end of the financial year, no derivative financial instruments were used, nor were financial instruments having the requirements of derivatives separated from the company contracts

Summary statement of the financial statements of the company that exercises management and coordination

Information on the company or entity that exercises management and coordination activities (Article 2497-bis of the Italian Civil Code)

The company is subject to the management and coordination by the company "AB Holding SpA", with headquarters in Orzinuovi (Bs) in via Caduti del Lavoro n. 13, registered with the Brescia Business Register under no. 02243290984, which, by virtue of the control of the company pursuant to article 2359 of the Italian Civil Code, achieved through the possession of a share capital of the same equal to 80%, gives the company an orientation activity, influencing the decisions taken by same.

For the purposes of greater transparency regarding the size of the assets placed to protect the creditors and other shareholders of the company, in the event that the management and coordination of the company "AB Holding SpA" causes damage to the integrity of the equity of the company, or the profitability and value of the shareholding, below is a summary table of the essential data of the last approved financial statements of the parent company and referring to the year ended 31 December 2018.

Summary statement of the balance sheet of the company that manages and coordinates

	Last year	Previous year
Date of the last approved financial statements	31/12/2018	31/12/2017
A) Receivables from shareholders for payments still due	0	0
B) Fixed assets	56.352.594	51.007.055
C) Current assets	44.034.898	20.501.489
D) Prepayments and accrued income	194.204	113.809
Total	100.581.696	71.622.353
A) Patrimony net		
Share capital	6.000.000	6.000.000
Reserve	55.835.403	37.452.171

	Last year	Previous year
Profit (loss) for the year	23.896.451	18.383.231
Total net patrimony	85.731.854	61.835.402
B) Provisions for risks and charges	6.639.866	5.060.907
C) Employee severance indemnity	1.049.793	837.677
D) Debts	7.159.943	3.887.779
E) Accrued liabilities and deferred income	240	588
Total liabilities	100.581.696	71.622.353

Summary statement of the income statement of the company that exercises management and coordination

	Last year	Previous year
Date of the last approved financial statements	31/12/2018	31/12/2017
A) Value of production	8.674.134	7.290.449
B) Cost of production	8.681.867	7.212.767
C) Financial income and expenses	25.634.532	19.262.522
D) Value adjustments to financial assets	(1.578.958)	(922.310)
Income taxes	151.393	34.663
Profit (loss) for the year	23.896.451	18.383.231

It should be noted that the company AB Holding Spa which exercises management and coordination activities has drawn up the consolidated financial statements for the year ended 12/31/2018.

Information relating to startups, including social ones, and innovative SMEs

Research and development

The company does not meet the requirements:

- in the 2nd paragraph, lett. h), 1, of art. 25 of the D.L. 179/2012;
- in art. 4, paragraph 1, lett. e) 1), of the D.L. 3/2015

Information pursuant to art. 1, paragraph 125, of law no. 124

Paragraphs 125-bis and 127 - "Non-general" economic benefits received

It is acknowledged that, during the year in question, the company did not receive (or in any case received amounts not exceeding € 10,000) from Public Administrations and / or from subjects referred to in the first period of paragraph 125-bis and 127, of art. 1, of Law 124/2017, grants, subsidies, advantages, contributions or aids, in cash or in nature and in any case economic advantages, without a consideration, remuneration or compensation nature and not of a general nature.

It should be noted that the benefits deriving from:

o investments in Research and Development pursuant to art. 3 Legislative Decree 23/12/2013, n. 145;

o contribution for the "high oil" - refund of excise duties

as it is of a general nature therefore addressed to all taxpayers.

Other useful information

In addition to completing the information required by art. 2427 of the Italian Civil Code, further mandatory information on the basis of legal provisions, or complementary ones, is also provided below, in order to provide a true and correct representation of the equity, financial and economic situation of the company.

List of revaluations carried out

No revaluation.

Reserves and funds to be subject to taxation if distributed

Statement of reserves and other funds present as at 31/12/2019

Shareholders' equity includes the following items:

Reserves or other funds which, in the event of distribution, contribute to forming the company's taxable income, regardless of the period of formation

Reserves	Value
Revaluation reserve pursuant to law no. 72/1983	0
Revaluation reserve pursuant to law no. 576/1975	0
Revaluation reserve L. 342/2000	0
Revaluation reserve Law 2/2009	0
Revaluation reserve L. 147/2013	0

Reserves or other funds which, in the event of distribution, do not contribute to forming the taxable income of the shareholders regardless of the period of formation

Reserves	Valore
Shareholder payments in share capital	0
Transformation reserve	0
Share premium reserve	0

Reserves incorporated in the share capital

Reserves or other funds incorporated in the share capital which, in the event of distribution, contribute to form the company's taxable income, regardless of the period of formation for the free share capital increase.

Reserves	Value
Optional reserve	948.000

The free share capital increase operation took place during the financial year ended 31/12/2002.

Pursuant to the provisions of art. 2361 paragraph 2 of the Italian Civil Code, it should be noted that the company has not taken on equity investments involving unlimited liability in other companies.

Proposal to allocate profits or to cover losses

Proposal for the allocation of the profit for the year

Based on the foregoing, it is proposed to allocate the profit for the year, amounting to a total of € 2,733,667.37 (euro cent) as follows:

- provision to the reserve from net profit on exchange rates from estimates, pursuant to art. 2426, n. 8-bis of the Italian Civil Code, equal to 90,636.53 euros;
- provision to the optional reserve for the residual amount, equal to € 2,643,030.84.

For the Board of Directors

Baronchelli Angelo