# 2023
Annual Report

Host

Qboxmail

Vola

NetResults

Cerbeyra

Nextup

vianova
simplify your business communications

Vianova spa
Via di Montramito 431/a - 55054 Massarosa (LU) Italy
Share capital Euro 11,000,000.00 fully paid up - VAT Number and Tax Code 01059440469
Company Register no. 01059440469 – Economic and Administrative Index Lucca no. 115789

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# Contents

# Shareholders and Corporate Bodies

| Shareholders | % |
|---|---|
| 800 srl | 34,98796 |
| Libra srl | 34,98796 |
| Tamburi Investment Partners spa | 17,03583 |
| Bolognini Holding srl | 4,10122 |
| Gallico Holding srl | 4,10122 |
| Spring srl | 4,10122 |
| MD Investimenti srl | 0,65620 |
| Other Shareholders | 0,02840 |

| Board of Directors | Role |
|---|---|
| Stefano Luisotti | Chairman and Chief Executive Officer |
| Claudio Berretti | Director |
| Giovanni Luisotti | Director |
| Marco Bolognini | Director |
| Marco D'Ascoli | Director |
| Massimo Di Puccio | Director |
| Nicola Gallico | Director |

| Board of Statutory Auditors | Role |
|---|---|
| Andrea Mariani | Chairman |
| Simone Sartini | Statutory Auditor |
| Sergio Maffei | Statutory Auditor |
| Nunzio Stroscio | Alternate Auditor |
| Riccardo Cima | Alternate Auditor |

| Supervisory Body - Legislative Decree 231/01 | Role |
|---|---|
| Michele Giordano | Chairman |
| Andrea Marraccini | Member |
| Laura Giunti | Member |

| Auditing Firm | Assignment |
|---|---|
| KPMG spa | External Audit |
| DNV | Quality Management System (ISO 9001:2015) |
| DNV | Information Security Management System (ISO 27001:2013, ISO 27017:2015 and ISO 27018:2019) |

# Directors’ Report on Operations

Dear Shareholders,
the Vianova Group opted to present the Directors’ Report on Operations of the Parent Company and the Consolidated Directors’ Report on Operations in a single document.
The Consolidated Financial Statements for the year ended 31 December 2023 show revenue and other operating income of Euro 81,964,250, an increase of 9.4% compared to the previous year. The statement of profit or loss closed with a net profit of Euro 12,362,592, an increase of 15.9% on the previous year.
2023 was the Company’s 15th consecutive year of growth.

| **Statement of profit or loss** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total revenue and other operating income** | **74,891** | **100** | **81,964** | **100** | **+9.4** |
| EBITDA | 20,422 | 27.3 | 22,685 | 27.7 | +11.1 |
| EBIT | 13,335 | 17.8 | 15,220 | 18.6 | +14.1 |
| EBT | 13,326 | 17.8 | 15,727 | 19.2 | +18.0 |
| Group net result | 10,426 | 13.9 | 12,036 | 14.7 | +15.4 |
| Net result of minority interests | 242 | 0.3 | 327 | 0.4 | +35.0 |
| **Net result** | **10,668** | **14.2** | **12,363** | **15.1** | **+15.9** |

88% of revenue and other operating income were attributable to the Parent Company.

| **Statement of Financial Position** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total Assets** | **85,106** | **100** | **93,195** | **100** | **+9.5** |
| Non-current assets | 32,740 | 38.5 | 34,459 | 37.0 | +5.3 |
| Current assets | 52,366 | 61.5 | 58,736 | 63.0 | +12.2 |
| **Total shareholders’ equity and liabilities** | **85,106** | **100** | **93,195** | **100** | **+9.5** |
| Consolidated Equity | 44,904 | 52.8 | 51,567 | 55.3 | +14.8 |
| Non-current liabilities | 12,997 | 15.3 | 14,530 | 15.6 | +11.8 |
| Current liabilities | 27,205 | 32.0 | 27,099 | 29.1 | -0.4 |

| **Statement of cash flows** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash flow from operations | 15,142 | 19,278 | +27.3 |
| Cash flow from investments | -8,387 | -24,357 | +190.4 |
| Cash flow from financial management | 2,340 | -5,856 | -350.3 |
| **Total cash flow** | **9,095** | **-10,935** | **-220.2** |
| **Closing cash and cash equivalents** | **33,966** | **23,031** | **-32.2** |

| **Net financial position** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash and cash equivalents | 27,722. | 16,443 | -40.7 |
| A) Adjustment for promissory notes maturing on 31/12 | 6,244 | 6,588 | +5.5 |
| **Closing cash and cash equivalents (pro forma)** | **33,966** | **23,031** | **-32.2** |
| Current financial assets | 0 | 17,074 | --- |
| Current financial payables | -1,764 | -1,791 | +1.5 |
| **Net current financial position (pro forma)** | **32,202** | **38,315** | **+19.0** |
| Non-current financial assets | 505 | 516 | +2.2 |
| Non-current financial payables | -8,453 | -9,959 | +17.8 |
| **B) Net financial position (pro forma)** | **24,254** | **28,872** | **+19.0** |
| **B - A) Net financial position** | **18,010** | **22,283** | **+23.7** |

In both fiscal years, the promissory notes subject to collection maturing on 31 December (holiday) were credited on January 2nd following banking regulations introduced in 2010, which provide for the credit to be postponed to the first business day following the maturity date. The amount of these promissory notes was therefore reclassified in the item “Cash and cash equivalents” and not in the item “Trade receivables”.

Below is a breakdown of Revenue and other operating income by type.

| **Revenue and other operating income** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Recurrent revenue from fees | 56,841 | 75.9 | 61,790 | 75.4 | +8.7 |
| Recurrent revenue from pay-per-use services | 11,634 | 15.5 | 11,448 | 14.0 | -1.6 |
| Revenues from sales of equipment and terminals | 991 | 1.3 | 2,033 | 2.5 | +105.3 |
| Revenues from software development for third parties | 1,394 | 1.9 | 1,695 | 2.1 | +21.6 |
| Revenues for access service activations | 1,687 | 2.3 | 1,682 | 2.1 | -0.3 |
| Capital gains on disposal of business units (1) | 0 | 0.0 | 836 | 1.0 | -- |
| Revenues from interconnection services | 685 | 0.9 | 629 | 0.8 | -8.1 |
| Contingent assets | 324 | 0.4 | 430 | 0.5 | +32.7 |
| Public grants | 584 | 0.8 | 397 | 0.5 | -31.9 |
| Own work capitalised | 0 | 0.0 | 374 | 0.5 | -- |
| Income from access and pay-per-use charges adjustments | 418 | 0.6 | 144 | 0.2 | -65.5 |
| Revenue from assistance and actions | 36 | 0.1 | 130 | 0.2 | +258.1 |
| Gains on disposal of non-current assets | 63 | 0.1 | 118 | 0.1 | +86.3 |
| Release of surplus funds | 18 | 0.0 | 35 | 0.0 | +93.7 |
| Revenue adjustments | -2 | 0.0 | -1 | 0.0 | -47.1 |
| Other revenue and income | 218 | 0.3 | 224 | 0.3 | +3.0 |
| **Total** | **74,890** | **100** | **81,964** | **100** | **+9.4** |

- Revenue growth mainly depends on the increase in the Customer base.
- The Group's business is not subject to seasonality events.
- (1)The gain relates to the sale of the SMS business unit finalised by the subsidiary Vola spa.
- The item Other revenues and income includes residual transactions not related to the core business of Group Companies.

## Group structure

Today, the Vianova Group is composed entirely of companies incorporated under Italian law, operating in the Telco and ICT sectors and providing services to businesses prevalently in Italy.
Equity investments were acquired, starting from 2006, as part of a strategy aimed at encouraging the expansion and integration of services provided by the Parent Company.
Some of the services and products produced by Group companies are intended to be integrated into the service offerings promoted by the Parent Company.

### Vianova spa (Parent Company)

Vianova is a convergent landline and mobile network operator fully dedicated to businesses, who stands out from the competition through quality of service and customer care.

Since 2007, the Company has been marketing a single integrated service offering, dedicated to businesses' needs and inspired by a policy of insourcing.
The platforms for all the services provided are *manufactured* by the development teams of Vianova and the Group companies, so as to integrate traditional Fixed and Mobile network access services with Hosting, Cloud, Cybersecurity and Collaboration services such as Mail, Meeting, Conference, Desk and Centrex.

The Company's growth during the year was entirely organic.

## Economic, equity and financial performance of Vianova spa

| Statement of profit or loss (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Operating revenue** | **69,119** | **100** | **72,348** | **100** | **+4.7** |
| ▪ of which organic revenue | 67,773 | 98.1 | 71,427 | 98.7 | +5.4 |
| ▪ of which other operating income | 1,346 | 1,9 | 921 | 1.3 | -31.7 |
| Variable costs | -28,387 | 41.1 | -29,552 | 40.8 | -4.1 |
| **Contribution margin** | **40,732** | **58.9** | **42,796** | **59.2** | **+5.1** |
| Fixed costs | -21,622 | 31.3 | -22,292 | 30.8 | -3.1 |
| **Gross operating margin (EBITDA)** | **19,110** | **27.6** | **20,504** | **28.3** | **+7.3** |
| Amortisation/depreciation | -6,510 | 9.4 | -6,357 | 8.8 | +2.4 |
| Provisions | -67 | 0.1 | -75 | 0.1 | -11.8 |
| **Operating income (EBIT)** | **12,533** | **18.1** | **14,072** | **19.5** | **+12.3** |
| Financial income | 79 | 0.1 | 884 | 1.2 | -- |
| Financial charges | -70 | 0.1 | -246 | 0.3 | -251.4 |
| Other income and expenses | 363 | 0.5 | 330 | 0.5 | -9.0 |
| **Profit before tax (EBT)** | **12,905** | **18.7** | 15,041 | 20.8 | +16.6 |
| Income taxes | -2,479 | 3.6 | -3,005 | 4.2 | -21.2 |
| **Result for the year (E)** | **10,425** | **15.1** | **12,036** | **16.6** | **+15.4** |

| Statement of Financial Position (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total Assets** | **77,715** | **100** | **85,395** | **100** | **+9.9** |
| Non-current assets | 31,623 | 40.7 | 33,361 | 39.1 | +5.5 |
| Current assets | 46,092 | 59.3 | 52,034 | 60.9 | +12.9 |
| **Total shareholders' equity and liabilities** | **77,715** | **100** | **85,395** | **100** | **+9.9** |
| Equity | 45,403 | 58.4 | 53,093 | 62.2 | +16.9 |
| Non-current liabilities | 8,597 | 11.1 | 8,514 | 10.0 | -1.0 |
| Current liabilities | 23,715 | 30.5 | 23,787 | 27.9 | +0.3 |

| Statement of cash flows (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash flow from operations | 14,158 | 18,167 | +28.3 |
| Cash flow from investments | -8,856 | -22,954 | +159.2 |
| Cash flow from financial management | 2,767 | -5,600 | -302.4 |
| **Total cash flow** | **8,069** | **-10,386** | **-228.7** |
| **Closing cash and cash equivalents** | **30,545** | **20,159** | **-34.0** |

| Net financial position (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash and cash equivalents | 24,301 | 13,600 | -44.0 |
| A) Adjustment for promissory notes maturing on 31/12/2023 | 6,244 | 6,558 | +5.0 |
| **Closing cash and cash equivalents (pro forma)** | **30,545** | **20,159** | **-34.0** |
| Current financial assets | 0 | 16,374 | -- |
| Current financial payables | -1,382 | -1,348 | -2.4 |
| **Net current financial position (pro forma)** | **29,164** | **35,185** | **+20.6** |
| Non-current financial assets | 505 | 516 | +2.2 |
| Non-current financial payables | -4,810 | -5,092 | +5.9 |
| **B) Net financial position (pro forma)** | **24,858** | **30,609** | **+23.1** |
| **B - A) Net financial position** | **18,614** | **24,050** | **+29.2** |

The promissory notes subject to collection expiring on 31 December 2023 (holiday) were credited on 2 January 2024 following the banking regulations introduced in 2010, which envisage the postponement of the crediting to the first business day following the expiry. The amount of these promissory notes, equal to euro 6,588,285, was therefore reclassified under "Cash and cash equivalents" and not under "Trade receivables", similar to what was reported in the previous fiscal year.

## Vola spa

The Company, based in Viareggio (LU), offers outsourced software development services and has implemented the Vianova Cloud and SMS services.
From 2021, "Cerbeyra", a proprietary platform for the delivery of Cybersecurity services, was also released.

Vianova holds 67.0% of the share capital of Vola spa.

Below is a summary of the main economic and financial data including the adjustments made, in compliance with international accounting standards, to the subsidiary's financial statements, prepared according to OIC standards, to which we refer for further details.

| **Statement of profit or loss** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total revenue and other operating income** | **2,697** | **100** | **3,362** | **100** | **+24.6** |
| ▪ of which core revenue | 2,654 | 98.4 | 2,518 | 74.9 | -5.1 |
| ▪ of which other operating income [1] | 43 | 1.6 | 843 | 25.1 | -- |
| EBITDA | 482 | 17.9 | 877 | 26.1 | +82.1 |
| EBIT | 434 | 16.1 | 526 | 15.7 | +21.4 |
| EBT | 426 | 15.8 | 512 | 15.2 | +20.1 |
| **Net result** | 306 | 11.3 | 271 | 8.1 | -11.3 |

| **Statement of Financial Position** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total Assets** | **2,913** | **100** | **3,027** | **100** | **+3.9** |
| Non-current assets | 792 | 27.2 | 703 | 23.2 | -11.2 |
| Current assets | 2,121 | 72.8 | 2,323 | 76.8 | +9.5 |
| **Total shareholders' equity and liabilities** | **2,913** | **100** | **3,027** | **100** | **+3.9** |
| Equity | 1,426 | 49.0 | 1,578 | 52.1 | +10.6 |
| Non-current liabilities | 565 | 19.4 | 927 | 30.6 | +64.0 |
| Current liabilities | 921 | 31.6 | 521 | 17.2 | -43.4 |

| **Statement of cash flows** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash flow from operations | 257 | -249 | -196.9 |
| Cash flow from investments | -30 | -175 | +476.8 |
| Cash flow from financial management | -76 | -223 | +192.3 |
| **Total cash flow** | **150** | **-647** | **-531.1** |
| **Closing cash and cash equivalents** | **1,312** | **665** | **-49.3** |

| **Net financial position** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash and cash equivalents | 1,312 | 665 | -49.3 |
| Current financial assets | 0 | 700 | -- |
| Current financial payables | -83 | -66 | -20.6 |
| **Net current financial position** | **1,229** | **1,299** | **+5.7** |
| Non-current financial assets | 0 | 0 | 0 |
| Non-current financial payables | -219 | -293 | +33.6 |
| **Net financial position** | **1,010** | **1,007** | **-0.4** |

(1) of which Euro 836 thousand for the sale of the SMS business unit

As at 31 December 2023, the Company's workforce consisted of 26 Employees.

## Host spa

Host, based in Turin, is a provider of domain hosting services with a proprietary platform aimed primarily at companies, which Customers can use in SaaS (Software as a Service) mode.
The offer includes Colocation services (through a proprietary Data Centre), Shared Hosting services, Cloud Hosting services, Dedicated Servers and services dedicated to Resellers and Web Agencies needing to manage hundreds of domains. The Company has implemented the Vianova Hosting service.

Vianova holds 51.0% of the share capital of Host spa.

Below is a summary of the main economic and financial data including the adjustments made, in compliance with international accounting standards, to the subsidiary's financial statements, prepared according to OIC standards, to which we refer for further details.

| **Statement of profit or loss** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total revenue and other operating income** | **2,629** | **100** | **3,025** | **100** | **+15.1** |
| ▪ of which core revenue | 2,537 | 96.5 | 2,971 | 98.2 | +17.1 |
| ▪ of which other operating income | 91 | 3.5 | 54 | 1.8 | -40.4 |
| EBITDA | 572 | 21.8 | 800 | 26.5 | +39.8 |
| EBIT | 233 | 8.9 | 359 | 11.9 | +53.7 |
| EBT | 232 | 8.8 | 360 | 11.9 | +55.3 |
| **Net result** | **217** | **8.2** | **343** | **11.3** | **+58.4** |

| **Statement of Financial Position** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total Assets** | **2,820** | **100** | **2,946** | **100** | **+4.5** |
| Non-current assets | 1,987 | 70.4 | 2,010 | 68.2 | +1.2 |
| Current assets | 834 | 29.6 | 936 | 31.8 | +12.3 |
| **Total shareholders' equity and liabilities** | **2,820** | **100** | **2,946** | **100** | **+4.5** |
| Equity | 1,052 | 37.3 | 1,286 | 43.7 | +22.2 |
| Non-current liabilities | 380 | 13.5 | 287 | 9.8 | -24.4 |
| Current liabilities | 1,388 | 49.2 | 1,373 | 46.6 | -1.1 |

| **Statement of cash flows** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash flow from operations | 425 | 714 | +67.9 |
| Cash flow from investments | -416 | -457 | +9.9 |
| Cash flow from financial management | -261 | -214 | -17.7 |
| **Total cash flow** | **-251** | **43** | **-116.9** |
| **Closing cash and cash equivalents** | **411** | **453** | **+10.4** |

| **Net financial position** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash and cash equivalents | 411 | 453 | +10.4 |
| Current financial payables | -225 | -117 | -48.0 |
| **Net current financial position** | **186** | **336** | **+81.2** |
| Non-current financial assets | 0 | 0 | 0 |
| Non-current financial payables | -180 | -77 | -56.9 |
| **Net financial position** | **6** | **259** | **--** |

As at 31 December 2023, the Company's workforce consisted of 18 Employees.

## NetResults srl

NetResults, based in Pisa, operates in the ICT sector and designs and deploys convergent telecommunication networks for Businesses, Service Providers, TLC Operators and Public Administrations and, in particular, is specialised in the design, development, implementation and testing of network components and devices.
The company contributed to create the Centrex (Cloud PBX service) and Desk (Desktop Sharing service) platforms.

Vianova holds 70% of the share capital of NetResults srl.

Below is a summary of the main economic and financial data including the adjustments made, in compliance with international accounting standards, to the subsidiary's financial statements, prepared according to OIC standards, to which we refer for further details.

| **Statement of profit or loss** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total revenue and other operating income** | **2,554** | **100** | **2,605** | **100** | **+2.0** |
| ▪ of which core revenue | 2,132 | 83.5 | 2,182 | 83.8 | +2.4 |
| ▪ of which other operating income | 422 | 16.5 | 423 | 16.2 | +0.2 |
| EBITDA | 190 | 7.4 | -6 | -0.2 | -102.9 |
| EBIT | 37 | 1.5 | -74 | -2.9 | -299.4 |
| EBT | 18 | 0.7 | -121 | -4.6 | -774.3 |
| **Net result** | **1** | **0.0** | **-124** | **-4.8** | **--** |

| **Statement of Financial Position** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total Assets** | **3,362** | **100** | **3,348** | **100** | **-0.4** |
| Non-current assets | 680 | 20.2 | 1,108 | 33.1 | +63.0 |
| Current assets | 2,682 | 79.8 | 2,240 | 66.9 | -16.5 |
| **Total shareholders' equity and liabilities** | **3,362** | **100** | **3,348** | **100** | **-0.4** |
| Equity | 1,031 | 30.7 | 897 | 26.8 | -13.0 |
| Non-current liabilities | 1,281 | 38.1 | 1,168 | 34.9 | -8.8 |
| Current liabilities | 1,050 | 31.2 | 1,283 | 38.3 | +22.1 |

| **Statement of cash flows** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash flow from operations | 352 | 3 | -99.3 |
| Cash flow from investments | -503 | -255 | -49.3 |
| Cash flow from financial management | 23 | -233 | -- |
| **Total cash flow** | **-127** | **-486** | **+281.1** |
| **Closing cash and cash equivalents** | **1,038** | **552** | **-46.8** |

| **Net financial position** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash and cash equivalents | 1,038 | 552 | -46.8 |
| Current financial payables | -48 | -237 | +393,0 |
| **Net current financial position** | **990** | **316** | **-68.1** |
| Non-current financial assets | 0 | 0 | 0 |
| Non-current financial payables | -1,107 | -926 | -16.3 |
| **Net financial position** | **-117** | **-610** | **+423.2** |

As at 31 December 2023, the Company's workforce consisted of 40 Employees.

## Qboxmail srl

Qboxmail, based in Prato, is a B2B provider of Electronic Mail services available only to businesses through a proprietary platform that Customers can use in SaaS (Software as a Service) mode.
The service allows the Customer to activate an unlimited number of users autonomously, also through APIs (Application Programming Interface).

Vianova holds 51.0% of the share capital of Oboxmail srl.
The subsidiary Host spa in turn holds 10% of the share capital of Qboxmail srl.

Below is a summary of the main economic and financial data including the adjustments made, in compliance with international accounting standards, to the subsidiary's financial statements, prepared according to OIC standards, to which we refer for further details.

| **Statement of profit or loss** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total revenue and other operating income** | **772** | **100** | **922** | **100** | **+19.4** |
| ▪ of which core revenue | 745 | 96,4 | 897 | 97.3 | +20.5 |
| ▪ of which other operating income | 27 | 3.6 | 25 | 2.7 | -10.1 |
| EBITDA | 258 | 33.4 | 293 | 31.8 | +13.7 |
| EBIT | 135 | 17.5 | 139 | 15.1 | +2.7 |
| EBT | 133 | 17.2 | 134 | 14.5 | +0.7 |
| **Net result** | **89** | **11.6** | **92** | **10.0** | **+3.3** |

| **Statement of Financial Position** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total Assets** | **1,006** | **100** | **1,061** | **100** | **+5.5** |
| Non-current assets | 303 | 30.1 | 311 | 29.3 | +2.6 |
| Current assets | 704 | 69.9 | 751 | 70.7 | +6.7 |
| **Total shareholders' equity and liabilities** | **1,006** | **100** | **1,061** | **100** | **+5.5** |
| Equity | 706 | 70.2 | 747 | 70.4 | +5.8 |
| Non-current liabilities | 103 | 10.2 | 148 | 13.9 | +44.0 |
| Current liabilities | 197 | 19.6 | 166 | 15.6 | -15.8 |

| **Statement of cash flows** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash flow from operations | 238 | 190 | -20.1 |
| Cash flow from investments | -122 | -41 | -66.4 |
| Cash flow from financial management | -26 | -108 | +316.3 |
| **Total cash flow** | **90** | **41** | **-54,6** |
| **Closing cash and cash equivalents** | **660** | **701** | **+6.2** |

| **Net financial position** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash and cash equivalents | 660 | 701 | +6.2 |
| Current financial payables | -26 | -20 | -23.1 |
| **Net current financial position** | **634** | **681** | **+7.4** |
| Non-current financial assets | 0 | 0 | 0 |
| Non-current financial payables | -67 | -89 | +32.1 |
| **Net financial position** | **567** | **592** | **+4.4** |

As at 31 December 2023, the Company's workforce consisted of 9 Employees.

### Nextup srl

Nextup, based in Verona, is a software house that produces *Aladino*, a proprietary Light ERP solution. *Aladino* implements CRM and Ticketing processes and is the basis of NetResults' Kalliope Nexus module.

The Company is included in the scope of consolidation based on the 51.0% shareholding held by NetResults.

Below is a summary of the main economic and financial data including the adjustments made, in compliance with international accounting standards, to the subsidiary's financial statements, prepared according to OIC standards, to which we refer for further details.

| **Statement of profit or loss** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total revenue and other operating income** | **297** | **100** | **459** | **100** | **+54.5** |
| ▪ of which core revenue | 297 | 100.0 | 459 | 100.0 | +54.5 |
| ▪ of which other operating income | 0 | 0.0 | 0 | 0.0 | 0 |
| EBITDA | 127 | 42.7 | 215 | 46.8 | +69.4 |
| EBIT | 103 | 34.7 | 198 | 43.1 | +91.8 |
| EBT | 103 | 34.6 | 201 | 43.9 | +95.6 |
| **Net result** | **73** | **-24.7** | **143** | **31.2** | **+95.2** |

| **Statement of Financial Position** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total Assets** | **497** | **100** | **779** | **100** | **+56.8** |
| Non-current assets | 25 | 5.0 | 17 | 2.1 | -32.8 |
| Current assets | 472 | 95.0 | 763 | 97.9 | +61.5 |
| **Total shareholders' equity and liabilities** | **497** | **100** | **779** | **100** | **+56.8** |
| Equity | 354 | 71.3 | 497 | 63.8 | +40.4 |
| Non-current liabilities | 1 | 0.3 | 3 | 0.4 | +133.7 |
| Current liabilities | 141 | 28.4 | 279 | 35.8 | +97.4 |

| **Statement of cash flows** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash flow from operations | 73 | 163 | +125.1 |
| Cash flow from investments | -5 | -6 | +22.4 |
| Cash flow from financial management | 3 | 0 | -111.9 |
| **Total cash flow** | 71 | 157 | +120.9 |
| **Closing cash and cash equivalents** | **314** | **471** | **+50.1** |

| **Net financial position** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Cash and cash equivalents | 314 | 471 | +50.1 |
| Current financial payables | -3 | -3 | -11.9 |
| **Net current financial position** | **310** | **468** | **+50.7** |
| Non-current financial assets | 0 | 0 | 0 |
| Non-current financial payables | 0 | 0 | 0 |
| **Net financial position** | **310** | **468** | **+50.7** |

As at 31 December 2023, the Company's workforce consisted of 2 Employees.

### Group staff

Further details regarding staff can be found in the following table.

| Staff | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **no. of individuals as at 31 December** | **286** | **100** | **346** | **100** | **+21.0** |
| Full Time Equivalent (FTE) as at 31 December (qty) | 280.2 | 98.0 | 337.7 | 97.6 | +20.5 |
| Average FTE (qty) | 267.5 | 93.5 | 310.3 | 89.7 | +16.0 |
| Of which Collaborators other than employees (qty) | 11 | 3.8 | 11 | 3.2 | +0.0 |
| Average age (years) | 40.6 | | 41.3 | | +1.7 |
| Average length of service (years) | 7.6 | | 8.2 | | +8.1 |
| Women (qty) | 81 | 28.3 | 93 | 26.9 | +14.8 |
| Graduates (qty) | 146 | 51.0 | 179 | 51.7 | +22.6 |
| Revenue per FTE (euro) | 280,012 | | 264,118 | | -5.7 |
| Cost per FTE (euro) | 59,592 | | 61,862 | | +3.7 |
| EBITDA per FTE (euro) | 76,358 | | 73,098 | | -4.3 |

The comparative figures for 2022 do not include data on personnel of Netresults and Nextup, whose costs and revenues were not included in the consolidated statement of profit or loss for the previous year.

## Risk management

The main risks to which the Group is exposed in the management of its business activities are summarised below.

## Strategic risks

### Risks related to macroeconomic factors

The Group's economic and financial situation is influenced by various macroeconomic factors, including economic growth, political stability, consumer confidence and changes in interest and exchange rates in the markets in which it operates.

### Risks associated with competition dynamics

The telecommunications market is characterised by competition, which over the years has led to constant pressure on prices and margins as well as a redistribution of market shares in all geographical areas and in all supply segments.
The sector in which the Group operates is characterised by potential technological changes, high competition and obsolescence of products and services.

### Operational risks

The operational risks of the Group's business relate to possible inadequacies in internal processes, external factors, fraud, employee error, failure to properly document transactions, loss of critical or commercially sensitive data and failures in systems or network platforms.

### Financial risks

Group companies may be exposed to risks of a financial nature such as those arising from fluctuations in interest rates and exchange rates, credit risk and liquidity risk.

### Credit risk

A persisting unfavourable economic situation in general and a possible increase in payment difficulties on the part of employees could aggravate the current credit situation.

### Liquidity risk

Liquidity risk refers to the potential difficulty for Group companies to meet obligations related to financial liabilities, i.e. to have sufficient funds available to meet payment commitments when needed.

#### Market risk

The Group is exposed primarily to financial market risks due to changes in interest rates.

#### Risks associated with business continuity

The Group’s success depends on its ability to provide continuous and uninterrupted services through the availability of processes and related supporting assets, resilience of the network infrastructure and the policies of business continuity and disaster recovery of the Information Systems. In particular, network infrastructures and Information Systems are susceptible to internal and external threats: power outages, floods, storms, human errors, system failures, hardware and software failures, software bugs, cyber-attacks, earthquakes, facility failures, strikes, fraud, vandalism, terrorism, etc. Any of these events could generate an interruption in the provision of services and result in a potential direct and indirect impact on the company’s business, such as, for example: a reduction in revenue or an increase in the costs for any restoration, a reduction in the level of Customer satisfaction, an increase in churn, costs related to penalties and fines, a negative impact on image and reputation.

#### Risks associated with the development of network infrastructures

In order to maintain and develop the Customer portfolio in each of the markets in which the Group operates, it is necessary to maintain, update and improve the existing networks. A reliable and high-quality network is necessary to maintain the Customer base and minimise interruptions while protecting the company’s revenue.

#### Risks of internal/external fraud

At present, Vianova is the only Group company to have adopted a fraud prevention organisational model, as required by Legislative Decree 231/01. However, it is important to emphasise that the implementation of such a model cannot guarantee total risk mitigation. Dishonest activities and illegal acts by persons inside and outside the organisation could adversely affect the companies’ operating results, financial structure and image.

#### Cyber Security Risks

The sectors where the Company operates are characterised by a high technological content and are affected by possible attacks and threats related to cyber criminals. Cyber risk is a growing phenomenon worldwide and, as such, requires ongoing monitoring, given the huge wealth of IT assets that the company manages both in terms of its own telecommunications infrastructure and in terms of assets required to provide services to customers. In light of these considerations, extreme focus has been placed on protecting networks from major threats (e.g.:  DDoS, viruses, malware, data theft).

#### Risks associated with disputes and litigation

The Group may be required to deal with disputes and litigation with tax, regulatory and competition authorities, and with other TLC operators and other entities. The possible impacts of such proceedings are generally uncertain. These issues could even, individually or together, in the event of an unfavourable outcome for the Companies, have a significant adverse effect on the operating results, financial position and cash flows.
Any disputes or litigation proceedings with the Authorities are described in the Notes to the financial statements.

### Regulatory and non-compliance risks

#### Regulatory risks

The risk deriving from the regulation of the sector carried out by the Supervisory authorities is significant, affecting competition and the ways in which it can take place, technological aspects, profitability and financial dynamics.
In particular, the main elements that introduce uncertainty are:

- lack of predictability in the timing of commencement and subsequent decisions of new proceedings;

- any decisions with retroactive effect (e.g., price revisions relating to previous years following rulings by the administrative courts);
- any decisions that could affect the technological choices made or to be made, with potential impact on the timing of return of infrastructure investments.

The continually evolving regulatory and legislative framework of the telecommunications industry also exposes the Companies to risks of non-compliance.

In order to address and overcome these critical issues, the Companies pay ongoing attention to the development of the reference framework and employ significant resources to carry out the adjustments expressly requested by the Authorities or dictated by technological developments.

#### Risks of non-compliance

The Group may be exposed to risks of non-compliance, deriving from non-compliance or violation of internal rules (so-called self-regulation, such as, for example, the Articles of Association) and external rules (laws and regulations), with consequent judicial or administrative sanctions, financial losses or reputational damage.
The objective of the Group companies is to ensure compliance of processes, and therefore of the procedures and information systems that regulate them, and of the company's conduct with respect to the relevant regulations. The risk is associated with possible delays caused by bring processes into compliance with regulatory developments or if a lack of compliance is detected.
Group Companies continued their GDPR compliance activities.

## The market in which the Group operates

The Group Companies operate in the Information & Communication Technology (ICT) market and in particular in the following sectors: Fixed and Mobile Telecommunication services, Unified Communication, PBX, SMS, Electronic Mail, Domain & Hosting, Cybersecurity, Cloud Computing and Software Development.
These sectors are characterised by a growing degree of complementarity, linked to the increasing convergence of technologies, and play a crucial role in the development of the digital economy.

According to the Anitec-Assinform report, the digital market slowed down in the first half of 2023, suffering from the impact of the negative economic scenario and, in particular, inflation, which led to a more cautious attitude in investments by companies and purchases by consumers.
The Devices and Systems segment contributed the most to the market slowdown, while the ICT Software and Solutions segment, bucking the trend, grew by 5.7%, mainly due to an increase in expenditure on middleware and infrastructure software purchases in the Big Data, Analytics and Artificial Intelligence segments. Note that this sector has also experienced the most significant increase in license prices, therefore market growth already factors in inflation.
The ICT Services market recorded a value of Euro 7,533 million in the first half of 2023, an increase of 8.8 % compared to the same period last year, exceeding the growth of the previous year. In this segment, there was steady growth of the Cloud market (+19.8%), and of Consulting and System Integration.
Within a complex and uncertain environment, private companies and public administrations are aware of the potential of technology to drive a robust economic recovery by providing innovative solutions, in-depth analysis and supporting informed decisions to overcome current challenges. It is predicted that in 2024 the total expenditure on digital products, solutions and services in Italy will exceed Euro 82.2 billion, up 3.8 % from the previous year, continuing on a positive trend also in 2025 and 2026.

Another positive influence will be the many projects made possible thanks to the funds and resources introduced by the National Recovery and Resilience Plan (PNRR) for digital transformation, particularly in the public administration sector.
According to Anitec-Assinform, ICT services will be the main driver of digital expenditure in Italy. In particular, Cloud Computing will confirm its key role in the developmental and transformational paths of companies, entities and institutions, acting as an enabling engine for innovation, providing rapid access to the data and resources needed to meet digital and competitive challenges.

In the area of cybersecurity, the report shows a further increase in cyber-attacks in 2023, with ransomware attacks in particular now topping the list of threats. These attacks affected all sectors across the board and an increasing sophistication in attack techniques was in evidence.
To counter this threat, companies will continue to invest in cybersecurity, with a steady improvement of dynamics and an expected average annual growth rate of 11.5 % over the period 2022-2026.

The 2023 Annual Report published by the Italian Communications Regulatory Authority (AGCOM) shows that the electronic communications market alone is worth over Euro 21.5 billion overall and continues to be dominated by large operators:

| **Turnover** (euro/Million) | Landline network | Mobile network | Total | % |
|---|---|---|---|---|
| Tim | 5,653 | 2,945. | 8,598 | 39.9 |
| Vodafone | 1,259 | 2,610 | 3,869. | 17.9 |
| Wind Tre | 918 | 2,873 | 3,791 | 17.6 |
| Fastweb | 2,159 | n.d. | 2,159 | 10.0 |
| Iliad | 0 | 748 | 748 | 3.5 |
| Eolo | 204 | 0 | 204 | 0.9 |
| Tiscali | 163 | 0 | 163 | 0.8 |
| Others | 1,233 | 810 | 2,042 | 9.5 |
| **Total** | **11,588** | **9,986** | **21,574** | **100** |

With particular reference to business customers targeted by the Parent Company, total expenditure amounts to Euro 6.23 billion for landline communications and Euro 2.30 billion for mobile communications. Vianova's market share was therefore 0.97% and 0.28% respectively.

| **Business customers** | Market value (€ Mln) | Vianova market share (%) |
|---|---|---|
| Landline network | 6,232 | 0.97 |
| Mobile network | 2,303 | 0.28 |
| **Total** | **8,534** | **0.78** |

The above figures refer to the financial year 2022.

Management anticipates further growth in the European market for Access, Cloud and UCC (Unified Communication & Collaboration) services and believes that the Group can capitalise on this trend and seize the opportunities for a significant increase in its market share in the coming years.

## Regulation of the sector

Group Companies operate in a market characterised by a regulatory and legislative framework that is constantly evolving, influenced by technological changes, market dynamics and the economic environment in general.

Following the switch-off of the 3G network by TIM, discussions continued with the AGCOM, the AGCM and MISE on the issue involving a number of virtual mobile operators (MVNOs), including Vianova, in relation to the non-availability of the VoLTE service on some Vendors' terminals. Vianova brought to the attention of the various Authorities the issue raised also at European level through the MVNO Europe association.

The Authority's actions have therefore been aimed at continuing or launching initiatives in what are now the traditional areas of attention and intervention:

- Public consultations initiated and administrative proceedings commenced by the sector Authority aimed at obtaining opinions, information and documentation on Telecom Italia's Reference Offers, on the quality of broadband and landline telephony services and on number migration or portability procedures, new coordinated analysis of fixed network access markets, amendment to the regulation on the quality and charters of mobile and personal communication services

- Regulation of new generation networks and new scenarios for competition in relation to services and networks

Among the most important measures for the year under review are those taken by the Communications Regulatory Authority (AGCOM).

- Resolution 22/23/CONS Initiation of proceedings and public consultation for the amendment of the regulatory regime on procedures for the resolution of disputes between users and operators of electronic communications or providers of audiovisual media services for the implementation of Article 42(9) of the Audiovisual Media Services Act (TUSMA) with reference to video sharing platform services.
- Resolution 23/23/CONS Provisions on the quality and charters of mobile and personal communication services; Resolution 26/23/CONS Approval of the list of wholesale access services provided through the new mobile infrastructures referenced in the Italia 5G plan by the temporary groupings of enterprises (RTI) (formed by Infrastrutture Wireless Italiane S.p.A., Telecom Italia S.p.A. and Vodafone Italia S.p.A.) beneficiary of State aid.
- Resolution 27/23/CONS Approval of the price list of wholesale access services provided through the new backhauling infrastructures referenced in the Italia 5G Plan by Telecom Italia S.p.A. beneficiary of State aid.
- Resolution 41/23/CONS Updating of the list of Italian municipalities where competition exists in the market for wholesale services offering local and central access to the fixed network pursuant to Article 17(2) of Resolution 348/19/CONS
- Resolution 74/23/CONS Approval of Price Lists for wholesale access services provided in the areas identified by the 1 Giga Italy Plan by the RTI (formed by TIM S.p.A. and FiberCop S.p.A.) beneficiary of State aid.
- Resolution 89/23/CONS Initiation of proceedings and of public consultation concerning the amendment of the Regulation on provisions for the protection of users in contracts for the provision of electronic communications services
- Resolution 131/23/CONS Approval of the List of wholesale access FWA services provided in the areas identified by the 1 Giga Italy Plan by Open Fiber S.p.A. beneficiary of State aid.
- Resolution 132/23/CONS Economic conditions for 2022 and 2023 of the wholesale access services to the fixed network offered by TIM pursuant to Resolutions 348/19/CONS and 333/20/CONS.
- Resolution 152/23/CONS Launch of the public consultation regarding the coordinated analysis of markets for fixed network access services pursuant to Article 89 of the Code and extension of deadlines of the procedure.
- Resolution 155/23/CONS Extension of deadlines of the procedure referenced in Resolution 436/22/CONS, entitled "Initiation of a procedure and public consultation to review the quality regime and indicators of the customer support service in the electronic communications and audiovisual media services sector".
- Resolution 156/23/CONS Provisions on the quality and charters of electronic communications services accessible to the public from a fixed location.
- Resolution 188/23/CONS Extension of deadlines for the investigative procedure to define the service of adequate broadband internet access necessary for social and economic participation in society.
- Resolution No. 189/23/CONS Amendments to the Regulation on the protection of copyright on electronic communication networks and implementing procedures pursuant to Legislative Decree No. 70 of 9 April 2003, referred to in Resolution 680/13/CONS
- Resolution 192/23/CONS Extension of the deadlines of the procedure referenced in Resolution 89/23/CONS on the "Initiation of proceedings and of public consultation concerning the amendment of the Regulation on provisions for the protection of users in contracts for the provision of electronic communications services".

- Resolution 228/23/CONS Approval of additions to the List of wholesale access services provided in the areas identified by the 1 Giga Italy Plan by Open Fiber S.p.A. beneficiary of State aid, concerning the introduction of additional services.
- Resolution 238/23/CONS Publication, pursuant to Article 50, paragraphs 2 and 6, of Resolution 348/19/CONS, of the results of the verifications and of the pre-notice period for 1,342 TIM S.p.A. local exchanges subject to decommissioning request.
- Resolution 250/23/CONS Approval of additions to the List of wholesale access services provided in “White Areas C&D” by the state aid recipient Open Fiber.
- Resolution 276/23/CONS measurement and methods of payment of the contribution payable to the Communications Supervisory Authority (AGCOM) for 2024 by entities operating in the electronic communications sector.
- Resolution 284/23/CONS Online form and instructions for the payment of the contribution due to the Communications Supervisory Authority for 2024.
- Resolution 339/23/CONS Closing of the procedure to evaluate the commitment proposal submitted by TIM pursuant to Articles 76 and 79 CCEE concerning the co-investment in very high capacity networks initiated by Resolution 110/21/CONS.
- Resolution 307/23/CONS Conclusion of the procedure and public consultation for the amendment of the Regulation containing provisions for the protection of users in contracts for the provision of electronic communications services
- Resolution 326/23/CONS Approval of the estimate of costs incurred by the independent entity designated to perform the activity referred to in Resolution 156/23/CONS for the year 2023-2024.
- Resolution 11/23/CIR: Approval of the technical and economic conditions of the technical interoperability verification procedure between the ONTs (Optical Network Terminations) of OAOs and the OLT (Optical Line Termination) devices of TIM
- Resolution 12/23/CIR Regulation on the Use of alphanumeric characters identifying the sender in business messaging services (SMS ALIAS)
- Resolution 38/23/CIR Initiation of the procedure and public consultation concerning the methods for providing fixed network user transfer codes.
- Resolution 44/23/CIR Opening of the procedure and public consultation for the approval of Telecom Italia’s reference offers for wholesale access services to the fixed network (ULL/SLU, Colocation, WLR, NGAN infrastructure, Backhaul, VULA, Bitstream copper and Bitstream NGA) for the years 2022 and 2023
- Resolution 45/23/CIR Official closure and archiving due to the withdrawal of TIM’s offer of semi-GPON access services in the 29 former Flash-Fiber municipalities, and approval of the economic conditions for fibre in the primary network referred to in Commitments No. 2 and No. 3 undertaken by TIM in the procedure no. I850 before the Italian Competition Authority (AGCM).

## Research and Development

The Group Companies continued to invest in research and development, focusing mainly on innovative projects aimed at implementing and optimising telecommunications networks and systems.
Research and development activities represent a fundamental element for the success of the Group and are therefore destined to continue in the coming years, with the aim of continuing to develop technological innovations that will receive intellectual property protection, such as patents and trademarks, in order to develop and strengthen competitiveness in the market.
In particular, Vianova and NetResults are building a Unified Communication & Collaboration (UCC) platform that will enable users to use the services of Voice (on converged fixed and mobile networks), business Chat, Video Conference and Desktop Sharing services on any personal device (Windows, Mac, iOS, Android and Web Browser).
The costs incurred during the financial year were documented and accounted for in order to obtain tax credits for “Research and Development” and “Training 4.0”, as provided for by the regulations in force (Art. 1, paragraph 35, of Law no. 190 of 23 December 2014, as amended).

None of the Group companies chose to capitalise development costs incurred in 2023, except for the subsidiary NetResults.
More than 70 employees are permanently involved in the development of Group projects.

## Significant events during the 2023 financial year

The other most significant events for the year just ended are described below:

- January: *Valore nel Tempo* Campaign for 1GB Upgrade for Vianova Profile Customers
- January: launch of content marketing and lead generation campaigns on Google Ads and Linkedin to promote Fixed Network and Mobile services
- January: launch of the Road Show initiative, with the aim of strengthening the sales network by introducing new Partners (single mandate) and Dealers (multi-mandate)
- February: renewal of brand awareness and communication campaign with 30" spot on Radio 24, banner and e-mail marketing on Il Sole24Ore.com
- February: the "Become a Partner" webinar promotion campaign is launched.
- March: audit carried out to renew certification according to ISO 9001 - Quality Management System.
- March: participation in the IT Richmond Forum event as Sponsor
- March: mobile-mobile interconnection agreement with WIND
- March: second edition of Build your future, a Vianova Academy managerial course organised in cooperation with Logica Studio Formazione for young people between 18 and 26
- April: 5th place in the Italian ranking of "Best Workplace" companies compiled by the Great Place to Work Institute, the world's leading corporate climate analysis company
- May: participation in Leadership Day and Nobilita events as Sponsor
- June: Launch of Employer Branding campaign on LinkedIn in cooperation with People
- June: participation in the MSP Day event as Main Sponsor
- June: dispute begins over contractual penalties from another operator
- June: solution implemented enabling bandwidth consumption to be displayed to all co-located customers
- June: the project "SIM Manager: manage company SIM cards independently and in real time" is admitted to the final stage of the Digital360 Awards
- June: Vola spa - sale of SMS business unit
- June: Vola spa - completion of the acquisition of the entire share capital of the subsidiary Winitalia srl
- July: publication of the new Customer Testimonials section on the company website
- July: release of de-provisioning process for connectivity
- July: participation in the CIO Club event as Sponsor
- July: 10th place in the Italian "Diversity, Equity and Inclusion" ranking compiled by Great Place to Work.
- August: design, development and release of new "Vianova M-LTE" mobile access routers for Profiles and Connect offers
- September: signing of a new interconnection contract with the operator Sirius
- September: Participation in the Forbes '" New Renaissance" event in Florence as Sponsor
- September: participation in the closing event of the Digital 360 Awards as Sponsor
- September: publication of new Hosting offer
- September: signing of a full MVNO agreement with Vodafone which will replace the expiring agreement with TIM in 2024
- September: conclusion of the general audit of tax year 2020 by the Italian Tax Authority without any findings against the Company

- October: Vianova Learning platform opened for free to all partner and Group companies to share video courses, materials and valuable content
- October: signing of a new interconnection contract with the operator ISILine
- October: signing of the “Italia 1 giga” framework agreement with Open Fibre
- October: periodic audit for the ISO 27001 - Information Security Management System certification, including ISO 27017 and ISO 27018 extensions.
- October: participation in the Leadership Forum event as Sponsor
- December: Participation in the CIO Rock Academy event as Sponsor
- December: 17th place in the “Best Workplaces for Millennials 2023” ranking compiled by Great Place to Work
- December: publication on the company website of the new “Vianova Blog” with articles written by colleagues
- December: signing of an International SMS Interworking agreement with TIM and renewal of the International Roaming agreement

vianova

## Other Vianova indicators

### Revenue

Growth is organic and mainly depends on the increase in the Customer base.

| **Revenue by product** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Vianova landline services | 60,375 | 87.3 | 63,348 | 87.6 | +4.9 |
| ▪ of which fees | 55,345 | 80.1 | 58,700 | 81.1 | +6.1 |
| ▪ of which pay-per-use | 5,030 | 7.3 | 4,647 | 6.4 | -7.6 |
| Vianova mobile | 6,406 | 9.3 | 7,313 | 10.1 | +14.2 |
| Terminals | 992 | 1.4 | 762 | 1.1 | -23.2 |
| Vianova Phone utilities | 85 | 0,1 | 89 | 0,1 | +4.35 |
| Other revenue | 1,261 | 1.8 | 836 | 1.1 | -33.7 |
| **Total** | **69,119** | **100** | **72,348** | **100** | **+4.7** |

The item Other revenue includes contributions for tax credits amounting to 220 thousand Euro, amounts paid to the Company by other operators for repricing on previous years amounting to 144 thousand Euro, other contingent assets amounting to 358 thousand Euro, as well as revenues for insurance indemnities, recovery of expenses, capital gains and other income.

Revenue is growing in all *Nielsen* areas.

| **Revenue by geographical area** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Area 1 | 24,967 | 36.1 | 26,584 | 36.1 | +10.2 |
| Area 2 | 17,286 | 25.0 | 18,138 | 25.0 | +7.0 |
| Area 3 | 21,282 | 30.8 | 22,217 | 30.8 | +12.2 |
| Area 4 | 4,239 | 6.1 | 4,490 | 6.1 | +7.2 |
| Other non-georeferenced revenue | 1,346 | 1.9 | 920 | 1.9 | +88.1 |
| **Total** | **69,119** | **100** | **72,348** | **100** | **+10.7** |

- Area 1: Piedmont, Aosta Valley, Liguria, Lombardy
- Area 2: Trentino-Alto Adige, Veneto, Friuli-Venezia Giulia, Emilia-Romagna
- Area 3: Tuscany, Umbria, Marche, Lazio, Sardinia
- Area 4: Abruzzo, Molise, Apulia, Campania, Basilicata, Calabria, Sicily

The percentage weight of revenue generated by the largest Customers (Class A) is increasing.

| **Revenue by class of Customer** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Class A - up to 10% of Customers | 37,198 | 53.8 | 39,666 | 54.8 | +6.6 |
| Class B - 10% to 30% of Customers | 15,293 | 22.1 | 15,929 | 22.0 | +4.2 |
| Class C - 30% to 100% of Customers | 15,283 | 22.1 | 15,833 | 21.9 | +3.6 |
| Other not classifiable revenue | 1,346 | 1.9 | 920 | 1.3 | -31.6 |
| **Total** | **69,119** | **100** | **72,348** | **100** | **+4.7** |

The development of the customer base was driven by "word of mouth" based on the excellent references generated by existing customers and based on brand awareness and digital marketing activities during the year.

### Customers

The number of Vianova Customers active during the year increased, as did the number of locations served.

| **Customers** (qty) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Company Names as at 31 December | 15,192 | 16,463 | +8.4 |
| Average number of Company Names per year | 14,869 | 15,874 | +6.8 |

The number of Customers subscribing to the fixed-mobile convergent offer is growing, as is the number of Customers subscribing to the company's mobile-only offer.

| Active Company Names as at 31 December (qty) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Landline and mobile | 5,338 | 35.1 | 6,074 | 36.9 | +13.8 |
| Landline only | 8,379 | 55.2 | 8,641 | 52.5 | +3.1 |
| Mobile only | 1,475 | 9.7 | 1,748 | 10.6 | +18.5 |
| **Total** | **15,192** | **100** | **16,463** | **100** | **+8.4** |

| Average number of Company Names per year(qty) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Landline and mobile | 5,069 | 34.1 | 5,708 | 36.0 | +12.6 |
| Landline only | 8,469 | 57.0 | 8,536 | 53.8 | +0.8 |
| Mobile only | 1,331 | 9.0 | 1,631 | 10.3 | +22.5 |
| **Total** | **14,869** | **100** | **15,874** | **100** | **+6.8** |

The average active company names refer to the number of individual company names of Customers to whom at least one invoice was issued during the year.

The value of the ARPU by company name remains substantially stable.

| Annual ARPU (euro) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Landline only | 4,460 | 4,448 | -0.3 |
| Mobile only | 1,001 | 1,004 | +0.3 |
| Landline, Mobile and Terminals | 4,558 | 4,506 | -1.1 |

The ARPU value per corporate name is calculated using the following formula: Revenue from services/Annual average of active company names.

Thanks to customer loyalty, the Company is able to continuously improve its efficiency (ratio of effort to results), optimise production costs, and increase productivity. A portion of the value added in this way is returned to customers in the form of new services or price reductions.

| Vianova Customer Loyalty Rate (%) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Customer Loyalty Rate | 97.0 | 96.7 | -0.31 |
| Customer Churn Rate | 3.0 | 3.3 | +0.31 |
| **Total** | **100** | **100** | |
| Customer Retention Rate | 95.2 | 94.4 | -0.85 |

- The Customer Loyalty Rate measures the loyalty rate, calculated across the entire customer base (excluding customers who have ceased operations, filed for bankruptcy, or are insolvent), compared to the previous year, while the Customer Churn Rate measures the rate of abandonment (migration to a competitor) relative to the entire customer base compared to the previous year.
- The Customer Retention Rate, on the other hand, measures the retention rate, calculated across the entire customer base (including insolvent customers, those undergoing bankruptcy proceedings, or those who have ceased operations), compared to the previous year.

## Lines and traffic

The number of Broadband access lines (xDSL and fibre) active during the year increased, as did the number of active Voice channels for Vianova's direct access services.

| Access and voice channels (qty) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Broadband accesses | 28,471 | 30,026 | +5.5 |
| Voice channels | 71,763 | 74,452 | +3.7 |

Telephone traffic minutes decreased, in line with the now well-established historical trend.

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| **Total telephone traffic** (minutes) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| From landline network | 419,604,825 | 73.4 | 397,554,465 | 71.6 | -5.3 |
| From mobile network | 151,676,361 | 26.6 | 157,658,233 | 28.4 | +3.9 |
| **Total** | **571,281,186** | **100** | **555,212,698** | **100** | **-2.8** |

| **Telephone traffic from landline network** (minutes) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| National | 71,845,063 | 17.1 | 67,093,204 | 16.9 | -6.6 |
| Mobile | 60,565,705 | 14.4 | 58,257,256 | 14.7 | -3.8 |
| International | 1,683,286 | 0.4 | 1,488,504 | 0.4 | -11.6 |
| Vianova freephone and non-geographic numbers (NNG) | 16,159,450 | 3.9 | 14,189,951 | 3.6 | -12.2 |
| Reverse | 269,351,321 | 64.2 | 256,525,550 | 64.5 | -4.8 |
| **Total** | **419,604,825** | **100** | **397,554,465** | **100** | **-5.3** |

- Reverse is the incoming telephone traffic received by direct access Customers (Vianova Customers).
- NNG is traffic to numbers whose pricing is independent of the geographic location of the calling customer.

| **Telephone traffic from mobile network** (minutes) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Mobile | 64,854,453 | 42.8 | 67,931,122 | 43.1 | +4.7 |
| Vianova | 15,801,102 | 10.4 | 15,795,710 | 10.0 | -0.0 |
| Landline | 10,091,245 | 6.7 | 11,208,364 | 7.1 | +11.1 |
| Roaming and International | 1,011,261 | 0.7 | 1,131,552 | 0.7 | +11.9 |
| Reverse | 59,918,300 | 39.5 | 61,591,484 | 39.1 | +2.8 |
| **Total** | **151,676,361** | **100** | **157,658,233** | **100** | **+3.9** |

## Sales network

Vianova's sales network consists of Partners and Dealers, specialist System Integration companies operating in the Information & Communication Technology sector, able to guarantee a local presence nationwide.
Partners and Dealers implement innovative solutions and services, compatible and integrated with Vianova services, capable of responding to a wide range of business needs.
On behalf of Vianova, they carry out, with their own technical units, Delivery and Assurance activities at Customer sites and promote the sale of Vianova services with qualified personnel certified by Vianova.

| **Sales network as at 31 December** (qty) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Active Partners | 116 | 112 | -3.4 |
| Active dealers | 0 | 34 | -- |
| **Total** | **116** | **146** | **+25.8** |

Dealers, unlike Partners, operate on a product non-exclusivity basis and with a different remuneration policy

The value of new contracts collected is growing.

| **Annual fees collected** (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Acquired fees | 7,087 | 7,491 | +5.7 |
| Lost fees | 3,457 | 3,699 | +7.0 |
| **Net fees** | **3,630** | **3,792** | **+4.5** |

- The annual value of the fees is obtained by multiplying the value of the new monthly fees subscribed by 12.
- The values indicated above include the fees for the Colocation service

Commissions value rose due to the increase in revenue volume.

| **Premiums and commissions** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| One-off acquisition premiums | 1,653 | 2.4 | 1,868 | 2.6 | +13.0 |

| **Premiums and commissions** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Recurring commissions | 7,033 | 10.2 | 7,565 | 10.5 | +7.6 |
| **Total** | **8,687** | **12.6** | **9,434** | **13.0** | **+8.6** |

- The percentages relating to acquisition premiums and commissions refer to Operating revenue.
- Commissions, paid monthly, are calculated on the contribution margin relating to each individual invoiced site. Therefore, their incidence on revenues increases or decreases as the contribution margin increases or decreases.

### Call 145, we answer you in three rings!

The development of digital marketing activities in support of the company growth process and of the development of brand awareness continued, carried out in parallel with traditional communication strategies mainly based on radio campaigns.

| **Communication** | 2022 | 2023 | Δ% |
|---|---|---|---|
| no. of commercials on radio | 392 | 336 | -14.3 |
| no. of seconds of commercials on radio | 11,760 | 10,080 | -14.3 |
| no. of LinkedIn followers | 16,512 | 19,368 | +17.3 |
| no. of e-mails sent | 1,196,007 | 1,003,515 | -16.1 |
| no. of website users | 413,452 | 558,713 | +35.1 |

Answering customers in three rings (95.1% of calls) is not just an advertising slogan, but a genuine business philosophy.

| **Customer Service 145** | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| no. of calls received (inbound) | 217,217 | 100 | 208,537 | 100 | -4.0 |
| no. of calls answered in three rings | 208,132 | 95.8 | 198,311 | 95.1 | -4.7 |
| average response time (seconds) | 5.9 | | 6.3 | | +6.6 |
| average response time (rings) | 1.2 | | 1.3 | | +6.6 |
| no. of calls made (outbound) | 83,127 | | 70,210 | | -15.5 |
| no. of operators as at 31 December | 54 | | 58 | | 7.4 |
| average number of operators in the year | 54.3 | | 57.3 | | 5.7 |
| average number of daily calls per operator | 22.0 | | 19.3 | | -12.2 |
| no. process phases managed | 366,557 | | 361,254 | | -1.5 |
| average number of process stages per operator | 27 | | 25 | | -7.4 |

Responding daily to Customers punctually and with professionalism is a real organisational challenge throughout the entire company, putting the entire staff and all business processes to the test on a daily basis.

The main pillars on which the Customer-focused corporate structure is based are:

1. steady network maintenance and update, aiming for quality and continuity of services, based on regular measurement and monitoring of performance;
2. continuous improvement and enrichment of the service portfolio, usually at the same price for customers;
3. ongoing business process engineering, with the aim of balancing and distributing the workload according to the specific skills of the individual.

### Investments and loans

Assets and liabilities classes were balanced and the cash flows produced by ordinary operations adequately financed the investments.

| **Investments** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Intangible assets in progress | 0 | 0.0 | 1,734 | 21.6 | -- |

| Investments (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| TLC equipment | 1,625 | -24.7 | 1,621 | 20.2 | -0.3 |
| Tangible fixed assets in progress | 731 | 11.1 | 1,620 | 20.2 | +121.6 |
| Land and buildings | 205 | 3.1 | 1,446 | 18.0 | +605.6 |
| TLC infrastructure | 2,276 | 34.6 | 564 | 7.0 | -75.2 |
| Software and licenses | 789 | 12.0 | 535 | 6.7 | -32.2 |
| Other assets | 478 | 7.3 | 494 | 6.1 | +3.3 |
| Equipment and plants | 469 | 7.1 | 19 | 0.2 | -96.0 |
| Other intangible assets | 4 | 0.1 | 0 | 0.0 | -- |
| **Total** | **6,576** | **100** | **8,033** | **100** | **+22.1** |

The main investments made during the year include, among others:

- the continuous upgrade of the network infrastructure with the purchase of hardware and software solutions aimed at providing services to a growing number of Customers.
- the expansion and modernisation works of the Data Centre at the Massarosa site.
- the usual purchases of equipment necessary for the services provision, installed at Customers' premises.

The availability of cash and cash equivalents allowed the regular performance of short-term activities. No new loans were taken out during the year.

| Loans (euro/000) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Loans obtained | 6,000 | 0 | -- |
| Loans repaid | 0 | 1,200 | -- |
| Loans to be repaid | 6,000 | 4,800 | -20 |

- The Company has been able, also in 2023, to meet its financial requirements exclusively through self-financing.
- The value of loans includes the financial liabilities arising from the recognition of assets in accordance with IFRS16.

## Receivables from Customers

As turnover grew, overdue receivables decreased and losses remained unchanged.

| Receivables and collections (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **Total turnover (including VAT)** | **84,198** | **100** | **88,119** | **100** | **+4.7** |
| | | | | | |
| **Receivables from Customers** | **9,252** | **11.0** | **9,408** | **10.7** | **+2.8** |
| ▪ expiring | 8,659 | 10.3 | 9,104 | 10.3 | +5.1 |
| ▪ expired | 497 | 0.6 | 305 | 0.3 | -38.7 |
| ▪ with pending payment order proceedings | 96 | 0.1 | 100 | 0.1 | +4.7 |

- The percentages for *Receivables from Customers* refer to the item *Total turnover* (including VAT).
- The value of receivables does not include invoices to be issued relating to the contractually provided activation contribution itemised in the financial statements in application of the international accounting standard "IFRS 15 Revenue Recognition"
- The data relating to Receivables from Customers and the average collection time follow the same reclassification logic as in the accounting of promissory notes subject to collection maturing on 31 December 2023 to which reference was made above.
- For the "formal" representation of Receivables, please refer to the Notes to the financial statements.

| Days Sales Outstanding (days) | 2022 | 2023 | Δ% |
|---|---|---|---|
| Days Sales Outstanding | 40.1 | 39.0 | -2.8 |

- Days Sales Outstanding = Receivables from Customers/(Total turnover including VAT/365).

| Allowance for doubtful accounts (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Opening balance | 600 | 0.7 | 600 | 0.7 | +0.0 |
| Losses on receivables | 182 | 0.2 | 180 | 0.2 | -1.1 |
| Provisions | 182 | 0.2 | 2 | 0.0 | -98.8 |

| **Allowance for doubtful accounts** (euro/000) | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| Closing balance | 600 | 0.2 | 420 | 0.5 | -30.0 |

- The percentages shown in the table refer to *Total revenue (including VAT)*
- The funding allocation was reduced after considering the year-end accounts receivable balance, collection trends, and projected revenue growth for 2024.

## Sustainability

This section only reports the initiatives undertaken by the parent company, with the commitment to integrate those of all subsidiaries by the end of 2024.

### Customers

Our business is inspired by three simple values: Respect, Service, Excellence.

Here are three explanatory instances in which our values are put into practice:

- in over 95% of cases we responded to our Customers within three rings without the use of automated answering machines;
- in more than 73% of cases we intercept line faults at our customers' premises and warn them by phone before they notice the disruption;
- through the *Value over Time* initiative, we constantly enhance our offering by adding new services included in the price each year, and we automatically apply the improvements in technical and economic conditions that become available from time to time to all customers, both old and new.

Customers recognise the added value of our services and the consistently high loyalty rate (96.7% in 2023) is the best demonstration of their trust and appreciation.

### Welfare

In 2023, the Company was also awarded recognition as an Italian Best Workplace, coming 5th place (9th the previous year) in the Great Place to Work ranking (category 150-499 employees), drawn up on the basis of Employees' opinions.

The results of the survey are particularly significant because they testify to an overall growing satisfaction of Employees: the Trust Index increased from 87% in November 2021 to 94% in November 2022, with a concurrent significant growth of all indicators (credibility, respect, fairness, pride and cohesion).

Below some of the main Company initiatives and policies:

- Employees are all hired on a permanent basis;
- Starting in September 2022, a Smart Working agreement was implemented for all employees. Before its adoption, the contract was shared with all staff, to enable them to make suggestions and provide thinking points. The philosophy underlying the contract is based on the Montessori principles of Freedom and Responsibility: people can work where and when they want, balancing their professional and personal needs in total autonomy as long as they achieve the agreed objectives;
- in general, all choices are oriented towards combining work with the life needs of Employees, to achieve a satisfactory Work-Life Balance (for example, clocking in or out is not required);
- relaxation areas were set up at the Pisa site and changes and new solutions were provided to create flexible and comfortable spaces, increasingly "People oriented";
- expansion of the corporate library, with a collection of texts ranging from essays to novels, from technical training manuals to art texts, for the benefit of all, to whose growth everyone can contribute by requesting to add other books of interest to them;
- the utmost attention is paid to the quality of workstations, all of which are equipped with ergonomic chairs, height-adjustable desks, two or more monitors;

- all equipment is also made available at home workstations, when employees request it
- Employees enjoy special benefits, such as: a voice and data line at home, company SIM card, health insurance, the "km12" initiative (mileage allowance for home/work commute), an economic incentive for Employee car sharing to reduce the impact on the environment;
- we promote ad hoc training activities in addition to the professional training provided by the Company (each Employee can choose an individual counselling course with accredited professionals, for themselves or their family members, or individual training and master courses at institutes or universities of their choice, funded by the Company);
- the Company allows all Employees with more than seven years of service to take a one-year sabbatical, in accordance with procedures and timeframes to be agreed with company management, with the guarantee of reintegration into the company, within twelve months, at the previous contractual conditions;
- the Company regularly organises training courses dedicated to enhancing the knowledge of Vianova services (the courses are held by internal trainers and are attended by Partners' personnel and, on a rotating basis, by Company personnel).

Below are some figures on Personnel.

| **Staff** | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|
| **no. of individuals as at 31 December** | **235** | **100** | **245** | **100** | **+4.3** |
| Full Time Equivalent (FTE) as at 31 December (qty) | 231.3 | | 240.6 | | +4.0 |
| Average FTE (qty) | 221.8 | | 236.9 | | +6.8 |
| Non-employee independent contractors (qty) | 5 | 2.1 | 5 | 2.0 | +0.0 |
| Average age (years) | 40.5 | | 41.3 | | +2.1 |
| Average length of service (years) | 8.0 | | 8.8 | | +10.2 |
| Women (qty) | 68 | 28.9 | 69 | 28.2 | +1.5 |
| Graduates (qty) | 122 | 51.9 | 122 | 49.8 | +0.0 |
| Revenue per FTE (euro) | 311,592 | | 305,443. | | -2.0 |
| Cost per FTE (euro) | 62,427 | | 60,875 | | -2.5 |
| EBITDA per FTE (euro) | 86,149 | | 86,566 | | +0.5 |

| **Individual training** (hours) | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|
| Corporate courses | 2,870 | 16.2 | 1,981 | 14.2 | -31.0 |
| Courses or masters at institutes and universities | 3,589 | 20.2 | 5,125 | 36.7 | +42.8 |
| Individual counselling | 363 | 2.0 | 334 | 2.4 | -8.0 |
| Partner Program certification courses | 4,038 | 22.7 | 5,243 | 37.6 | +29.8 |
| Vianova Academy | 6,906 | 38.9 | 1,275 | 9.1 | -81.5 |
| **Grand total** | **17,766** | **100** | **13,958** | **100** | **-21.4** |

- The *training and counselling hours* refer to the sum of hours administered to each participant.
- Hours worked total 388,168 in 2022 and 406,499 in 2023.
- The decrease in the number of course hours provided within the Vianova Academy is related to the lower need for new placements that the project aims to satisfy.

The Company complies with the obligations provided for by law on the inclusion of people with disabilities in the workplace and pays the utmost attention to the maintenance of comfortable environments capable of protecting the health and safety of staff.
The Company applies the National Collective Labour Agreement (CCNL) for the Telecommunications sector and at the date of approval of the financial statements there are no trade union representatives.

## Environment

The company is committed to a zero carbon footprint by 2025 by implementing the following measures:

- by April 2024, the installation of a new photovoltaic system at the Massarosa headquarters will be completed with an estimated annual production of 63 MWh representing 4.6% of the headquarters' annual consumption;
- by the end of 2024, agreements will be finalised with its suppliers to obtain certification of the renewable origin of the electricity consumed;
- by 2025, compensatory measures (e.g. purchase of Green Certificates) will be taken to offset direct emissions generated by the company car fleet.

| **Energy consumption** (Mega Watt hours) | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|
| Indirect consumption - Electricity | 3,815 | 88.6 | 4,241 | 89.1 | +11.1 |
| Indirect Consumption - Diesel (Generators) | 5 | 0.1 | 6 | 0.1 | +4.5 |
| Direct consumption - Company cars | 485 | 11.3 | 514 | 10.8 | +6.1 |
| **Total** | **4,306** | **100** | **4,761** | **100** | **+10.6** |

- Indirect energy consumption refers to the electricity used to power the Pisa and Massarosa offices and data centres.
- Direct energy consumption refers to the fuel used to power company cars.

Energy consumption generates the following amounts of Co2 equivalent emissions:

| **Co2e emissions** (Tonnes) | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|
| Energy emissions (market based method) | 1,099.2 | 91.0 | 1,220.0 | 91.5 | +11.0 |
| Car fleet diesel emissions | 105.6 | 8.7 | 104.4 | 7.8 | -0.2 |
| Car fleet petrol emissions | 3.7 | 0.0 | 9.4 | 0.0 | +153.3 |
| **Total** | **1,207.5** | **100** | **1,333.7** | **100** | **+10.5** |

The Market-based method is based on the Co2 emissions emitted by energy suppliers from which the customer purchases electricity under contract.

The Company has also begun installing electric vehicle recharging stations at its premises, with the aim of encouraging its employees to use them and of commencing the conversion of its fleet, to be implemented in the coming years taking into account the natural renewal of the car fleet.

As part of the various initiatives that serve the above-mentioned purposes, the company also re-appointed the Mobility Manager, who updated the "Home-Work Travel Plan". The Plan adopted is tasked with optimising the commute of personnel and - as far as possible - promoting interventions for the organisation and management of personal mobility demand, in order to help reduce individual private motor vehicle use in systematic home-work commutes and to promote car traffic decongestion, thus enabling the permanent structural reduction of the negative environmental effects of such traffic.

### Plastic and waste

The company contributes to the "*Plastic Free*" initiative by providing all employees with free reusable water bottles and having installed high quality water dispensers using reverse osmosis technology at all locations.
The initiative saves an estimated 51,000 plastic bottles per year. *(average FTE * conventional business days * 1 bottle of 0.5 litres)*.

To reduce the environmental impact of using and disposing of electronic devices (routers, gateways, etc.), the company promotes the constant reuse of still functioning ones through a special refurbishment process:

| **Waste** (kg) | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|
| Waste generated | 21,191 | 100 | 26,067 | 100 | +23.0 |
| ▪ of which recovered | 8,449 | 39.9 | 10,466 | 40.2 | +23.9 |
| ▪ of which disposed | 12,742 | 60.1 | 15,601 | 59.8 | +22.4 |

In 2023, 6,923 electronic devices were overhauled and reintroduced into the production cycle

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**Community**

In 2023, the Company:

- supported, with donations, the activities of various bodies and associations linked to its territory (approximately 39.8 thousand Euro);
- completed two sessions of the *Build your future* project, a free Vianova Academy course for young people between 18 and 26, designed by Vianova and organised in cooperation with an external training studio. The training aims to support participants in developing their potential and provides useful tools to reflect on key aspects of personal and professional growth;
- organised at the Pisa headquarters 15 meetings with high schools and universities, to reduce the gap between the school world and the working world;
- launched 2 traineeships to nurture young talent;
- attended 4 industry events and sponsored 5 R&D events to improve recruiting activities and support brand awareness.

**Governance**

The Company has adopted a Code of Conduct which sets out the Group's responsibilities towards its stakeholders.
The Code of Conduct forms part of the general process of adoption of the organisation and management model pursuant to Legislative Decree 231/2001, published on the website www.vianova.it.
The company has a whistleblowing system that permits the anonymous reporting to the Supervisory Body of violations of the organisational model or of operating procedures.
To date, the Supervisory Board has received no reports.

## Significant events after the reporting period and business outlook

There are no major events to report, and we are confident that the anticipated results for the financial year 2024 will mirror the plans presented to shareholders.

For the Board of Directors

The Chairman
Stefano Luisotti

# Consolidated Financial Statements as at 31 December 2023

| Statement of Financial Position (euro/000) | Notes | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|---|
| **Total Assets (a+b)** | | **85,106** | **100** | **93,195** | **100** | **+9.5** |
| **Total non-current assets (a)** | | **32,740** | **38.5** | **34,459** | **37.0** | **+5.3** |
| Owned property, plant and equipment | 1 | 24,237 | 28.5 | 25,270 | 27.1 | +4.3 |
| Goodwill | 2 | 1,706 | 2.0 | 1,706 | 1.8 | 0.0 |
| Intangible assets with a finite useful life | 3 | 1,893 | 2.2 | 3,377 | 3.6 | +78.4 |
| Shareholdings in associates valued using the Equity Method | 4 | 474 | 0.6 | 27 | 0.0 | -94.3 |
| Non-current financial assets | 5 | 951 | 1.1 | 758 | 0.8 | -20.4 |
| Sundry receivables and other non-current assets | 6 | 3,223 | 3.8 | 3,141 | 3.4 | -2.6 |
| Deferred tax assets | 7 | 255 | 0.3 | 181 | 0.2 | -28.9 |
| **Total current assets (b)** | | **52,366** | **61.5** | **58,736** | **63.0** | **+12.2** |
| Inventories | 8 | 38 | 0.0 | 34 | 0.0 | -11.3 |
| Trade receivables | 9 | 18,082 | 21.2 | 19,134 | 20.5 | +5.8 |
| Other current assets | 10 | 6,466 | 7.6 | 5,887 | 6.3 | -8.9 |
| Current tax assets | 11 | 59 | 0.1 | 164 | 0.2 | +180.5 |
| Current financial assets | 12 | 0 | 0.0 | 17,074 | 18.3 | -- |
| Cash and cash equivalents | 13 | 27,722. | 32.6 | 16,443 | 17.6 | -40.7 |
| | | | | | | |
| **Total Equity and Liabilities (c+f)** | | **85,106** | **100** | **93,195** | **100** | **+9.5** |
| **Total Consolidated Equity (c=d+e)** | 14 | **44,904** | **52.8** | **51,567** | **55.3** | **+14.8** |
| **Total Group Equity (d)** | | **43,333** | **50.9** | 49,611 | 53.2 | +14.5 |
| Share capital | | 11,000 | 12.9 | 11,000 | 11.8 | 0.0 |
| Reserves | | 21,907 | 25.7 | 26,575 | 28.5 | +21.3 |
| Group net result | | 10,426 | 12.3 | 12,036 | 12.9 | +15.4 |
| **Total Equity attributable to minority interests (e)** | | **1,571** | **1.8** | **1,955** | **2.1** | **+24.5** |
| Capital and reserves of third parties | | 1,329 | 1.6 | 1,629 | 1.7 | +22.6 |
| Net Income attributable to minority interests | | 242 | 0.3 | 327 | 0.4 | +35.0 |
| **Total Liabilities (f=g+h)** | | **40,202** | **47.2** | **41,628** | **44.7** | **+3.5** |
| **Total non-current liabilities (g)** | | **12,997** | **15.3** | **14,530** | **15.6** | **+11.8** |
| Non-current financial liabilities | 15 | 8,453 | 9.9 | 9,959 | 10.7 | +17.8 |
| Employee benefits | 16 | 779 | 0.9 | 991 | 1.1 | +27.2 |
| Provisions | 17 | 719 | 0.8 | 619 | 0.7 | -13.9 |
| Deferred tax liabilities | 18 | 158 | 0.2 | 240 | 0.3 | +51.5 |
| Sundry payables and other non-current liabilities | 19 | 2,887 | 3.4 | 2,720 | 2.9 | -5.8 |
| **Total current liabilities (h)** | | **27,205** | **32.0** | **27,099** | **29.1** | **-0.4** |
| Current financial liabilities | 20 | 1,764 | 2.1 | 1,791 | 1.9 | +1.5 |
| Trade payables | 21 | 12,079 | 14.2 | 11,925 | 12.8 | -1.3 |
| Other current liabilities | 22 | 12,457 | 14.6 | 13,274 | 14.2 | +6.6 |
| Current tax liabilities | 23 | 906 | 1.1 | 109 | 0.1 | -87.9 |

| Consolidated statement of profit or loss (euro/000) | Notes | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|---|
| **Revenue and operating income** | 24 | **74,891** | **100** | **81,964** | **100** | **+9.4** |
| Purchase of services | 25 | -38,175 | 51.0 | -40,343 | 49.2 | +5.7 |
| Staff costs | 26 | -14,568 | 19.5 | -17,558 | 21.4 | +20.5 |
| Purchase of materials | 27 | -1,226 | 1.6 | -1,059 | 1.3 | -13.6 |
| Other operating costs | 28 | -483 | 0.6 | -317 | 0.4 | -34.3 |
| Change in inventories | 28 | -16 | 0.0 | -2 | 0.0 | -88.0 |
| **Operating income before amortisation/depreciation and write-downs** | | **20,422** | **27.3** | **22,685** | **27.7** | **+11.1** |
| Amortisation/depreciation and write-downs | 29 | -7,087 | 9.5 | -7,465 | 9.1 | +5.3 |
| **Operating income** | | **13,335** | **17.8** | **15,220** | **18.6** | **+14.1** |
| Net income/(expense) from equity investments | 30 | 2 | 0.0 | -79 | 0.1 | -- |
| Financial income | 31 | 80 | 0.1 | 898 | 1.1 | -- |
| Financial charges | 32 | -91 | 0.1 | -312 | 0.4 | +242.8 |
| **Profit before tax** | | **13,326** | **17.8** | **15,727** | **19.2** | **+18.0** |
| Income taxes | 33 | -2,658 | 3.5 | -3,365 | 4.1 | +26.6 |
| **Net result for the year** | | **10,668** | **14.2** | **12,363** | **15.1** | **+15.9** |
| ▪ Group net result | | 10,426 | 13.9 | 12,036 | 14.7 | +15.4 |
| ▪ Net result of minority interests | | 242 | 0.3 | 327 | 0.4 | +35.0 |

| Consolidated statement of comprehensive income (euro/000) | Notes | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|---|
| **Net result for the year** | | **10,668** | **14.2** | **12,363** | **15.1** | **+15.9** |
| Other items that will be subsequently reclassified to profit/(loss) for the period | | | | | | |
| ▪ Profit/(loss) on hedging instruments | 5 | 447 | 0.6 | -205 | 0.3 | -145.9 |
| ▪ Tax effects on components that will be subsequently reclassified in the net result for the period | | -107 | 0.1 | 49 | 0.1 | -145.9 |
| Other items that will not be subsequently reclassified to profit/(loss) for the period | | | | | | |
| ▪ Profit/(loss) from revaluation of defined benefit plans | | 97 | 0.1 | -36 | 0.0 | -136.6 |
| ▪ Taxes on other components of the statement of profits or loss | | -28 | 0.0 | 10 | 0.0 | -136.6 |
| **Overall result for the period** | | **11,077** | **14.8** | **12,181** | **14.9** | **+10.0** |
| Overall result pertaining to the Group | | 10,815 | 14.4 | 11,864 | 14.5 | +9.7 |
| Total profit attributable to minority interests | | 262 | 0.3 | 317 | 0.4 | +21.3 |

| Consolidated statement of cash flows (euro/000) | Notes | 2022 | 2023 |
|---|---|---|---|
| **Net result** | | **10,668** | **12,363** |
| Amortisation/depreciation | 29 | 7,020 | 7,371 |
| Capital losses/(gains) on disposal of assets | 29 | 4 | -860 |
| Value adjustments to financial assets | 30-31 | -6 | 91 |
| Trade receivables - Decrease (increase) | 9 | -7,196 | -840 |
| Other current assets - Decrease (increase) | 10 | -1,837 | 769 |
| Current tax assets - Decrease (increase) | 11 | 5 | -106 |
| Deferred tax assets - Decrease (increase) | 7 | 74 | 84 |
| Other non-current assets - (Acquisition) / Disposal | 6 | 111 | 85 |
| Trade payables - Increase (decrease) | 21 | -489 | 170 |
| Provisions for risks - Increase (decrease) | 17 | 91 | -111 |
| Other current liabilities - Increase (decrease) | 22-23 | 492 | -344 |
| Provisions for employee benefits - Increase (decrease) | 16 | 15 | 131 |
| Provision for deferred taxes - Increase (decrease) | 18 | -52 | 131 |
| **Cash flow from operations** | | **8,898** | **18,934** |
| Intangible fixed assets - (Acquisition) / Disposal | 2 | -810 | -2,556 |
| Tangible fixed assets - (Acquisition) / Disposal | 1 | -6,265 | -5,258 |
| Cash flows from business combinations | | -812 | 532 |
| Other financial assets - (Acquisition)/Disposal | 5 | 500 | -17,074 |
| **Cash flow from investments** | | **-8,387** | **-24,357** |
| Financial liabilities - Increase (decrease) | 15-20 | 5,397 | -1,554 |
| Dividends paid | | -3,057 | -4,303 |
| Other changes in Equity | | 0 | 0 |
| **Cash flow from financial management** | | **2,340** | **-5,856** |
| **Total cash flow** | | **2,851** | **-11,279** |
| Opening cash and cash equivalents | | 24,871 | 27,722 |
| Closing cash and cash equivalents | 13 | 27,722 | 16,443 |
| **Change in cash and cash equivalents** | | **2,851** | **-11,279** |

| Consolidated statement of changes in equity (euro/000) | Notes | Share capital | Reserves | Statement of Comprehensive Income Reserve | Profit/(loss) for the year | Total Group Equity | Equity attributable to minority interests | Consolidated Equity |
|---|---|---|---|---|---|---|---|---|
| **Balance as at 31 December 2021** | 14 | **11,000** | **19,128** | **-28** | **7,481** | **37,581** | **1,080** | **38,661** |
| Allocation of previous year's result | | 0 | 4,488 | 0 | -4,488 | 0 | 0 | 0 |
| 2022 Dividend distribution | | 0 | 0 | 0 | -2,993 | -2,993 | -79 | -3,072 |
| Profit/(loss) for the year | | 0 | 0 | 0 | 10,426 | 10,426 | 242 | 10,668 |
| 2022 Revaluations of defined benefit plans for employees | | 0 | 0 | 50 | 0 | 50 | 20 | 70 |
| Fair value adjustment of hedging derivatives 2022 | | 0 | 0 | 339 | 0 | 339 | 0 | 339 |
| Purchase of min. in integrated consolidated companies and accounting for options on min. | | 0 | -2,070 | 0 | 0 | -2,070 | 309 | -1,761 |
| **Balance as at 31 December 2022** | 14 | **11,000** | **21,546** | **361** | **10,426** | **43,332** | **1,572** | **44,904** |
| Allocation of previous year's result | | 0 | 6,253 | 0 | -6,253 | 0 | 0 | 0 |
| 2023 Dividend distribution | | 0 | 0 | 0 | -4,173 | -4,173 | -114 | -4,287 |
| Profit/(loss) for the year | | 0 | 0 | 0 | 12,036 | 12,036 | 327 | 12,363 |
| Revaluations of defined benefit plans for employees 2023 | | 0 | 0 | -17 | 0 | -17 | -9 | -26 |
| Fair value adjustment of hedging derivatives 2023 | | 0 | 0 | -156 | 0 | -156 | 0 | -156 |
| Purchase of min. in integrated consolidated companies and accounting for options on min. | | 0 | 0 | 0 | 0 | 0 | 180 | 180 |
| Fair value adjustment of the financial liability of the put option | | 0 | -1,411 | 0 | 0 | -1,411 | 0 | -1,411 |
| **Balance as at 31 December 2023** | 14 | **11,000** | **26,388** | **188** | **12,036** | **49,611** | **1,955** | **51,567** |

# Notes to the Consolidated Financial Statements

## Structure and Activities of the Group Companies

Vianova spa (hereinafter the "Company" or the "Parent Company") is a public limited company under Italian law with registered office in Massarosa (LU), Via di Montramito 431/a.
For a description of the Group's structure and activities, please refer to the Management Report.

## Approval of the Consolidated Financial Statements for the year ended 31 December 2023

The Consolidated Financial Statements for the year ended 31 December 2023 were approved by the Board of Directors on 29 February 2024, are audited by KPMG spa and will be presented at the Annual Shareholders' Meeting.

## Declaration of compliance with IAS/IFRS and general criteria for the preparation of the Consolidated Financial Statements

The Consolidated Financial Statements for the year ended 31 December 2023 were prepared in accordance with international accounting standards (International Accounting Standards - IAS or International Financial Reporting Standards - IFRS) and related interpretations (SIC/IFRIC) endorsed by the European Union on that date, hereinafter referred to as IFRS-EU, and also with the measures issued in implementation of Article 9 of Legislative Decree 38/2005, which, among other things, regulates the ability to apply said standards also on an optional basis.

## Consolidated Financial Statement Elements

The Consolidated Financial Statements were prepared on a going concern basis and, in addition to these notes, comprise the following elements:

- Consolidated statement of financial position: the presentation of the statement of financial position takes place through the separate disclosure of current and non-current assets and current and non-current liabilities with a description in the notes for each item of assets and liabilities of the amounts that are expected to be settled or recovered within or beyond 12 months from the reporting date.
- Consolidated Statement of profit or loss, consisting of the Consolidated Statement of profit or loss and the Consolidated Statement of comprehensive income: the classification of costs in the statement of profit or loss is based on their nature, highlighting the intermediate results relating to gross operating profit, net operating profit and profit before tax. It also includes income and expenses recognised directly in Equity for transactions other than those carried out with shareholders.
- Consolidated statement of cash flows: the statement of cash flows presents the cash flows from operating, investing and financing activities. Cash flows from operations are reported using the indirect method, whereby net result for the year is adjusted for the effects of non-monetary transactions, any deferrals or accruals of past or future operating cash receipts or payments, and revenue items associated with cash flows from investing or financing activities.
- Consolidated statement of changes in Equity: in addition to the statement of comprehensive income, this statement also includes transactions with shareholders and details of each individual component. Where applicable, the statement also includes the effects, for each item of Equity, deriving from changes in accounting principles.

The Consolidated Financial Statements are prepared in Euro, the Company's working currency. Amounts are expressed in thousands of Euros, except where specifically indicated. Rounding is carried out at the level of each individual account and then totalled. Note also that any differences in some of the tables are due to the rounding of amounts expressed in thousands of Euros.

## Scope of consolidation

Below is a list of the companies included in the scope of consolidation of the Consolidated Financial Statements at the respective dates.

| **Consolidated companies as at 31 December 2023** (euro/000) | **Country** | **Share capital** | **% shareholding** | **Type** |
|---|---|---|---|---|
| Vola spa | Italy | 500 | 67.0% | Direct |
| Host spa | Italy | 300 | 51.0% | Direct |
| Qboxmail srl | Italy | 52 | 51.0% | Direct |
| Qboxmail srl | Italy | 52 | 10.0% | Indirect |
| NetResults srl | Italy | 138 | 70.0% | Direct |
| NextUp srl | Italy | 20 | 35.7% | Indirect |

For information on the companies, please refer to the Report on Operations.

## Use of estimates and valuations

The preparation of the financial statements and related notes requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date.
Estimates and assumptions are based on elements known at the date of preparation of the financial statements, on management's experience and on other elements that may be considered relevant. Actual results may differ from these estimates.
Estimates are used to test for impairment, to defer assets and liabilities arising from contracts with Customers, to measure assets, amortisation/depreciation, to assess the recoverability of deferred tax assets, to recognise provisions for credit risks, as well as to make actuarial valuations of employee benefits and to measure contingent liabilities.
Estimates and assumptions are reviewed periodically and the effects of any changes are reflected in the statement of profits or loss.
The following is a summary of the critical valuation processes and key assumptions used in the process of applying the IFRS and which may have a significant effect on the values recognised in the financial statements or for which there is a risk that significant differences in value may emerge with respect to the carrying amount of the assets and liabilities in the financial year subsequent to that of the financial statements.

### Goodwill

The Vianova Group verifies goodwill on an annual basis in order to ascertain the existence of any impairment losses to be recognised in the statement of profit or loss. In particular, this test involves determining the recoverable amount of the cash generating units to which goodwill is allocated. This value was determined on the basis of their value in use. The allocation of goodwill to cash generating units and the determination of their value involves making estimates that depend on factors that may change over time, with potentially significant effects on the valuations carried out by the Directors.

### Recoverable amount of non-current assets

Non-current assets include property, plant, equipment and other assets, investments accounted for using the Equity Method, other investments and other non-current assets. The Group periodically reviews the carrying amount of non-current assets held and used and of assets to be disposed of, when facts and circumstances require such a review. The analysis of recoverability of the carrying amount of non-current assets is generally carried out using estimates of anticipated cash flows from the use or sale of the asset and appropriate discount rates to calculate the present value. When the carrying amount of a non-current asset is impaired, the Group records a write-down equal to the excess between the carrying amount of the asset and its recoverable amount through use or sale of the same, determined with reference to the cash flows contained in the most recent business plans.

The estimates and assumptions used in this analysis reflect the state of knowledge of the Company's management in relation to business developments and take into account forecasts considered to be reasonable about future market and industry developments. It cannot be ruled out that different developments in the markets and sectors in which the Group operates could lead to values that differ from the original estimates and, where necessary, to adjustments in the carrying amount of certain non-current assets.

### Amortisation/depreciation

Amortisation/depreciation of fixed assets is a significant cost for the Group. The cost of property, plant and equipment is depreciated on a straight-line basis over the estimated useful life of the related assets. The useful economic life of the Group's fixed assets is determined by the Directors at the time the asset is acquired; it is based on historical experience for similar fixed assets, market conditions and anticipations regarding future events that could have an impact on the useful life, including changes in technology. Therefore, the actual economic life may differ from the estimated useful life. The Group periodically assesses technological and industry changes in order to update the remaining useful life. This periodic update could result in a change in the amortisation/depreciation period and therefore also in the amortisation/depreciation charge for future years.

### Contracts with Customers

The Group recognises, in the statement of profit or loss, revenue components deriving from contracts with Customers and cost components for the acquisition and execution of contracts. These components are recognised in the statement of profit or loss on the basis of the estimated average life of the contracts with Customers, which is determined by the Directors on the basis of historical experience. Therefore, the actual economic life may differ from the estimated useful life. The Group periodically reviews its estimate of the average contractual life. This periodic update could lead to a change in the period of recognition of revenue and costs and therefore also of the share of future years.

### Recoverability of deferred tax assets

The Group recognises deferred tax assets up to the amount for which recovery is considered probable. Where necessary, the Group recognises adjustment items in order to reduce the value of deferred tax assets to the value for which recovery is considered probable. In assessing the recoverability of deferred tax assets, budget results and forecasts for subsequent years consistent with those used for the purpose of impairment testing and described in the paragraph above on the recoverable amount of non-current assets are considered.

### Provision for inventory obsolescence

The final inventories of products considered obsolete are periodically subjected to specific valuation tests, taking into account past experience, the historical results achieved and the probability of realisation of the assets under normal market conditions. If the analyses in question reveal the need to reduce the value of inventories, the management proceeds to the appropriate write-downs.

### Allowance for doubtful accounts

The allowance for doubtful accounts reflects management's estimate of losses related to the customer loan portfolio. The estimate of the allowance for doubtful accounts is based on management's expected losses, determined based on past experience with similar receivables, current and historical past due amounts, losses and collections, careful monitoring of credit quality and projections about general and sector economic conditions.

### Defined benefit plans

Group companies provide employees with a defined benefit plan (employee severance indemnity).

With reference to employee benefit plans, net financial costs and charges are measured using an actuarial method that requires the use of estimates and assumptions to determine the net value of the obligation. The actuarial method considers parameters of a financial nature such as the discount rate, rates of growth of salaries and the probability of occurrence of potential future events through the use of demographic parameters such as rates relating to mortality and resignation or retirement of employees. In particular, the discount rates taken as reference are rates or rate curves of corporate bonds with high creditworthiness in their respective markets. A change in any of these parameters could affect the amount of the liabilities.

### Contingent liabilities

The Group recognises a provision for ongoing disputes and litigation proceedings when it considers it probable that a financial outlay will be made and when the amount of the resulting charges can be reasonably estimated. If the amount of the financial outlay cannot be reliably estimated or the probability of such an outlay becomes possible, no provision is recognised and the fact is reported in the Notes to the financial statements.
In the normal course of business, Group companies monitor the status of pending litigation and consult with their legal and tax advisors. It is therefore possible that the value of provisions for legal proceedings and disputes of Group companies may vary as a result of future developments in the proceedings in progress.

### Consolidation criteria

The Consolidated Financial Statements are prepared on the basis of the financial statements of the Group Companies approved by the Shareholders' Meetings or, in their absence, on the basis of the draft financial statements approved by the management bodies, as at 31 December 2023.
The closing date of the financial statements of Group Companies is 31 December 2023. The financial statements are appropriately adjusted/reclassified in order to make them consistent with the rules for preparing the financial statements of the Parent Company.
Control is presumed to exist when the Company has the power to direct the Company's significant activities and is exposed to variability in results.
The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control is assumed until the date on which such control ceases to exist.
Companies over which "significant influence" is exercised have been valued with the "Equity Method".

### Consolidation using the full consolidation method

In brief, consolidation with the "full consolidation method" involves taking the assets and liabilities, costs and revenue of the consolidated companies, regardless of the size of the stake held, and attributing to third-party shareholders, under a special item of Equity called "Minority interests in capital and reserves", their share of the profits and reserves.
The main techniques used in consolidation are outlined below:

- Elimination of equity investments in companies included in the consolidation and of the corresponding fractions of their Equity, attributing to the individual elements of the assets and liabilities the current value as at the date of acquisition of control; any residual difference, if positive, shall be recognised, if the conditions exist, under the asset item "Goodwill"; if negative, it shall be recognised in the statement of profit or loss.
- The higher/lower price paid with respect to the corresponding fraction of Equity, resulting from the acquisition of additional shares in subsidiaries, is recorded as a deduction/increase of Equity.
- Elimination of receivables and payables between companies included in the consolidation, as well as income and expenses relating to transactions between the same companies. Profits and losses arising from transactions between these companies and relating to values included in the statement of financial position and statement of profit or loss have also been eliminated, if significant; any intragroup losses are not eliminated if they represent an indicator of impairment of the underlying asset.

- Reversal of dividends received from consolidated companies.

#### Valuation of equity investments using the Equity Method

The equity investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor’s share of the investee’s profits and losses realised after the acquisition date. Any goodwill included in the value of the investment is subject to an impairment test. The investor’s share of the investee’s results for the year is recognised in the statement of profit or loss of the investee; however, to the extent that the Group is not liable for them, the excess of losses over the carrying amount of the investment in the financial statements is not recognised. Dividends received from an investee reduce the carrying amount of the investment.

#### Foreign currency transactions

The Company and the Group do not carry out transactions in foreign currencies and the Group does not hold investments in foreign companies.

## Relevant accounting standards

### Property, plant and equipment

#### Recognition and measurement

Tangible fixed assets are recognised and measured using the “cost” method, in accordance with IAS 16. Using this criterion, tangible fixed assets are recognised in the financial statements at purchase or production cost, including directly attributable ancillary costs and, subsequently, adjusted to take into account depreciation, any permanent impairment in value and the relevant reversals.
If a tangible fixed asset is composed of several components with different useful lives, these components are accounted for separately (if they are significant).
Land is not depreciated, even if purchased together with a building.
The gain or loss generated by the disposal of property, plant, machinery, equipment and other assets is determined as the difference between the net disposal proceeds and the net residual value of the asset, and is recognised in the statement of profits or loss in the period in which the disposal takes place.

#### Subsequent costs

Costs incurred subsequent to the purchase of the assets and the cost of replacing certain parts of the assets recorded in this category are added to the carrying amount of the item to which they refer and capitalised only if they increase the future economic benefits inherent in the asset itself. All other costs are recognised in the statement of profits or loss when incurred.
When the cost of replacing parts of assets is capitalised, the net carrying amount of the replaced parts is recognised in the statement of profits or loss. Extraordinary maintenance costs that increase the useful life of tangible fixed assets are capitalised and depreciated over the remaining useful life of the asset. Ordinary maintenance costs are recognised in the statement of profits or loss in the year in which they are incurred.
Assets under construction are recorded at cost under “Fixed assets in progress” until they are available for use; when they are available for use, the cost is classified under the relevant item and depreciated.

#### Depreciation

The depreciation period begins when the asset is available for use and ends on the earlier of the date on which the asset is classified as held for sale in accordance with IFRS 5 and the date on which the asset is derecognised. Any changes to amortisation schedules are applied prospectively.
The value to be depreciated is represented by the carrying amount reduced by the presumable net disposal value at the end of its useful life, if significant and reasonably determinable.

Depreciation is calculated based on economic-technical rates determined in relation to the estimated useful life of the individual assets, established in accordance with the company's plans for their use, which also consider physical and technological deterioration, taking into account their estimated realisable value net of dismantling costs. When the tangible asset is made up of several significant components with different useful lives, each component is depreciated separately. When events occur that indicate a possible loss due to reduction in value of tangible fixed assets, or when there is a significant reduction in the market value of the same, significant technological changes or significant obsolescence, the net carrying amount, independently of the depreciation already recorded, is subject to verification based on the estimate of the current value of the estimated future cash flows and adjusted if necessary. Subsequently, if these conditions are no longer met, the impairment loss is eliminated up to the carrying amount that would have been produced (net of depreciation) if the asset impairment loss had never been recognised.
Depreciation is calculated by applying *pro-rata temporis* criteria on a straight-line basis over the estimated useful life of the asset, by applying the following rates:

| **Amortisation rates** (%) | 2022 | 2023 |
|---|---|---|
| Plant and equipment, TLC infrastructure, ULL and PoP sites | 18 | 18 |
| Industrial and commercial equipment | 12 | 12 |
| Furnishings | 12 | 12 |
| Fittings | 12 | 12 |
| Equipment on loan for use at Customers' premises | 20 | 20 |
| Electrical and electronic equipment, including electronic telephone systems | 20 | 20 |
| Vehicles | 25 | 25 |
| Buildings | 3 | 3 |
| Fibre (core network) | 6.67 | 6.67 |
| Customer Fibre (access network) | 33.33 | 33.33 |

Useful lives and residual values are verified at the reporting date and have not been changed from the previous year.

### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. This requires, at the date of acquisition of control, recognition at fair value of the identifiable assets (including previously unrecognised intangible assets) and identifiable liabilities (including contingent liabilities and excluding future restructuring) of the acquired company.
Goodwill arising from a business combination is initially measured at cost represented by the surplus of the fair value of the consideration transferred over the Group's share of the net fair value of the investee's identifiable assets, liabilities and contingent liabilities. Goodwill arising from a business combination is allocated, at the acquisition date, to the individual cash-generating units of the Group or to groups of cash-generating units that are expected to benefit from the synergies of the combination, regardless of whether other Group assets or liabilities are assigned to those units or groups of units. Each unit or group of units to which the goodwill is allocated:

- represents the smallest level within the Group at which goodwill is monitored for internal management purposes;
- shall be no larger than the identified operating segments.

After initial recognition, goodwill is not amortised and is decreased by any impairment losses, determined in the manner described in the section "Impairment losses on non-financial assets".

## Intangible assets with a finite useful life

### Initial recognition and measurement

Intangible assets acquired separately are initially capitalised at cost, while those acquired through business combinations are capitalised at fair value at the date of acquisition. After initial recognition, intangible assets are recognised at cost less accumulated amortisation and any impairment losses.

### Subsequent costs

Costs incurred after purchase are capitalised only when they increase the expected future economic benefits attributable to the asset to which they refer. All other subsequent costs are charged to the statement of profits or loss when incurred.

### Amortisation and impairments

Intangible assets are amortised over their useful lives and tested for impairment whenever there are indications of possible impairment losses. The period and method of amortisation applied to them are reviewed at the end of each financial year, or more frequently if necessary. Any changes to amortisation schedules are applied prospectively.
Gains or losses arising from the derecognition of an intangible asset are measured by the difference between the net disposal proceeds and the carrying amount of the intangible asset, and are recognised in the statement of profits or loss in the period of derecognition.
Amortisation is calculated applying *pro-rata temporis* criteria on a straight-line basis over the estimated useful life of the intangible asset, by applying the following rates:

| **Amortisation rates** (%) | 2022 | 2023 |
|---|---|---|
| Development costs | 33 | 33 |
| Industrial patent rights and use of intellectual property | 5 | 5 |
| Software expenses | 33 | 33 |
| Concessions, licenses, trademarks and similar rights | 20 | 20 |
| Other fixed assets (costs related to technical operations) | 20 | 20 |

### Derecognition

Intangible assets with a finite useful life are derecognised either when they are disposed of or when no future economic benefit is expected from their use or disposal. The relative gain or loss, recognised in the statement of profits or loss, is determined as the difference between the net consideration deriving from the disposal, if any, and the net carrying amount of the asset derecognised.

## Equity investments accounted for using the Equity Method

Equity investments accounted for using the Equity Method are represented by associates.
Associates are entities over whose financial and operating policies the Group exercises significant influence.
Associates are accounted for using the Equity Method and initially recognised at cost. The cost of the investment includes transaction costs. The Consolidated Financial Statements include the Group's share of the profits or losses of investee companies recognised using the Equity Method up to the date on which such significant influence is exercised.

## Assets measured at amortised cost

If there is objective evidence that a loan recognised at amortised cost has suffered an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses not yet incurred), discounted using the financial asset's initial effective interest rate (i.e. the effective interest rate calculated at the date of initial recognition or the current effective interest rate in the case of variable rate loans). The carrying

amount of the asset is reduced through the use of a provision and the amount of the loss is recognised in the statement of profits or loss.
The Group assesses, first of all, the existence of objective indications of impairment at an individual level, for financial assets that are individually significant, and then, at an individual or collective level for financial assets that are not. In the absence of objective indications of impairment for an individually assessed financial asset, whether significant or not, that asset is included in a group of financial assets with similar credit risk characteristics and that group is tested for impairment on a collective basis. Assets assessed individually and for which an impairment loss is recognised or continues to be recognised will not be included in a collective assessment.
If, in a subsequent period, the value of the impairment loss decreases and that reduction can be objectively traced to an event occurring after the impairment loss was recognised, the previously reduced value may be reversed. Any subsequent reversals of impairment losses are recognised in the statement of profits or loss, to the extent that the carrying amount of the asset does not exceed the amortised cost at the date of the reversal.
With reference to trade receivables, a provision for impairment losses is made when there is an objective indication (such as, for example, the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to recover all the amounts due according to the original terms of the invoice. The carrying amount of the receivable is reduced by the use of a specific provision. Receivables subject to impairment losses are reversed when they prove to be unrecoverable.
When, given the terms of payment granted, a financial transaction is involved, receivables are measured at amortised cost by discounting the nominal value to be received, recording the discount as financial income.

### IFRS 9 (Financial Instruments)

The Group adopts the expected credit loss model in accordance with IFRS 9, and classifies its financial assets on the basis of the business model chosen by the entity to manage them and on the basis of the characteristics of the contractual cash flows of the financial assets themselves.
As regards the management of trade receivables, Management has set out its business models on the basis of the specific nature of the receivable, the type of counterparty and the collection period; this has been done in order to optimise the management of working capital by continually monitoring the collection performance of customers, setting credit collection policies and managing programmes for the disposal of receivables.
The Business Model adopted by the company for trade receivable management is the “Held to Collect” model. The company holds the financial assets and trade receivables in order to collect them, not so much to benefit from their sale. The measurement is at amortised cost.
Impairment on trade receivables and contract assets is carried out using the simplified approach allowed by the standard. This approach involves estimating the expected loss over the life of the receivable at initial recognition and in subsequent valuations. For each customer segment, the estimate is made mainly by determining the average expected uncollectible amount, based on historical-statistical indicators, adjusted if necessary using prospective elements. For certain categories of receivables with specific risk elements, specific assessments are carried out on individual credit positions.

### Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments (IRS) to hedge financial risks relating to changes in interest rates on medium/long-term loans. These derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is signed and, subsequently, are measured at fair value at each end date. Derivatives are recognised as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. As required by IFRS 9, hedging derivatives can be recorded based on hedge accounting methods only when:

- at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity’s risk management objective and strategy for undertaking the hedge;
- the hedge is expected to be highly effective;

- for cash flow hedges, the planned hedged transaction must be highly probable and must include
- an exposure to cash flow valuations that could affect the statement of profits or loss;
- the effectiveness can be reliably measured; and
- the hedge is highly effective during the various accounting periods for which it is designated.

All derivative financial instruments are measured at fair value. When derivative instruments meet the characteristics for hedge accounting, the following accounting treatments apply:

- *Fair value hedge* - if a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment that could affect profit or loss, the change in the fair value of the hedging instrument is recognised in the statement of profits or loss and the change in the fair value of the hedged item attributable to the hedged risk is recognised as part of the carrying amount of the hedged item and is also recognised in the statement of profits or loss. In the case of an irrevocable commitment, the fair value of the component relating to the hedged risk is recognised in the balance sheet as an asset or liability, adjusting the balance sheet item that will be affected by the irrevocable commitment at the time of its realisation.
- *Cash flow hedge* - if a derivative financial instrument is designated as a hedge of the exposure to the variability of the cash flows of an asset or liability in the financial statements or a highly probable forecast transaction or an irrevocable commitment and which could have effects on the statement of profits or loss, the effective portion of the gains or losses on the financial instrument is recognised in equity and shown in the statement of comprehensive income; the cumulative profit or loss is reversed from equity and recognised in the statement of profits or loss in the same period in which the hedged transaction is recognised; the gain or loss associated with a hedge, or that part of the hedge that has become ineffective, is recognised in the statement of profits or loss when the ineffectiveness is recognised.

If the conditions for the application of hedge accounting are not met, the effects deriving from the measurement at fair value of the derivative financial instrument are charged directly to the statement of profits or loss.

### IFRS 16 (Leases)

Pursuant to IFRS 16, at the start date of the leasing contract, the lessee must recognise an asset representing the right of use of the leased asset for the duration of the contract (so-called right-of-use or RoU) as well as a liability for future payments which the lessee has committed itself to by signing the contract (so-called lease liability).
The financial charges accrued on the lease liability and the amortisation of the right to use the asset are recorded separately in the statement of profits or loss.
The contracts falling within the scope of application of the standard for the Group concern the rental of office and warehouse premises, TLC infrastructures and vehicles.

### Inventories

Inventories are measured at the lower of purchase and/or production cost and net realisable value. The cost of inventories includes all purchase costs to bring the inventories to their current location and condition. In particular, this includes the purchase price, other taxes, transport costs, handling and other costs directly attributable to the purchase of goods. Commercial discounts, returns and other similar items are deducted in the determination of purchase costs. The method used to allocate the cost of inventories is that of the weighted average cost.
The value of obsolete and slow-moving stocks is written down in relation to their possibility of use or sale.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand and short-term sight deposits, in accordance with IAS 7. For the purposes of the statement of cash flows, cash and cash equivalents are represented by cash as defined above net of bank overdrafts.

### Share capital and other Equity items

Costs relating to the issue of new shares or options are classified in Equity, net of the related tax benefit, as a deduction from the proceeds from the issue of such instruments.
As envisaged by IAS 32, if equity instruments are repurchased, these instruments (own shares) are deducted directly from Equity under the item "Other reserves". No gain or loss is recognised in the statement of profits or loss on the purchase, sale or cancellation of own shares.
The consideration paid or received, including any costs incurred directly attributable to the capital transaction, net of any related tax benefit, is recognised directly as a movement in Equity.
Any dividends paid to shareholders are recognised as liabilities in the period in which they are declared.

### Financial liabilities

Financial liabilities are initially recognised at the fair value of the consideration received net of transaction costs that are directly attributable to the loan itself. After initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method. Depreciation at the effective interest rate is included among financial charges in the statement of profits or loss.

### Employee benefits

Post-employment benefits may be offered to employees through defined contribution and/or defined benefit plans. These benefits are based on employees' remuneration and years of service.
Defined contribution plans are post-employment benefit plans under which the Company and sometimes its employees make predetermined contributions to a separate entity (a fund) and the Company does not have, and will not have, a legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to meet its obligations to employees.
Defined benefit plans are post-employment benefit plans, other than defined contribution plans. Defined benefit plans may be unfunded or wholly or partly funded by contributions paid by the enterprise, and sometimes by its employees, to a company or fund that is legally separate from the enterprise paying them to employees.
The amount accrued is projected into the future to estimate the amount to be paid at the time of termination of the employment relationship and subsequently discounted to take into account the time elapsed before the actual payment.
Adjustments to employee benefit liabilities are determined based on actuarial assumptions, founded on demographic and financial assumptions, and are recognised on an accrual basis in accordance with the work performed necessary to obtain the benefit. The amount of the rights matured during the year by employees and the share of interest on the amounts accrued at the beginning of the period and on the corresponding movements referring to the same period are recognised in the statement of profits or loss under "Staff costs", while the figurative financial charge deriving from the actuarial calculation is recognised in the statement of comprehensive income under the "Profit/(loss) from revaluation of defined benefit plans" item.
The actuarial valuation is entrusted to an actuary external to the Company.
Following the changes made to the rules for the Employee Severance Indemnity (Trattamento di Fine Rapporto - "T.F.R.") by Law no. 296 of 27 December 2006 and subsequent Decrees and Regulations ("Pension Reform") issued in the early months of 2007:

- The T.F.R. accrued as at 31 December 2006 is considered a defined benefit plan according to IAS 19. Guaranteed employee benefits, in the form of T.F.R., paid out on termination of employment, are recognised during the period when the right to such benefits accrues;

- The T.F.R. accrued after 1 January 2007 is considered a defined contribution plan and therefore the contributions accrued in the period have been entirely recorded as a cost and, for the portion not yet paid to the funds, shown as a liability in the "Other current liabilities" item.

### Provisions for future risks and charges

Provisions for risks and charges are recognised to cover charges for obligations of Group companies, whether legal or implicit (contractual or otherwise), arising from a past event. Provisions for risks and charges are recognised if it is probable that a utilisation of resources will be required to settle the obligation and if a reliable estimate of the obligation can be made.
Provisions are recognised at the best estimate of the amount that the enterprise would reasonably pay to extinguish the obligation or to transfer it to third parties at the end of the period.
Provisions are periodically updated to reflect changes in cost estimates, the time needed to complete the project and the discount rate; revisions of provisions are booked to the same statement of profits or loss item that had previously included the provisions or, when the liability relates to tangible assets, as an offsetting entry to the asset to which it refers.
The provision includes the allocation of future costs for ongoing disputes.

### Trade payables

Payables are recorded at nominal value net of discounts, returns or billing adjustments, representing the fair value of the obligation. When, given the payment terms agreed, a financial transaction is involved, the payables, valued using the amortised cost method, are discounted to their nominal value to be paid, recording the discount as a financial charge.

### Impairment losses on non-financial assets

The Group assesses whether there are any indicators of impairment of tangible and intangible assets. If there is any indication of this, the Company estimates the recoverable amount of the asset (impairment test).
The accounting standard does not require the formal preparation of an estimate of recoverable amount except when there are indicators of impairment losses. Assets not available for use and goodwill acquired in business combinations are an exception: they must be subjected to impairment testing at least once a year and whenever there are indicators of impairment losses. The Company has set the reporting date as the time to perform the impairment test for all those assets where annual analysis is required.

### Recognition of Revenue from Contracts with Customers

In accordance with IFRS 15, revenue recognition is carried out by applying a five-step model as outlined below:

- Identification of the contract with the customer: Vianova's bundled service offering meets the requirements of the standard:
  a) the parties to the contract have approved the contract in writing and have undertaken to fulfil their respective obligations;
  b) the entity can identify the rights of each party as regards the goods or services to be transferred;
  c) the entity can identify the terms of payment for the goods or services to be transferred;
  d) the contract has commercial substance (i.e. the risk, timing or amount of the entity's future cash flows are expected to change as a result of the contract);
  e) it is probable that the entity will receive the consideration to which it is entitled in exchange for the goods or services to be transferred to the customer.
- Identification of the performance obligations provided for by the contract: the bundle offer (packages of Vianova goods and services), consisting of a fixed fee and a monthly variable fee, and the activation fee (up-front fee) are part of a single performance obligation that the Company has towards its customers.

Contracts with customers fall into the category of performance obligations over time: the customer simultaneously receives and uses the benefits arising from the entity's performance as the entity performs it.

Revenue is therefore recognised based on the amount that the Company is entitled to invoice, in accordance with the paragraphs of IFRS 120/121 and B-15/16 ("as invoiced practical expedient").

- Determination of transaction consideration: in determining the transaction price, the entity shall consider the terms of the contract and its usual business practices. The transaction price is the amount of the consideration that the entity expects to be entitled to in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (e.g., sales taxes). The consideration promised in the contract with the customer includes fixed amounts and variable amounts linked to actual consumption carried out. These are not variable payments linked to incentives, performance bonuses, penalties or other similar elements that depend on the occurrence or non-occurrence of a future event.
- Allocation of the consideration to individual performance obligations; the objective of allocating the transaction price is to assign each separate performance obligation (or each separate good or service) to an amount that reflects the amount of consideration to which the entity expects to be entitled in return for transferring the promised goods or services to the customer. The bundle offer of Vianova service packages is a single performance obligation and the practical expedient of "as-invoiced" is applied.
- Recognition of revenue at the time of (or during) the fulfilment of the individual performance obligation: revenue is recognised during the fulfilment of the identified performance obligation and on an accrual basis.

  For the purpose of revenue recognition, the Company does not separate the performance obligations included in the contract, because separate representation would not change the presentation in the financial statements. Revenue from activation fees (up-front fees) does not represent an important incentive for customers in relation to potential "renewal/non-renewal" and therefore does not transfer a "material right" to the customer. This fee does not represent a separate performance obligation, but is allocated over the average duration of the contract. The portion pertaining to the financial year is recognised under revenue in the Statement of profit or loss, while the remaining portion is recorded under Other Current Liabilities. The implicit financial component does not appear to be significant and has therefore not been considered.

**Recognition of costs IFRS 15**

IFRS 15 governs two types of cost: "Costs to obtain the contract" and "Costs to fulfil the contract".
The entity shall recognise as an asset the incremental costs of obtaining the customer contract if it expects to recover them. The incremental costs of obtaining the contract are costs that the entity incurs to obtain the contract with the customer that it would not have incurred had it not obtained the contract (for example, a sales commission).

An entity shall recognise as asset costs incurred in the performance of the contract only if the costs meet all of the following conditions:

- The costs are directly related to the contract or an anticipated contract, which the entity may identify specifically (this may be, for example, costs incurred for services to be provided as part of the renewal of the existing contract or for the design of an asset to be transferred under a specific contract not yet approved).
- The costs provide the entity with new or additional resources to be used to meet (or continue to meet) its obligations to do things in the future.
- The costs are expected to be recovered.

The costs incurred by the Company in obtaining and fulfilling the contract relate to the payment of premiums to agents/commercial partners for procuring customers and the costs incurred in installing equipment and networks at new customers. Both are accounted for on the basis of the average duration of the contract. The portion pertaining to the financial year is recorded in the Statement of profit or loss, while the remaining portion is deferred under Other Current Assets.

### Recognition of costs

Costs and other operating expenses are recognised in the statement of profits or loss when they are incurred on an accrual basis and correlated to revenue, when they do not produce future economic benefits or when they do not qualify for recognition as assets.

### Staff costs

Staff costs are represented by wages and salaries, social security charges, charges relating to defined benefit plans, mainly represented by the provision for severance indemnity, staff and directors' benefits, and other staff costs (medical examinations, travel, canteen).

### Current taxes

Income taxes are determined on the basis of a realistic forecast of the tax charges to be paid in consideration of the accrual basis of accounting and in application of current tax regulations. The tax rates and regulations used to calculate the amount are those in force, or substantially in force, at the reporting date. Current taxes relating to items recognised outside the statement of profits or loss are recognised directly in the statement of comprehensive income, and therefore in Equity, consistently with the recognition of the item to which they relate.

### Deferred taxes

Deferred taxes are calculated using the so-called "liability method" on temporary differences at the reporting date between the tax bases of assets and liabilities and the values specified in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred taxes arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, does not affect neither the profit for the year calculated for financial reporting purposes nor the profit or loss calculated for tax purposes.
Deferred tax assets are recognised for all deductible temporary differences and for tax losses carried forward, to the extent that it is probable that there will be adequate future taxable profits to use the deductible temporary differences and tax losses carried forward. The value of deferred tax assets to be recognised is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available in the future to recover the asset. Unrecognised deferred tax assets are reviewed periodically at the reporting date and are recognised to the extent that it has become probable that taxable profit will be sufficient to allow these deferred taxes to be recovered.
Deferred taxes are measured at the tax rates that are expected to apply to the period when such assets are realised or such liabilities are settled, considering the rates in force and those already enacted or substantively enacted at the reporting date.
Deferred tax assets and liabilities are offset if they relate to taxes of the same tax authority and there is a legal right to offset current tax assets and liabilities.

### Treasury shares

There are no treasury shares.

### Put Option agreements on third-party interests

In the case of put options granted to minority shareholders, the Group recognises a financial liability equal to the present value of the estimated exercise price of the option.
If the terms and conditions of the option grant the Group access to the economic benefits linked to the portion of share capital optioned, the Group accounts for this portion as if it had already been purchased

and, therefore, at the time of initial recognition of the liability, this value is reclassified from Equity by reducing the share pertaining to minority interests. In other cases, the accounting policy chosen by the Group requires the Group, at the time of initial recognition of the financial liability, to reclassify this value in the Group's Equity, continuing to recognise the profits and losses attributable to these minority interests and the Equity pertaining to minority interests.
The financial liability is subsequently remeasured at each reporting date. The changes are recognised directly in the shareholders' equity.

### Events occurring after the end of the financial year

- Events occurring after the end of the financial year that modify conditions already existing at the reporting date and that require changes in the value of assets and liabilities, in accordance with the relevant accounting standard, are recognised in the financial statements, in accordance with the accrual basis of accounting, to reflect the effect that such events have on the financial position and results of operations at the end of the financial year.
- Events occurring after the end of the financial year that modify situations existing at the reporting date, but that do not require a change in the values of the financial statements, in accordance with the reference accounting standard, as they pertain to the following financial year, are not recorded in the financial statements but are set out in the notes when necessary for a more complete understanding of the company's situation.
- The time limit within which the event must occur for it to be taken into account is the date of preparation of the draft financial statements by the Directors, except in cases where events occur between that date and the date scheduled for approval of the financial statements by the Shareholders' Meeting that make it necessary to amend the draft financial statements.

# Notes to the individual items in the financial statements

## Note no. 1 - Owned property, plant and equipment

| | | | 31 December 2022 | | | 31 December 2023 |
|---|---|---|---|---|---|---|
| (euro/000) | Historical Cost | Acc. Depreciation | Net Carrying Amount | Historical Cost | Acc. Depreciation | Net Carrying Amount |
| Land and buildings | 10,600 | -3,423 | 7,177 | 12,738 | -3,889 | 8,849 |
| TLC infrastructure | 25,711 | -17,619 | 8,092 | 26,510 | -19,480 | 7,029 |
| Equipment and plants | 7,494 | -5,597 | 1,898 | 7,530 | -6,349 | 1,180 |
| TLC equipment | 22,618 | -18,496 | 4,122 | 22,329 | -18,295 | 4,034 |
| Other assets | 8,900 | -6,815 | 2,085 | 9,723 | -7,299 | 2,424 |
| Tangible fixed assets in progress | 863 | 0 | 863 | 1,753 | 0 | 1,753 |
| **Total** | **76,186** | **-51,949** | **24,237** | **80,582** | **-55,312** | **25,270** |

The item Land and buildings includes the land located in Via Giannessi (PI) on which there is an office of the Consolidating Company Vianova, and the land destined to host its new office to be built in Massarosa (currently suspended). The aforementioned land plots, recognised at 780 thousand Euro and 1,422 thousand Euro respectively, are not subject to depreciation.

Changes in the item "Property, Plant, Machinery and Other Assets" are shown below.

| (euro/000) | Land and Buildings | TLC infrastructure | Equipment and installations | Apparatus TLC | Others assets | tangible assets underway | Total |
|---|---|---|---|---|---|---|---|
| **Balance as at 1 January 2023** | **7,177** | **8,092** | **1,898** | **4,122** | **2,085** | **863** | **24,237** |
| Increases | 2,205 | 571 | 35 | 1,621 | 1,178 | 1,620 | 7,229 |
| Decreases | -39 | -17 | 0 | -61 | -22 | -107 | -246 |
| Reclassifications | 0 | 622 | 2 | 0 | 0 | -623 | 0 |
| Amortisation/depreciation | -494 | -2,238 | -754 | -1,649 | -816 | 0 | -5.951 |
| Write-downs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other changes | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Balance as at 31 December 2023** | **8,849** | **7,029** | **1,180** | **4,034** | **2,424** | **1,753** | **25,270** |

- The acquisitions recognised during the year are mainly attributable to investments made by the consolidating company Vianova.
- For further details, see the section on Investments and Financing in the Report on Operations.

### Assets under finance and operating lease

In compliance with IFRS 16, right-of-use (RoU) assets arising from real estate leases, long-term car rentals, and the operating lease for the server solution have been valued and recorded as an asset in the balance sheet, respectively in the categories Buildings, Other assets and TLC infrastructure.

| | | | 31 December 2022 | | | 31 December 2023 |
|---|---|---|---|---|---|---|
| (euro/000) | Historical Cost | Acc. Depreciation | Net Carrying Amount | Historical Cost | Acc. Depreciation | Net Carrying Amount |
| Land and buildings | 922 | -749 | 173 | 2,859 | -986 | 1,873 |
| TLC infrastructure | 173 | -78 | 95 | 173 | -109 | 64 |
| Other assets | 115 | -58 | 6 | 281 | -120 | 6 |
| **Total** | **1,210** | **-885** | **325** | **3,313** | **-1,215** | **2,098** |

For details of the accounting treatment of liabilities corresponding to the assets described, please refer to the relevant sections of the notes to the financial statements on "Medium/long-term financial liabilities" and "Current financial liabilities".

## Note no. 2 - Goodwill

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Qboxmail srl goodwill | 79 | 79 | 0 | 0.0 |
| Goodwill of NetResults srl | 1,627 | 1,627 | 0 | 0.0 |

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| **Total** | **1,706** | **1,706** | **0** | **0.0** |

In line with IAS 36, goodwill is subject to an annual impairment test to determine its recoverable amount. The impairment test was conducted considering the two CGUs to which it was allocated: NetResults and Qboxmail.

With particular reference to the goodwill of NetResults, the impairment test was conducted using the Discounted Cash Flow method, determining the "use value" as the sum:

- of the plan value, calculated by discounting the operating cash flows of the 2024-2028 plan (approved by NetResults' Board of Directors on 13 February last) at a discount rate representative of the weighted average cost of capital (WACC) of 10%.
- of the residual value (Terminal Value), estimated based on a constant perpetuity with a prudent growth rate "g" of zero.

The recoverable amount thus determined was compared with the carrying amount of the CGU's Net Invested Capital as of 31 December 2023.
Finally, sensitivity analyses were conducted in order to verify the robustness of the impairment test to changes in cash flows and key assumptions.

Based on the results of the impairment test, the need to record impairment losses did not materialise.

## Note no. 3 - Intangible assets with a finite useful life

| (euro/000) | Software and licences | Other intangible assets | Intangible assets underway | Total |
|---|---|---|---|---|
| **Balance as at 1 January 2023** | **1,205** | **687** | **0** | **1,892** |
| Increases | 879 | 12 | 1,734 | 2,625 |
| Decreases | 0 | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 0 | 0 |
| Amortisation/depreciation | -860 | -282 | 0 | -1,142 |
| Write-downs | 0 | 0 | 0 | 0 |
| Other changes | 0 | 0 | 0 | 0 |
| **Balance as at 31 December 2023** | **1,225** | **417** | **1,734** | **3,375** |

The item Intangible assets in progress includes the setup fee paid by the parent company Vianova to another operator, as well as the costs incurred for the software infrastructure required for the migration to the new mobile network, to be completed in 2024.

Based on the provisions of the reference standards, in the absence of indicators of potential impairment losses, it was not considered necessary to determine the recoverable amount of tangible and intangible fixed assets as at 31 December 2023.

## Note no. 4 - Equity investments in associates

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Winitalia srl | 174 | 0 | -174 | -100.0 |
| NextUp srl | 100 | 0 | -100 | -100.0 |
| Awhy srl | 200 | 27 | -173 | -86.4 |
| **Total** | **474** | **27** | **-447** | **-94.3** |

- The company Winitalia srl was merged by incorporation by Vola spa.
- Following the inclusion of NextUp srl in the scope of consolidation, the shareholding is no longer listed in this item as it is subject to full consolidation.
- NetResults srl wrote down the equity investment in Awhy srl (22% owned) by adjusting the book value to the share of net assets pertaining to it.

## Note no. 5 - Non-current financial assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Active derivative instruments, cash-flow hedges | 447 | 242 | -205 | -45.9 |
| Other securities | 505 | 516 | 11 | +2.2 |
| **Total** | **951** | **758** | **-194** | **-20.4** |

- To protect itself from the risk of interest rate fluctuations, the Parent Company signed an Interest Rate Swap (IRS) contract. The supporting elements of the hedging instrument and the hedged element are closely aligned, as the initial nominal amount, amortisation plan, interest settlement dates and maturity are consistent. Changes in the fair value of the instrument are recognised in the Statement of Comprehensive Income.
- The other securities are attributable to investments of the company's liquidity in money market instruments, which are liquid, have a short maturity and are not correlated to any risk component.

## Note no. 6 - Sundry receivables and other non-current assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Costs to obtain the contract - Over 12m | 1,820 | 1,758 | -62 | -3.4 |
| Costs to fulfil the contract - Over 12m | 1,378 | 1,352 | -26 | -1.9 |
| Guarantee deposits | 15 | 20 | 6 | +38.5 |
| Other non-current assets | 11 | 11 | 0 | +0.0 |
| **Total** | **3,223** | **3,141** | **-83** | **-2.6** |

- The application of the IFRS accounting standards required the Parent Company to allocate to the statement of profits or loss the so-called "Costs to obtain the contract" and "Costs to fulfil the contract" over a period of time equivalent to the average duration of the contracts, which was estimated and forecast at 72 months. The costs incurred by the Company for bonuses paid to agents and partners to obtain contracts, and the costs incurred for the activation of the services provided have consequently been removed from the statement of profits or loss and attributed to the same only for the part pertaining to the period. The item includes the portion of these activities that are expected to be carried out more than 12 months after the end of the year.
- Guarantee deposits were released relating to various supply contracts such as electricity, water and gas.

## Note no. 7 - Deferred tax assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| IFRS entry conversion | 30 | 0 | -30 | -100.0 |
| Receivables | 144 | 101 | -43 | -29.9 |
| Provisions for risks | 72 | 72 | 0 | +0.0 |
| Intangible assets | 2 | 0 | -2 | -100.0 |
| Warehouse | 3 | 2 | -1 | -33.3 |
| Other | 4 | 6 | 2 | +50.0 |
| **Total** | **255** | **181** | **-74** | **-29.0** |

At 31 December 2023, deferred taxes recognised on accounting items transitioned to international accounting standards as of 1 January 2017 were fully reabsorbed.

Changes in the item "Deferred tax assets" are shown below.

| (euro/000) | Balance as at 1 January 2023 | Provisions/releases to the statement of profits or loss | Provisions/releases to the statement of comprehensive income | Balance as at 31 December 2023 |
|---|---|---|---|---|
| IFRS entry conversion | 30 | -30 | 0 | 0 |
| Receivables | 144 | -43 | 0 | 101 |
| Provisions for risks | 72 | 0 | 0 | 72 |
| Intangible assets | 2 | -2 | 0 | 0 |
| Warehouse | 3 | -1 | 0 | 2 |
| Other | 4 | 2 | 0 | 6 |
| **Total** | **255** | **-74** | **0** | **181** |

## Note no. 8 - Inventories

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Inventories of raw, ancillary and consumable materials | 42 | 41 | -2 | -4.6 |
| Contract work in progress | 6 | 0 | -6 | -100.0 |
| Inventory write-down provision | -11 | -7 | 4 | -37.3 |
| **Total** | **38** | **34** | **-4** | **-11.3** |

Inventories include hardware products sold by the subsidiary NetResults srl, as well as materials relating to end of sales activities of the Parent Company prior to the introduction of Vianova services. For the latter, the amount in stock has decreased and it was considered appropriate to align the value of the write-down provision to their carrying amount: the presumed realisable value was reduced to zero due to the fact that they are now completely obsolete from a technical and economic point of view.

## Note no. 9 - Trade receivables

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Trade receivables for invoices issued | 17,027 | 18,001 | 974 | +5.7 |
| Invoices to be issued | 1,712 | 1,629 | -84 | -4.9 |
| Credit notes to be issued | -17 | -28 | -11 | +63.4 |
| **Gross trade receivables** | **18,722** | **19,602** | **879** | **+4.7** |
| Allowance for doubtful accounts | -640 | -468 | 172 | -26.9 |
| **Total** | **18,082** | **19,134** | **1,051** | **+5.8** |

- The invoicing, credit granting and collection policies used by Group companies have remained substantially unchanged from previous years.
- There are no receivables from foreign Customers.
- The Invoices to be issued item is largely represented by the valuation of receivables claimed by the Parent Company from its Customers for the contractually envisaged up-front activation fee. The standard policy adopted by the company provides for the billing of this contribution in monthly instalments up to a maximum of 36, according to the choice made by the Customer. This entry was recognised on the application of international accounting standards (IFRS 15 Revenue Recognition). The up-front activation fee is recorded in the statement of profits or loss on an accrual basis and deferred on the basis of the average contractual duration envisaged and estimated at 72 months. Consequently, the receivable from Customers for the amounts due in the form of an up-front activation fee not yet invoiced at the closing date of the financial statements under review was recognised.
- The promissory notes subject to collection expiring on 31 December 2023 (holiday) were credited on 2 January 2024 following the banking regulations introduced in 2010, which envisage the postponement of the crediting to the first business day following the expiry. The amount of the item Trade Receivables, if the effects were recognised as at 31 December, would have amounted to Euro 12,545 thousand. Please refer to the Director's Report on Operations.

Below is a breakdown of credit losses recognised during the year.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Losses on receivables | 182 | 182 | 0 | +0.0 |

The amount of receivable losses was fully covered by the write-down provision allocated at the end of the previous year. Considering the general economic outlook and the results of the credit recovery activities, while still forecasting further revenue growth in 2024, it was deemed appropriate to reduce the amount of the provision compared to previous years.
The book value of trade receivables is considered to approximate their fair value.

Changes in the provision for bad debts are detailed below.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Opening balance | 631 | 640 | 9 | +1.4 |
| Increase due to provision for the year | 191 | 10 | -181 | -94.8 |
| Decrease due to use during the year | -182 | -182 | 0 | +0.0 |
| **Closing balance** | **640** | **468** | **-172** | **-26.9** |

## Note no. 10 - Other current assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Tax credits | 2,146 | 1,333 | -813 | -37.9 |
| Prepaid expenses and accrued income | 1,862 | 2,223 | 361 | +19.4 |

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Costs to obtain the contract | 774 | 778 | 4 | +0.5 |
| Costs to fulfil the contract | 552 | 557 | 5 | +0.9 |
| VAT credit | 0 | 17 | 17 | +100.0 |
| Other tax receivables | 135 | 157 | 22 | +16.5 |
| Sundry receivables | 997 | 823 | -173 | -17.4 |
| **Total** | **6,466** | **5,888** | **-578** | **-8.9** |

Prepaid expenses consist of fees and costs of various kinds charged in advance to the companies in respect of existing commercial relationships.

## Note no. 11 - Current tax assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| IRES credit | 50 | 134 | 84 | +167.3 |
| Credit for regional tax on productive activities (IRAP, below) | 9 | 31 | 22 | +257.4 |
| **Total** | **59** | **164** | **106** | **+180.5** |

## Note no. 12 - Current financial assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Short-term government bonds recorded at amortised cost | 0 | 10,074 | 10,074 | -- |
| Short-term time deposits recorded at amortised cost | 0 | 7,000 | 7,000 | -- |
| **Total** | **0** | **17,074** | **17,074** | -- |

This item includes investments of the company's liquidity in money market instruments, that are liquid, short-term, and not correlated to any risk factor.

## Note no. 13 - Cash and cash equivalents

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Bank accounts | 27,719 | 16,439 | -11,280 | -40.7 |
| Petty cash | 2 | 4 | 1 | +48.4 |
| **Total** | **27,722** | **16,443** | **-11,279** | **-40.7** |

- The promissory notes subject to collection expiring on 31 December 2023 (holiday) were credited on 2 January 2024 following the banking regulations introduced in 2010, which envisage the postponement of the crediting to the first business day following the expiry. The amount of the item cash and cash equivalents, if the effects had been recognised as at 31 December, would have amounted to 23,031 thousand Euro.
- The amount of this item is aligned with the fair value at the date of preparation of the financial statements.
- The credit risk is limited since the counterparties are major banking institutions.

## Note no. 14 - Shareholders' equity

For the changes in Equity entries, reference should be made to the "Statement of Changes in Equity".

The reconciliation statement between the Equity of the consolidating company Vianova and the consolidated Equity is presented below.

| (euro/000) | Share capital | Reserves | Profit/(loss) reserve other components Overall EC | Profit/(loss) for the year | Shareholders' equity as at 31 December 2023 |
|---|---|---|---|---|---|
| **Financial statements of the Parent Company** | **11,000** | **29,870** | **188** | **12,036** | **53,093** |
| Recognition of liabilities for option to purchase equity investments | 0 | -3,482 | 0 | 0 | -3,482 |
| **Consolidated Financial Statements** | **11,000** | **26,388** | **188** | **12,036** | **49,611** |

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## Note no. 15 - Non-current financial liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Mortgages and loans | 6,311 | 4,688 | -1,623 | -25.7 |
| Financial liabilities (IFRS 16) | 72 | 1,789 | 1,717 | +2,384.7 |
| Other financial liabilities | 2,070 | 3,482 | 1,412 | +68.2 |
| **Total** | **8,453** | **9,959** | **1,506** | **+17.8** |

- Group companies have not taken advantage of current account overdrafts or subject to collection advances.
- With a view to potential investments aimed at growth by external means, the Parent Company signed a SACE-guaranteed loan in 2022 for Euro 6 million, with a maturity of six years. The loan, on which interest accrues at the rate of Euribor 3 months plus 64 basis points, will be repaid in quarterly instalments in arrears, with the last instalment due on 31 December 2027. To hedge against rising interest rates, the Company entered into an Interest Rate Swap option.
- With the exception of the above, all loans granted were issued without the underwriting of guarantees provided by the Companies or by third parties. Moreover, there are no Financial Covenants.
- The item "Other financial liabilities" refers to the liability deriving from the option to purchase an interest equal to 30% of the share capital claimed by Vianova spa from the subsidiary NetResults srl. The amount recognised in the financial statements corresponds to the estimate of the fair value of the future transaction, made based on the elements and information available at the date of preparation of these Financial Statements. The change in fair value of this liability since 31 December 2022 has been recognised directly in equity, consistently with the Group's chosen accounting policy.

## Note no. 16 - Employee benefits

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| **Balance as at 1 January** | 690 | 779 | 89 | +12.9 |
| Service Cost | 80 | 148 | 68 | +85.0 |
| Interest Cost | 12 | 30 | 18 | +150.0 |
| Balance of movements | 94 | -2 | -96 | -102.1 |
| Actuarial (gains)/losses | -97 | 36 | 133 | -137.1 |
| **Balance as at 31 December** | **779** | **991** | **212** | **+27.2** |

Details of the economic and demographic assumptions used for the purposes of the actuarial valuations, prepared by external consultants, are provided below:

| | 2022 | 2023 |
|---|---|---|
| Discount rate | 3.77% | 3.60% |
| Inflation rate | 2.30% | 2.30% |
| Annual rate of increase in employee severance indemnity | 3.23% | 3.23% |
| Annual rate of increase in employee salary | 1.00% | 1.00% |

## Note no. 17 - Provisions for future liabilities and charges

| (euro/000) | Balance as at 1 January 2023 | Provisions to the statement of profits or loss | Releases/Uses | Balance as at 31 December 2023 |
|---|---|---|---|---|
| Provisions for Supplementary Customer Allowances (FISC - Fondo indennità suppletiva di clientele) | 22 | 0 | -22 | 0 |
| Provision for termination indemnity (TFM) | 338 | 93 | -201 | 230 |
| Provision for assessment risks | 60 | 0 | 0 | 60 |
| Provision for litigation risks | 300 | 30 | 0 | 330 |
| **Total** | **719** | **123** | **-223** | **619** |
| ▪ *of which current portion* | *0* | 0 | 0 | 0 |
| ▪ *of which non-current portion* | *719* | 123 | -223 | 619 |

- Following the termination of all agency relationships, the Supplemental Customer Compensation Fund previously recorded in the balance sheet was fully released.
- The provision for TFM includes accruals made during the year.

## Note no. 18 - Deferred tax liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Capital gains from sale of a business unit | 0 | 171 | 171 | -- |
| Valuation of hedging derivatives | 108 | 58 | -50 | -46.3 |
| Employee benefits | 14 | 7 | -7 | -50.0 |
| Valuation of financial instruments | 0 | 4 | 4 | -- |
| IFRS entry conversion | 36 | 0 | -36 | -100.0 |
| **Total** | **158** | **240** | **82** | **+51.9** |

- Deferred taxes were recognised on the capital gain realised from the sale of a business unit by the subsidiary Vola spa.
- Deferred taxes recognised on accounting items transitioned international accounting standards on 1 January 2017 were fully reabsorbed.

Changes during the year were as follows:

| (euro/000) | Balance as at 1 January 2023 | Provisions/releases to the statement of profits or loss | Provisions/releases to the statement of comprehensive income | Balance as at 31 December 2023 |
|---|---|---|---|---|
| Capital gains from sale of a business unit | 0 | 171 | 0 | 171 |
| Valuation of hedging derivatives | 108 | 0 | -50 | 58 |
| Employee benefits | 14 | 3 | -10 | 7 |
| Valuation of financial instruments | 0 | 4 | 0 | 4 |
| FTA - IFRS entry conversion | 36 | -36 | 0 | 0 |
| **Total** | **158** | **142** | **-60** | **240** |

## Note no. 19 - Other non-current liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Current deferred revenue (up-front activation fee) - beyond 12 months | 2,887 | 2,720 | -166 | -5.8 |

Following IFRS 15 revenue recognition standards, the Parent Company allocates to the income statement activation fees as revenue over the average customer contract life, estimated at 72 months. This is regardless of the billing method of the entry in question, which is carried out by the Company in monthly instalments up to a maximum of 36, according to the choice made by the Customer itself. Therefore, the volume of revenue accruing in future years was calculated by comparing the date of activation of the contracts and the cited average duration thereof.

## Note no. 20 - Current financial liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Mortgages and loans - current portion | 1,504 | 1,465 | -39 | -2.6 |
| Other financial liabilities (IFRS 16) | 231 | 273 | 42 | +18.2 |
| Other financial payables to banks | 29 | 53 | 24 | +84.0 |
| **Total** | **1,764** | **1,791** | **27** | **+1.5** |

## Note no. 21 - Trade payables

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Payables to suppliers | 8,942 | 9,254 | 312 | +3.5 |
| Invoices to be received | 3,397 | 3,068 | -329 | -9.7 |
| Credit notes to be received | -260 | -396 | -137 | +52.6 |
| **Total** | **12,079** | **11,925** | **-154** | **-1.3** |

- Credit notes to be received include amounts due to the Companies as a result of erroneous invoices, duly disputed, issued by service providers.
- During the year under review, there were no significant changes to the purchasing and payment policies agreed with suppliers. There are no payables to suppliers and other foreign entities expressed in currencies other than euro.
- There are no payables with a duration of more than 5 years or positions of significant debt concentration.

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## Note no. 22 - Other current liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Accrued expenses and deferred income | 7,051 | 7,556 | 504 | +7.1 |
| Current deferred revenue (up-front activation fee) | 1,192 | 1,166 | -25 | -2.1 |
| Payables to Employees | 1,692 | 1,969 | 277 | +16.3 |
| Payables to social security institutions | 995 | 1,108 | 112 | +11.3 |
| Sundry tax payables | 1,102 | 1,002 | -100 | -9.0 |
| Sundry payables | 424 | 472 | 48 | +11.2 |
| **Total** | **12,457** | **13,273** | **816** | **+6.5** |

- Deferred income is accounted for as a result of monthly advance billing of fees pertaining to January of the following year.
- Accrued expenses are accounted for as accrued interest expense on bank loans.

Below is a breakdown of the item 'Payables to Employees'.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Payables to employees holiday pay | 1,005 | 1,189 | 184 | +18.3 |
| Payables to Employees | 687 | 780 | 93 | +13.5 |
| **Total** | **1,692** | **1,969** | **277** | **+16.4** |

All amounts, with the exception of payables related to the amount of holiday pay accrued by employees, were regularly settled at their natural due date in the new year.

Below is a breakdown of the item 'Taxes payable'.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Tax authorities employees and collaborators for IRPEF | 636 | 717 | 81 | +12.7 |
| VAT payable | 403 | 267 | -135 | -33.6 |
| Tax authorities withholding tax on various payments on account | 49 | 8 | -41 | -83.7 |
| Sundry tax payables | 15 | 10 | -5 | -33.3 |
| **Total** | **1,103** | **1,002** | **-100** | **-9.1** |

All the amounts relating to IRPEF and various withholding taxes were regularly paid at their natural due date in the first months of the new financial year.

Below is a breakdown of the item 'Payables to social security and welfare institutions'.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Tax authorities employees and independent contractors INPS | 922 | 1,012 | 90 | +9.8 |
| Payables to other entities | 68 | 87 | 19 | +27.9 |
| Payables to INAIL | 2 | 9 | 7 | +350.0 |
| Tax authorities Enasarco account | 3 | 0 | -3 | -100.0 |
| **Total** | **995** | **1,108** | **113** | +11.4 |

All amounts, with the exception of payables related to the amount of holiday pay accrued by employees, were regularly settled at their natural due date in the first months of the new financial year.

Below is a breakdown of the item "Sundry payables".

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Advances from customers | 273 | 342 | 69 | +25.3 |
| Payables to Directors | 92 | 55 | -37 | -40.2 |
| Other payables | 59 | 75 | 16 | +27.1 |
| **Total** | **424** | **472** | **48** | **+11.3** |

## Note no. 23 - Current tax liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| IRES payable | 807 | 95 | -712 | -88.3 |
| IRAP payable | 98 | 15 | -84 | -85.2 |

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| **Total** | **906** | **109** | **-796** | **-87.9** |

## Note no. 24 - Revenue and other operating income

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Revenue from fees | 56,841 | 61,790 | 4,949 | +8.7 |
| Revenue from pay-per-use services | 11,634 | 11,448 | -187 | -1.6 |
| Revenue from sales | 991 | 2,033 | 1,043 | +105.3 |
| Revenue from software developments | 1,394 | 1,695 | 301 | +21.6 |
| Revenue from activations | 1,687 | 1,682 | -5 | -0.3 |
| Capital gains on disposal of business units | 0 | 836 | 836 | +100.0 |
| Revenue from interconnection | 685 | 629 | -56 | -8.1 |
| Public grants | 584 | 397 | -186 | -31.9 |
| Own work capitalised | 0 | 374 | 374 | +100.0 |
| Income from access and pay-per-use charges adjustments | 418 | 144 | -274 | -65.5 |
| Revenue from assistance and actions | 36 | 130 | 94 | +258.1 |
| Gains on disposal of non-current assets | 63 | 118 | 55 | +86.3 |
| Release of surplus funds | 18 | 35 | 17 | +93.7 |
| Revenue from rentals | 0 | 0 | 0 | 0.0 |
| Revenue adjustments | -2 | -1 | 1 | -47.1 |
| Other revenue and income | 542 | 654 | 113 | +20.8 |
| **Total** | **74,890** | **81,965** | **7,075** | **+9.4** |

- Under “Other revenue and income”, Group companies recorded in the financial statements tax credits for Research and Development and Training 4.0 pursuant to Article 1, paragraph 35 of Law no. 190 of 23 December 2014, in addition to tax credits for investments in 4.0 tangible assets, pursuant to art. 1, paragraphs 1051 to 1063, of the 2021 Budget Law (Law no. 178/2020).
- With regard to the information concerning the grants provided by public administrations (pursuant to Article 1, paragraphs 125-129, of Law no. 124/2017) in favour of Group Companies, please refer to the information provided in the financial statements of the individual Companies.

## Note no. 25 - Purchase of services

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Purchase of services - fees and activations | 13,795 | 14,112 | 317 | +2.3 |
| Commercial costs | 8,934 | 9,655 | 721 | +8.1 |
| Interconnection costs | 2,921 | 2,728 | -193 | -6.6 |
| Purchase of services - pay-per-use | 2,830 | 2,145 | -685 | -24.2 |
| Industrial overheads | 2,245 | 2,950 | 705 | +31.4 |
| Costs for collaborations, directors | 1,425 | 1,646 | 221 | +15.5 |
| Advertising and promotional costs | 1,191 | 1,640 | 449 | +37.7 |
| Costs for technical interventions | 1,523 | 1,518 | -5 | -0.3 |
| Consultancy costs | 920 | 1,382 | 462 | +50.2 |
| Network maintenance costs | 1,264 | 1,335 | 70 | +5.6 |
| Operator licence contributions | 413 | 438 | 25 | +6.1 |
| Maintenance costs | 393 | 382 | -12 | -3.0 |
| Bank charges | 216 | 255 | 39 | +18.1 |
| Travelling expenses | 106 | 159 | 53 | +49.8 |
| **Total** | **38,176** | **40,343** | **2,168** | **+5.7** |

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## Note no. 26 - Staff costs

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Wages and salaries | 10,147 | 12,530 | 2,382 | +23.5 |
| Social security charges | 2,918 | 3,612 | 694 | +23.8 |
| Employee severance indemnity and pension funds | 681 | 840 | 159 | +23.4 |
| Other staff costs | 822 | 577 | -245 | -29.9 |
| **Total** | **14,569** | **17,559** | **2,990** | **+20.5** |

For further information relating to staff, reference should be made to the Directors' Report on Operations.

## Note no. 27 - Purchase of materials

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Purchase of goods for resale | 981 | 769 | -212 | -21.6 |
| Purchase of consumables | 245 | 290 | 45 | +18.2 |
| **Total** | **1,226** | **1,059** | **-167** | **-13.6** |

The item "Purchase of goods for resale" mainly includes the cost of terminals purchased by Vianova and dedicated to Customers of mobile telephone services (688 thousand Euro).

## Note no. 26 - Other operating costs and change in inventories

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Other operating expenses | 241 | 197 | -44 | -18.2 |
| Duties, taxes and registration fees | 60 | 111 | 51 | +84.6 |
| Provision for doubtful accounts | 182 | 9 | -173 | -94.9 |
| **Total other operating costs** | **483** | **318** | **-165** | **-34.2** |
| Change in inventories | 16 | 2 | -14 | -88.0 |
| **Total** | **499** | **320** | **-180** | **-36.0** |

The actual losses on receivables incurred in 2023, amounting to Euro 182 thousand were fully covered by the use of the provision for bad debts allocated at the end of the previous year. There are therefore no amounts charged to the statement of profits or loss for the year.

## Note no. 29 - Amortisation/depreciation and write-downs

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Depreciation of property, plant, equipment and other assets | 5,920 | 5,950 | 30 | +0.5 |
| Amortisation of intangible assets with a finite useful life | 1,100 | 1,144 | 44 | +4.0 |
| Write-downs/(revaluations) of tangible and intangible fixed assets | 67 | 94 | 27 | +39.5 |
| Write-downs/(revaluations) of intangible fixed assets | 0 | 247 | 247 | -- |
| Provisions | 0 | 30 | 30 | -- |
| **Total** | **7,087** | **7,466** | **379** | **+5.3** |

The write-downs recorded in the financial statements as at 31 December 2023, arise from the adjustment of the value of non-current assets classified as held for sale during the year, and from the write-down of the merger deficit resulting from the incorporation of Winitalia srl into Vola spa.

## Note no. 30 - Income and expenses from shareholdings

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Revaluation of equity investments | 2 | 93 | 91 | -- |
| Revaluation of shareholdings | 0 | -172 | -172 | -- |
| **Total** | **2** | **-79** | **-81** | **--** |

The write-down recognised during the year is related to the adjustment of the carrying value of NetResults' shareholding in Awhy srl (22% owned) to its proportionate share of net equity.

## Note no. 31 - Financial income

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Interest income on bank current accounts | 59 | 525 | 466 | +783.7 |
| Interest income on financial instruments | 15 | 362 | 347 | -- |
| Financial income from fair value adjustment of securities | 5 | 11 | 7 | +142.1 |
| **Total** | **79** | **898** | **819** | **--** |

Interest income is the result of investments of the company's liquidity in money market instruments, which are liquid, have a short maturity and are not correlated to any risk component.

## Note no. 32 - Financial charges

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Interest expense and charges on loans | 69 | 234 | 165 | +237.7 |
| Other financial charges | 19 | 73 | 54 | +289.0 |
| Bank interest and charges on current accounts | 0 | 4 | 4 | -- |
| Foreign exchange losses | 3 | 1 | -2 | -69.2 |
| **Total** | **91** | **312** | **221** | **+242.7** |

The trend in interest expense is related to the performance of commitments under financing operations, as detailed in the section of the Notes to the financial statements on financial liabilities.

## Note no. 33 - Income taxes for the year

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| IRES | 2,845 | 2,906 | 61 | +2.1 |
| IRAP | 649 | 657 | 8 | +1.2 |
| Deferred tax assets and liabilities | 22 | 251 | 229 | +1,049.3 |
| Taxes relating to previous years | -858 | -450 | 408 | -47.6 |
| **Total** | **2,658** | **3,364** | **706** | **+26.6** |

- The item "Taxes relating to previous years" refers to the restatement of the value of the *Patent Box* benefit accrued by the Parent Company in the year 2022. The prior agreement signed with the Italian Tax Authority to define the methods and criteria for calculating the economic contribution in the event of direct use of intangible assets has a five-year term and covers the financial years 2019-2023.
- For details of changes in deferred tax assets and deferred tax liabilities, and the related effects, please refer to the sections of the Notes to the financial statements dedicated to "Deferred Tax Assets" and "Deferred Tax Liabilities", respectively.

Below is the reconciliation between the theoretical tax burden and the actual tax burden.

| (euro/000) | 2022 | % | 2023 | % |
|---|---|---|---|---|
| Pre-tax income | 13,326 | 100.0 | 15,727 | 100.0 |
| **Theoretical tax burden** | **3,198** | **24.0** | **3,775** | **24.0** |
| Patent Box effect | -267 | -2.0 | -655 | -4.2 |
| Effect of spreading out the capital gain from the sale of a business branch | 0 | 0.0 | -161 | -1.0 |
| Super amortisation effect | -156 | -1.2 | -99 | -0.6 |
| Utilisation of past tax losses | -27 | -0.2 | -25 | -0.2 |
| Non-deductible write-down of Winitalia merger deficit | 0 | 0.0 | 59 | 0.4 |
| Other Effects | 97 | 0.7 | 11 | 0.1 |
| IRAP | 649 | 4.9 | 657 | 4.2 |
| Deferred tax assets and liabilities | 22 | 0.2 | 251 | 1.6 |
| Taxes relating to previous years | -858 | -6.4 | -450 | -2.9 |
| **Effective tax burden** | **2,658** | **19.9** | **3,364** | **21.4** |

# Commitments and guarantees

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Guarantees provided | 2,539 | 2,548 | 9 | +0.4 |

The item includes commitments undertaken by the Parent Company through banks that have provided sureties to network operators against contractual obligations to be fulfilled by the Company (Euro 2,510,000) and to other entities against contractual obligations undertaken for the supply of voice and data services.

## Contingent liabilities

Based on the information available to date, the directors consider that, at the date of approval of these financial statements, the provisions set aside are sufficient to ensure a fair representation of the financial information.

## Relations with related parties

Related-party transactions are carried out in compliance with the provisions of the laws in force, are part of the normal management of the business and are settled at market prices. The definition of "related party" is based on the International Accounting Standards adopted by the European Union (IAS 24). The Group's relations with the associated companies mainly involve the reciprocal provision of services.
Below are details of the Company's creditor and debtor dealings with related parties.

| | Trade receivables | | Trade payables | |
|---|---|---|---|---|
| (euro/000) | 2022 | 2023 | 2022 | 2023 |
| Quinta spa | 0 | 0 | 7 | 0 |
| Winitalia srl | 0 | 1 | 3 | 1 |
| NextUp srl | 1 | -- | 0 | -- |
| Awhy srl | 1 | 0 | 0 | 0 |
| Directors | 1 | 2 | 0 | 0 |
| **Total** | **3** | **3** | **10** | **1** |
| Total item | 18,082 | 19,134 | 12,079 | 11,925 |
| % Impact on item | 0.01% | 0.02% | 0.08% | 0.01% |

Below are details of the Company's economic dealings with related parties.

| | Revenue and Other income | | Costs for services | |
|---|---|---|---|---|
| (euro/000) | 2022 | 2023 | 2022 | 2023 |
| Quinta spa | 0 | 0 | 97 | 69 |
| Winitalia srl | 3 | 3 | 15 | 2 |
| NextUp srl | 2 | -- | 27 | -- |
| Awhy srl | 2 | 2 | 3 | 6 |
| Directors | 6 | 14 | 0 | 0 |
| **Total** | **13** | **19** | **142** | **77** |
| Total item | 74,891 | 81,964 | 38,175 | 40,343 |
| % Impact on item | 0.02% | 0.02% | 0.37% | 0.19% |

In compliance with the requirements of IAS 24 and the new procedure on related parties, in addition to the Directors of the Parent Company, executives with strategic responsibilities are also identified as related parties.

## Remuneration of Directors and the Board of Statutory Auditors

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Directors | 1,165 | 1,339 | 174 | +14.9 |
| Board of Statutory Auditors | 49 | 53 | 4 | +8.2 |
| **Total** | **1,214** | **1,392** | **178** | **+14.7** |

## Remuneration payable to the Auditing Firm

The total gross remuneration contractually agreed upon with the Auditing Firm is provided below:

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Audit of financial statements | 49 | 65 | 16 | +32.7 |
| Other services | 59 | 23 | -36 | -61.0 |
| **Total** | **108** | **88** | **-20** | **-18.5** |

## Significant events during the 2023 financial year

Reference should be made to the information provided in the relevant section of the Directors' Report on Operations.

## Hierarchical levels of fair value measurement (disclosures pursuant to IFRS 7)

Various accounting standards and certain disclosure obligations require the fair value of financial and non-financial assets and liabilities to be determined. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in a regular transaction between market participants at the measurement date. In order to increase the comparability of data and fair value measurements, the standard establishes a hierarchy identified at three different levels that reflects the significance of the inputs used in determining fair value. The identified levels are distinguished into:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the enterprise has access to at the measurement date. The price quoted in an active and liquid market is the most reliable evidence for measuring fair value, and if the market for the asset/liability is not unique it is necessary to identify the most advantageous market for the instrument.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable, directly or indirectly, for the assets or liabilities being measured. If the asset or liability has a specified duration, a Level 2 input must be observable for the entire duration of the asset or liability. Examples of instruments falling within the second level of the hierarchy include: assets or liabilities in inactive markets or interest rates and yield curves observable at commonly quoted intervals.
- Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should only be used if Level 1 and Level 2 inputs are not available. Despite this, the purpose remains the same, i.e., to determine a closing price at the measurement date, thereby reflecting the assumptions that market participants would use in pricing the asset or liability, including assumptions related to risk.

The following table provides a breakdown of the Group's financial assets and liabilities by category.

| **Financial assets measured at fair value** (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Cash and cash equivalents | 27,722 | 16,443 | -11,279 | -40.7 |
| Trade receivables | 18,082 | 19,134 | 1,052 | +5.8 |
| Financial assets | 7,892 | 6,672 | -1,219 | -15.5 |
| Other assets | 9,689 | 9,028 | -661 | -6.8 |
| **Total** | **63,384** | **51,276** | **-12,108** | **-19.1** |

| **Financial liabilities measured at fair value** (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Financial liabilities | 10,217 | 11,750 | 1,533 | +15.0 |
| Trade payables | 12,079 | 11,925 | -153 | -1.3 |
| Other liabilities | 15,344 | 15,994 | 650 | +4.2 |
| Other financial liabilities | 0 | 0 | 0 | 0.0 |
| **Total** | **37,640** | **39,669** | **2,029** | **+5.4** |

## Financial risk management

Reference should be made to the information provided in the relevant section of the Directors' Report on Operations.

# Auditing Firm's Report
# to the Consolidated Financial Statements

*[logo: KPMG]*

KPMG S.p.A.
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## Report of independent auditors pursuant to Article 14 of Legislative Decree No. 39 of 27 January 2010

*To the Shareholders of*
*Vianova S.p.A.*

### Report on audit of the consolidated financial statements

#### *Assessment*

We have audited the consolidated financial statements of the Vianova Group (also the "Group" below), which comprise the statements of financial position and financial performance as at 31 December 2023, the statement of profit or loss and the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and the notes to the financial statements, including relevant information on the accounting standards applied.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and financial performance of the Vianova Group as at 31 December 2023 and of its results of operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

#### *Factors underlying the audit opinion*

We conducted our audit in accordance with International Standards on Auditing (ISA Italy). Our responsibilities under these standards are further described in the section "Responsibilities of the auditing firm for the audit of the consolidated financial statements" of this report. We are independent of Vianova S.p.A. in accordance with the ethical and independence rules and standards applicable in Italian law to the auditing of accounts. We consider that we have acquired sufficient and appropriate evidence on which to base our opinion.

#### *Responsibilities of the Vianova S.p.A. Directors and Board of Statutory Auditors for the consolidated financial statements*

The Directors are responsible for preparing the consolidated financial statements which give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and, to the extent required by law, for that part of internal control which they consider necessary to ensure that the financial statements do not contain material errors due to fraud or non-intentional acts or events.

20124 Milano MI ITALIA

[logo: KPMG]

*Vianova Group*
*Auditing Firm's Report*
*31 December 2023.*

The Directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriateness of applying the going concern assumption, and also for adequate disclosure. The Directors apply the going concern assumption in drafting consolidated financial statements unless in their opinion conditions exist for the liquidation of the parent company Vianova S.p.A. or for discontinuing operations, or they see no realistic alternative to these choices.

The Board of Statutory Auditors is responsible for supervising, to the extent provided by law, the process of preparing the Company's financial reports.

### *Auditing firm's responsibility for auditing the consolidated financial statements*

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

During our ISA Italia-compliant audit, we applied professional judgment while maintaining a critical approach throughout. Furthermore:

- We have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or unintentional conduct or events; we have defined and carried out audit procedures in response to those risks; and we have obtained sufficient appropriate audit evidence on which to base our opinion. The risk of not detecting a significant misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from non-intentional conduct or events, since fraud may involve collusion, falsification, intentional omissions, misrepresentation or forcing internal control;
- We have obtained an understanding of internal control relevant to the audit for the purpose of designing audit procedures that are appropriate in the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- We have assessed the appropriateness of the accounting standards used as well as the reasonableness of the accounting estimates made by the Directors, including the relevant disclosures;
- We have reached a conclusion as to the appropriateness of the Directors' use of the going concern assumption and, based on the evidence obtained, as to whether there is any material uncertainty about events or circumstances that may cast significant doubt about the Group's ability to continue as a going concern. If a material uncertainty exists, we are obliged to draw attention to it in the audit report on the relevant financial statement disclosures or, if such disclosures are inadequate, to reflect that fact when formulating our opinion. Our conclusions are based on the evidence acquired up to the date of this report. However, subsequent events or circumstances may result in the Group ceasing to operate as a going concern.

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***Vianova Group***
*Auditing Firm's Report*
*31 December 2023.*

- We have assessed the presentation, structure and content of the consolidated financial statements as a whole, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that gives a true and fair view.
- We have obtained adequate and appropriate evidence on the financial information of the undertakings or the different economic activities performed within the Group in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We are solely responsible for the audit opinion on the consolidated financial statements.

We have disclosed to those in charge of governance, identified at the appropriate level as required by ISA Italia, among other matters, the planned scope and timing of the audit and the significant findings, including any significant deficiencies of internal control identified during the audit.

## Report on other legal and regulatory provisions

### *Opinion pursuant to Art 14(2)(e) of Legislative Decree 39/10*

The Directors of Vianova S.p.A. are responsible for drafting the Vianova Group's Report on operations as at 31 December 2023, and for its consistency with the associated consolidated financial statements and its conformity with legal regulations.

We have carried out the procedures specified in Auditing Standard (SA Italy) 720B in order to express an opinion on the consistency of the Report on operations with the consolidated financial statements of Vianova S.p.A. as at 31 December 2023 and on its conformity with law, and also to issue a declaration on any material misstatements or errors.

In our opinion, the Report on operations is consistent with the consolidated financial statements of the Vianova Group as at 31 December 2023 and has been prepared in accordance with law.

With reference to the statement pursuant to Article 14, paragraph 2, letter e) of Legislative Decree 39/10, issued based on the knowledge and understanding of the company and its context acquired in the course of the audit, we have nothing to report.

Florence, 14 March 2024

KPMG S.p.A.

*[signature]*

Andrea Rossi
Partner

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vianova

# Separate Financial Statements as at 31 December 2023

| **Statement of financial position** (euro) | Notes | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|---|
| **Total Assets (a+b)** | | **77,714,824** | **100** | **85,394,527** | **100** | **+9.9** |
| **Total non-current assets (a)** | | **31,622,982** | **40.7** | **33,360,848** | **39.1** | **+5.5** |
| Owned property, plant and equipment | 1 | 21,389,821 | 27.5 | 22,093,030 | 25.9 | +3.3 |
| Intangible assets with a finite useful life | 2 | 1,576,461 | 2.0 | 2,809,241 | 3.3 | +78.2 |
| Shareholdings in subsidiaries valued using the equity method | 3 | 4,267,364 | 5.5 | 4,415,770 | 5.2 | +3.5 |
| Non-current financial assets | 4 | 951,424 | 1.2 | 757,510 | 0.9 | -20.4 |
| Sundry receivables and other non-current assets | 5 | 3,198,777 | 4.1 | 3,110,587 | 3.6 | -2.8 |
| Deferred tax assets | 6 | 239,134 | 0.3 | 174,709 | 0.2 | -26.9 |
| **Total current assets (b)** | | **46,091,842** | **59.3** | **52,033,680** | **60.9** | **+12.9** |
| Inventories | 7 | 0 | 0.0 | 0 | 0.0 | 0.0 |
| Trade receivables | 8 | 16,503,287 | 21.2 | 17,147,165 | 20.1 | +3.9 |
| Other current assets | 9 | 5,287,769 | 6.8 | 4,911,907 | 5.8 | -7.1 |
| Current financial assets | 10 | 0 | 0.0 | 16,374,108 | 19.2 | -- |
| Cash and cash equivalents | 11 | 24,300,785 | 31.3 | 13,600,500 | 15.9 | -44.0 |
| | | | | | | |
| **Total Equity and liabilities (c+d)** | | **77,714,824** | **100** | **85,394,527** | **100** | **+9.9** |
| **Total Equity (c)** | 12 | **45,403,170** | **58.4** | **53,093,346** | **62.2** | **+16.9** |
| Share capital | | 11,000,000 | 14.2 | 11,000,000 | 12.9 | 0.0 |
| Reserves | | 23,977,456 | 30.9 | 30,057,332 | 35.2 | +25.4 |
| Net result | | 10,425,714 | 13.4 | 12,036,014 | 14.1 | +15.4 |
| **Total Liabilities (d=e+f)** | | **32,311,654** | **41.6** | **32,301,182** | **37.8** | **-0.0** |
| **Total non-current liabilities (e)** | | **8,596,963** | **11.1** | **8,514,168** | **10.0** | -1.0 |
| Non-current financial liabilities | 13 | 4,809,850 | 6.2 | 5,091,962 | 6.0 | +5.9 |
| Employee benefits | 14 | 202.585 | 0.3 | 220,509 | 0.3 | +8.8 |
| Provisions for future risks and charges | 15 | 549,553 | 0.7 | 416,250 | 0.5 | -24.3 |
| Deferred tax liabilities | 16 | 148,270 | 0.2 | 65,173 | 0.1 | -56.0 |
| Sundry payables and other non-current liabilities | 17 | 2,886,704 | 3.7 | 2,720,274 | 3.2 | -5.8 |
| **Total current liabilities (f)** | | **23,714,691** | **30.5** | **23,787,014** | **27.9** | **+0.3** |
| Current financial liabilities | 18 | 1,381,559 | 1.8 | 1,347,939 | 1.6 | -2.4 |
| Trade payables | 19 | 11,418,859 | 14.7 | 11,728,975 | 13.7 | +2.7 |
| Other current liabilities | 20 | 10,103,434 | 13.0 | 10,607,999 | 12.4 | +5.0 |
| Current tax liabilities | 21 | 810,839 | 1.0 | 102,101 | 0.1 | -87.4 |

| **Statement of profits or loss** (euro) | Notes | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|---|
| **Revenue and operating income** | 22 | **69,118,929** | **100** | **72,347,977** | **100** | **+4.7** |
| Purchase of services | 23 | -35,561,753 | 51.5 | -37,210,451 | 51.4 | +4.6 |
| Staff costs | 24 | -12,823,112 | 18.6 | -13,458,856 | 18.6 | +5.0 |
| Other operating costs | 25 | -432,347 | 0.6 | -224,552 | 0.3 | -48.1 |
| Purchase of materials | 26 | -1,175,489 | 1.7 | -946,020 | 1.3 | -19.5 |
| Change in inventories | 25 | -16,166 | 0.0 | -3,948 | 0.0 | -75.6 |
| **Operating income before amortisation/depreciation and write-downs** | | **19,110,061** | **27.6** | **20,504,150** | **28.3** | **+7.3** |
| Amortisation/depreciation and write-downs | 27 | -6,577,083 | 9.5 | -6,431,652 | 8.9 | -2.2 |
| **Operating income** | | **12,532,978** | **18.1** | **14,072,498** | **19.5** | **+12.3** |
| Net income/(expense) from equity investments | 28 | 362,697 | 0.5 | 330,066 | 0.5 | -9.0 |
| Financial income | 29 | 79,393 | 0.1 | 884,168 | 1.2 | -- |
| Financial charges | 30 | -69,870 | 0.1 | -245,543 | 0.3 | +251.4 |
| **Profit before tax** | | **12,905,198** | **18.7** | **15,041,188** | **20.8** | **+16.6** |
| Income taxes | 31 | -2,479,483 | 3.6 | -3,005,174 | 4.2 | +21.2 |
| **Net result for the year** | | **10,425,714** | **15.1** | **12,036,014** | **16.6** | **+15.4** |

| **Statement of Comprehensive Income** (euro) | Notes | **2022** | **%** | **2023** | **%** | **Δ%** |
|---|---|---|---|---|---|---|
| **Net result for the year** | | **10,425,714** | **15.1** | **12,036,014** | **16.6** | **+15.4** |
| Other items that will be subsequently reclassified to profit/(loss) for the period | | | | | | |
| ▪ Profit/(loss) on hedging instruments | | 446,824 | 0.6 | -205,052 | 0.3 | -145.9 |
| ▪ Tax effects on components that will be subsequently reclassified in the net result for the period | | -107,238 | 0.2 | 49,213 | 0.1 | -145.9 |
| Other statement of comprehensive income items that will not be subsequently reclassified to profit/(loss) for the period: | | | | | | |
| ▪ Equity investments accounted for using the Equity Method | | 28,870 | 0.0 | -14,448 | 0.0 | -150.0 |
| ▪ Profit/(loss) from revaluation of defined benefit plans | | 29,058 | 0.0 | -2,530 | 0.0 | -108.7 |
| ▪ Taxes on other components of the statement of profits or loss | | -8,374 | 0.0 | 729 | 0.0 | -108.7 |
| **Total Statement of Comprehensive Income** | | **10,814,853** | **15.6** | **11,863,926** | **16.4** | **+9.7** |

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## Statement of Cash Flows (euro)

| | Notes | 2022 | 2023 |
|---|---|---|---|
| **Net result** | | **10,425,714** | **12,036,014** |
| Amortisation/depreciation | 27 | 6,509,934 | 6,356,558 |
| Capital losses/(gains) on disposal of assets | 22-27 | 3,994 | -38,246 |
| Value adjustments to financial assets | 28-29 | -366,897 | -342,691 |
| Trade receivables - Decrease (increase) | 8 | -7,056,485 | -643,878 |
| Other current assets - Decrease (increase) | 9 | -1,713,144 | 355,462 |
| Current tax assets - Decrease (increase) | | 0 | 0 |
| Deferred tax assets - Decrease (increase) | 6 | 68,833 | 65,154 |
| Other non-current assets - (Acquisition) / Disposal | 5 | 119,532 | 88,190 |
| Trade payables - Increase (decrease) | 19 | -507,703 | 310,115 |
| Provisions for risks - Increase (decrease) | 15 | 54,229 | -133,303 |
| Other current liabilities - Increase (decrease) | 20 | 329,771 | -370,603 |
| Provisions for employee benefits - Increase (decrease) | 14 | -421 | 15,394 |
| Provision for deferred taxes - Increase (decrease) | 16 | -59,919 | -33,885 |
| Dividends received | | 106,465 | 189,099 |
| **Cash flow from operations** | | **7,913,504** | **17,853,382** |
| Intangible fixed assets - (Acquisition) / Disposal | 2 | -793,962 | -2,268,735 |
| Tangible fixed assets - (Acquisition) / Disposal | 1 | -5,712,485 | -4,310,922 |
| Financial fixed assets - (Acquisition) / Disposal | 4 | -2,350,000 | 0 |
| Other current financial assets - (Acquisition)/Disposal | 10 | 0 | -16,374,108 |
| **Cash flow from investments** | | **-8,856,448** | **-22,953,765** |
| Financial liabilities - Increase (decrease) | 12-17 | 5,759,538 | -1,426,153 |
| Dividends paid | 11 | -2,992,325 | -4,173,750 |
| Other changes in Equity | 11 | 0 | 0 |
| **Cash flow from financial management** | | **2,767,213** | **-5,599,903** |
| **Total cash flow** | | **1,824,269** | **-10,700,286** |
| Opening cash and cash equivalents | | 22,476,516 | 24,300,785 |
| Closing cash and cash equivalents | 11 | 24,300,785 | 13,600,500 |
| **Change in cash and cash equivalents** | | **1,824,269** | **-10,700,286** |

| **Statement of Changes in Equity** (euro) | Notes | Share capital | Reserves | Statement of Comprehensive Income Reserve | Profit/(loss) for the year | Total Equity |
|---|---|---|---|---|---|---|
| **Balance as at 31 December 2021** | 12 | **11,000,000** | **19,128,407** | **-28,793** | **7,481,027** | **37,580,641** |
| Allocation of previous year's result | | 0 | 4,488,702 | 0 | -4,488,702 | 0 |
| 2022 Dividend distribution | | 0 | 0 | 0 | -2,992,325 | -2,992,325 |
| Profit/(loss) for 2022 | | 0 | 0 | 0 | 10,425,714 | 10,425,714 |
| 2022 Revaluations of defined benefit plans for employees | | 0 | 0 | 20,683 | 0 | 20,683 |
| Revaluation of shareholdings, other 2022 Statement of Comprehensive Income items | | 0 | 0 | 28,870 | 0 | 28,870 |
| Fair value adjustment of hedging derivatives 2022 | | 0 | 0 | 339,586 | 0 | 339,586 |
| Profit/(loss) for 2022 | | 0 | 0 | 0 | 10,425,714 | 10,425,714 |
| **Balance as at 31 December 2022** | 12 | **11,000,000** | **23,617,109** | **360,347** | **10,425,714** | **45,403,170** |
| Allocation of previous year's result | | 0 | 6,251,964 | 0 | -6,251,964 | 0 |
| 2023 Dividend distribution | | 0 | 0 | 0 | -4,173,750 | -4,173,750 |
| Revaluations of defined benefit plans for employees 2023 | | 0 | 0 | -1,801 | 0 | -1,801 |
| Revaluation of equity investments, other 2023 Statement of Comprehensive Income items | | 0 | 0 | -14,448 | 0 | -14,448 |
| Fair value adjustment of hedging derivatives 2023 | | 0 | | -155,840 | 0 | -155,840 |
| Profit/(loss) for 2023 | | 0 | 0 | 0 | 12,036,014 | 12,036,014 |
| **Balance as at 31 December 2023** | 11 | **11,000,000** | **29,869,073** | **188,259** | **12,036,014** | **53,093,345** |

# Notes to the Separate Financial Statements

## Structure and Activities of the Company

Vianova spa (hereinafter the "Company") is a public limited company under Italian law with registered office in Massarosa (LU), Via di Montramito 431/a.
Please refer to the Report on Operations for a description of the Company's structure and activities.

## Approval of the financial statements for the year ended 31 December 2023

The Financial Statements for the year ended 31 December 2023 were approved by the Board of Directors on 29 February 2024, are audited by KPMG spa and will be presented at the Annual Shareholders' Meeting.

## Declaration of compliance with IAS/IFRS and general criteria for the preparation of the Separate Financial Statements

The financial statements for the year ended 31 December 2023 have been prepared in accordance with international accounting standards (International Accounting Standards - IAS or International Financial Reporting Standards - IFRS) and related interpretations (SIC/IFRIC) endorsed by the European Union on that date, hereinafter referred to as IFRS-EU, and also with the measures issued in implementation of Article 9 of Legislative Decree 38/2005, which also regulates the ability to apply said standards on an optional basis.

## Financial Statements elements

The financial statements have been prepared on a going concern basis and, in addition to these notes, comprise the following elements:

- Statement of financial position: the presentation of the statement of financial position is made through the separate disclosure of current and non-current assets and current and non-current liabilities with a description in the notes for each item of assets and liabilities of the amounts that are expected to be settled or recovered within or beyond 12 months from the reporting date.
- Statement of comprehensive income: the classification of costs in the statement of profits or loss is based on their nature, highlighting the intermediate results relating to gross operating profit, net operating profit and profit before tax. The statement also includes income and expenses recognised directly in equity for transactions other than those carried out with shareholders.
- Statement of Cash Flows: the statement of cash flows shows the cash flows from operating, investing and financing activities. Cash flows from operations are reported using the indirect method, whereby net result for the year is adjusted for the effects of non-monetary transactions, any deferrals or accruals of past or future operating cash receipts or payments, and revenue items associated with cash flows from investing or financing activities.
- Statement of changes in Equity: in addition to the statement of comprehensive income, this statement also includes transactions with shareholders and details of each individual component. Where applicable, the statement also includes the effects, for each item of Equity, deriving from changes in accounting principles.

The financial statements are prepared in euro, the Company's working currency. Amounts are expressed in thousands of Euros, except where specifically indicated. Rounding is carried out at the level of each individual account and then totalled. Note that any differences in tables are due to the rounding of amounts expressed in thousands of Euros.

## Use of estimates and valuations

The preparation of the financial statements and related notes requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date.
Estimates and assumptions are based on elements known at the date of preparation of the financial statements, on management's experience and on other elements that may be considered relevant. Actual results may differ from these estimates.
The estimates are used to test for impairment, to defer assets and liabilities arising from contracts with Customers, to measure assets, amortisation/depreciation, to assess the recoverability of deferred tax assets, to recognise provisions for risks and charges, and also to make actuarial valuations of employee benefits and to measure contingent liabilities.
Estimates and assumptions are reviewed periodically and the effects of any changes are reflected in the statement of profits or loss.
The following is a summary of the critical valuation processes and key assumptions used in the process of applying the IFRS and which may have a significant effect on the values recognised in the financial statements or for which there is a risk that significant differences in value may emerge with respect to the carrying amount of the assets and liabilities in the financial year subsequent to that of the financial statements.

### Recoverable amount of non-current assets

Non-current assets include property, plant, equipment and other assets, investments accounted for using the Equity Method, other investments and other non-current assets. The Company periodically reviews the carrying amount of non-current assets held and used and of assets to be disposed of, when facts and circumstances require such a review. The analysis of the recoverability of the carrying amount of non-current assets is generally carried out using estimates of the expected cash flows from the use or sale of the asset and appropriate discount rates to calculate the present value. When the carrying amount of a non-current asset is impaired, the Company records a write-down equal to the excess between the carrying amount of the asset and its recoverable amount through use or sale of the same, set with reference to the cash flows included under the most recent business plans.
The estimates and assumptions used in this analysis reflect the state of knowledge of the Company's management in relation to business developments and take into account forecasts considered to be reasonable about future market and industry developments. It cannot be ruled out that different developments in the markets and sectors in which the Company operates could lead to values that differ from the original estimates and, where necessary, to adjustments in the carrying amount of certain non-current assets.

### Amortisation/depreciation

Amortisation/depreciation of fixed assets is a significant cost for the Company. The cost of property, plant and equipment is depreciated on a straight-line basis over the estimated useful life of the related assets. The useful economic life of the Company's fixed assets is determined by the Directors at the time the asset is acquired; it is based on historical experience for similar fixed assets, market conditions and anticipations regarding future events that could have an impact on the useful life, including changes in technology. Therefore, the actual economic life may differ from the estimated useful life. The Company periodically assesses technological and industry changes in order to update the remaining useful life. This periodic update could result in a change in the amortisation/depreciation period and therefore also in the amortisation/depreciation charge for future years.

### Contracts with Customers

The Company recognises in the statement of profits or loss the revenue components arising from contracts with customers and the cost components relating to the acquisition of contracts and the costs of fulfilling the contracts. These components are recognised in the statement of profit or loss on the basis of the estimated average life of the contracts with Customers, which is determined by the Directors on the

basis of historical experience. Therefore, the actual economic life may differ from the estimated useful life. The Company periodically reviews its estimate of the average contractual life. This periodic update could lead to a change in the period of recognition of revenue and costs and therefore also of the share of future years.
The estimated average contractual life is in line with previous years and estimated at 72 months.

### Recoverability of deferred tax assets

The Company recognises deferred tax assets up to the amount for which recovery is considered probable. Where necessary, the Company recognises adjustment items in order to reduce the value of deferred tax assets to the value for which recovery is considered probable. In assessing the recoverability of deferred tax assets, budget results and forecasts for subsequent years described in the paragraph above on the recoverable amount of non-current assets are considered.

### Allowance for doubtful accounts

The allowance for doubtful accounts reflects management's estimate of losses related to the customer loan portfolio. The estimate of the allowance for doubtful accounts is based on management's expected losses, determined based on past experience with similar receivables, current and historical past due amounts, losses and collections, careful monitoring of credit quality and projections about general and sector economic conditions.

### Defined benefit plans

The Company provides employees with a defined benefit plan (employee severance indemnity).
With reference to Employee benefit plans, net financial costs and charges are measured using an actuarial method that requires the use of estimates and assumptions to determine the net value of the obligation. The actuarial method considers parameters of a financial nature such as, for example, the discount rate, rates of growth of salaries and the probability of occurrence of potential future events through the use of parameters of a demographic nature such as, for example, rates relating to mortality and resignation or retirement of employees. In particular, the discount rates taken as reference are rates or rate curves of corporate bonds with high creditworthiness in their respective markets. A change in any of these parameters could affect the amount of the liability.

### Contingent liabilities

The Company recognises a provision for ongoing disputes and litigation proceedings when it considers it probable that a financial outlay will be made and when the amount of the resulting charges can be reasonably estimated. If the amount of the financial outlay cannot be reliably estimated or the probability of such an outlay becomes possible, no provision is recognised and the fact is reported in the Notes to the financial statements.
In the normal course of business, the Company monitors the status of pending litigation and consults with its legal and tax advisors. It is therefore possible that the value of provisions for legal proceedings and disputes of the Company may vary as a result of future developments in the ongoing proceedings.

### Treatment of foreign currency transactions

The Company does not carry out transactions in foreign currencies and does not hold equity investments in foreign companies.

## Relevant accounting standards

### Property, plant and equipment

#### Recognition and measurement

Tangible fixed assets are recognised and measured using the "cost" method, in accordance with IAS 16. Using this criterion, tangible fixed assets are recognised in the financial statements at purchase or production cost, including directly attributable ancillary costs and, subsequently, adjusted to take into account depreciation, any permanent impairment in value and the relevant reversals.
If a tangible fixed asset is composed of several components with different useful lives, these components are accounted for separately (if they are significant).
Land is not depreciated, even if purchased together with a building.
The gain or loss generated by the disposal of property, plant, machinery, equipment and other assets is determined as the difference between the net disposal proceeds and the net residual value of the asset, and is recognised in the statement of profits or loss in the period in which the disposal takes place.

#### Subsequent costs

Costs incurred subsequent to the purchase of the assets and the cost of replacing certain parts of the assets recorded in this category are added to the carrying amount of the item to which they refer and capitalised only if they increase the future economic benefits inherent in the asset itself. All other costs are recognised in the statement of profits or loss when incurred.
When the cost of replacing parts of assets is capitalised, the net carrying amount of the replaced parts is recognised in the statement of profits or loss. Extraordinary maintenance costs that increase the useful life of tangible fixed assets are capitalised and depreciated over the remaining useful life of the asset. Ordinary maintenance costs are recognised in the statement of profits or loss in the year in which they are incurred.
Assets under construction are recorded at cost under "Fixed assets in progress" until they are available for use; when they are available for use, the cost is classified under the relevant item and depreciated.

#### Amortisation and impairments

The depreciation period begins when the asset is available for use and ends on the earlier of the date on which the asset is classified as held for sale in accordance with IFRS 5 and the date on which the asset is derecognised. Any changes to amortisation schedules are applied prospectively.
The value to be depreciated is represented by the carrying amount reduced by the presumable net disposal value at the end of its useful life, if significant and reasonably determinable.
Depreciation is calculated based on economic-technical rates determined in relation to the estimated useful life of the individual assets, established in accordance with the company's plans for their use, which also consider physical and technological deterioration, taking into account their estimated realisable value net of dismantling costs. When the tangible asset is made up of several significant components with different useful lives, each component is depreciated separately. When events occur that indicate a possible loss due to reduction in value of tangible fixed assets, or when there is a significant reduction in the market value of the same, significant technological changes or significant obsolescence, the net carrying amount, independently of the depreciation already recorded, is subject to verification based on the estimate of the current value of the estimated future cash flows and adjusted if necessary. Subsequently, if these conditions are no longer met, the impairment loss is eliminated up to the carrying amount that would have been produced (net of depreciation) if the asset impairment loss had never been recognised.
Depreciation is calculated by applying *pro-rata temporis* criteria on a straight-line basis over the estimated useful life of the asset, by applying the following rates:

| **Amortisation rates** (%) | **2022** | **2023** |
|---|---|---|
| Plant and equipment, TLC infrastructure, ULL and PoP sites | 18 | 18 |
| Industrial and commercial equipment | 12 | 12 |
| Furnishings | 12 | 12 |

| | | |
|---|---|---|
| Fittings | 12 | 12 |
| Equipment on loan for use at Customers' premises | 20 | 20 |
| Electrical and electronic equipment, including electronic telephone systems | 20 | 20 |
| Vehicles | 25 | 25 |
| Buildings | 3 | 3 |
| Fibre (core network) | 6.67 | 6.67 |
| Customer Fibre (access network) | 33.33 | 33.33 |

Useful lives and residual values are verified at the reporting date and have not been changed from the previous year.

## Intangible assets with a finite useful life

### Initial recognition and measurement

Intangible assets acquired separately are initially capitalised at cost, while those acquired through business combinations are capitalised at fair value at the date of acquisition. After initial recognition, intangible assets are recognised at cost less accumulated amortisation and any impairment losses.

### Subsequent costs

Costs incurred after purchase are capitalised only when they increase the expected future economic benefits attributable to the asset to which they refer. All other subsequent costs are charged to the statement of profits or loss when incurred.

### Amortisation and impairments

Intangible assets are amortised over their useful lives and tested for impairment whenever there are indications of possible impairment losses. The period and method of amortisation applied to them are reviewed at the end of each financial year, or more frequently if necessary. Any changes to amortisation schedules are applied prospectively.
Gains or losses arising from the derecognition of an intangible asset are measured by the difference between the net disposal proceeds and the carrying amount of the intangible asset, and are recognised in the statement of profits or loss in the period of derecognition.
Amortisation is calculated applying *pro-rata temporis* criteria on a straight-line basis over the estimated useful life of the intangible asset, by applying the following rates:

| **Amortisation rates** (%) | **2022** | **2023** |
|---|---|---|
| Development costs | 33 | 33 |
| Start-up and expansion expenses | 20 | 20 |
| Industrial patent rights and use of intellectual property | 5 | 5 |
| Software expenses | 33 | 33 |
| Goodwill | 20 | 20 |
| Concessions, licenses, trademarks and similar rights | 20 | 20 |
| Other fixed assets (costs related to technical operations) | 20 | 20 |

### Derecognition

Intangible assets with a finite useful life are derecognised either when they are disposed of or when no future economic benefit is expected from their use or disposal. The relative gain or loss, recognised in the statement of profits or loss, is determined as the difference between the net consideration deriving from the disposal, if any, and the net carrying amount of the asset derecognised.

### Equity investments accounted for using the Equity Method

Shareholdings in subsidiaries and associated companies are valued using the equity method and periodically subject to impairment tests to check that there are no impairment losses. This test is carried out at least once a year, or whenever there is evidence of a probable impairment loss of the equity investments. The valuation method used is carried out by determining, if available, the value in use of the expected cash flows from the investee company. If it becomes necessary to carry out a write-down, this will be charged to the statement of profits or loss in the year in which it is recorded. When the reasons for the impairment no longer exist, the carrying amount of the investment is increased to the original cost. This reversal is recognised in the statement of profits or loss.

Pursuant to the Equity Method, the equity investment is recognised in the statement of financial position at cost increased by changes subsequent to acquisition. The related goodwill is included in the carrying amount of the equity investment and is not subject to amortisation. The statement of profits or loss reflects the Company's share of the subsidiary's and associate's results for the year. In the event that a company recognises adjustments directly to Equity, the Company recognises its share of these adjustments and reports them, where applicable, in the Statement of Changes in Equity. Profits and losses arising from transactions between Vianova and the investee company are eliminated.

### Assets measured at amortised cost

If there is objective indication that a loan or a receivable recognised at amortised cost has suffered an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses not yet incurred), discounted using the financial asset's initial effective interest rate (i.e., the effective interest rate calculated at the date of initial recognition or the current effective interest rate in the case of variable rate loans). The carrying amount of the asset is reduced through the use of a provision and the amount of the loss is recognised in the statement of profits or loss.

The Company assesses, first of all, the existence of objective indications of impairment at an individual level, for financial assets that are individually significant, and then, at an individual or collective level for financial assets that are not. In the absence of objective indications of impairment for an individually assessed financial asset, whether significant or not, that asset is included in a group of financial assets with similar credit risk characteristics and that group is tested for impairment on a collective basis. Assets assessed individually and for which an impairment loss is recognised or continues to be recognised will not be included in a collective assessment.

If, in a subsequent period, the value of the impairment loss decreases and that reduction can be objectively traced to an event occurring after the impairment loss was recognised, the previously reduced value may be reversed. Any subsequent reversals of impairment losses are recognised in the statement of profits or loss, to the extent that the carrying amount of the asset does not exceed the amortised cost at the date of the reversal.

With reference to trade receivables, a provision for impairment losses is made when there is an objective indication (such as, for example, the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to recover all the amounts due according to the original terms of the invoice. The carrying amount of the receivable is reduced by the use of a specific provision. Receivables subject to impairment losses are reversed when they prove to be unrecoverable.

When, given the terms of payment granted, a financial transaction is involved, receivables are measured at amortised cost by discounting the nominal value to be received, recording the discount as financial income.

### IFRS 9 (Financial Instruments)

The Company applies the expected credit loss model in accordance with IFRS 9, and classifies its financial assets on the basis of the business model pre-chosen by the entity to manage them and on the basis of the characteristics of the contractual cash flows of the financial assets themselves.

As regards the management of trade receivables, Management has defined its business models based on the specific nature of the receivable, the type of counterparty and the collection period; this has been done in order to optimise the management of working capital by continually monitoring the collection

performance of customers, setting credit collection policies and managing programmes for the disposal of receivables.
The Business Model adopted by the company for trade receivable management is the "Held to Collect" model. The company holds the financial assets and trade receivables in order to collect them, not so much to benefit from their sale. The measurement is at amortised cost.
Impairment on trade receivables and contract assets is carried out using the simplified approach allowed by the standard. This approach involves estimating the expected loss over the life of the receivable at initial recognition and in subsequent valuations. For each customer segment, the estimate is made mainly by determining the average expected uncollectible amount, based on historical-statistical indicators, adjusted if necessary using prospective elements. For certain categories of receivables with specific risk elements, specific assessments are carried out on individual credit positions.

### Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments (IRS) to hedge financial risks relating to changes in interest rates on medium/long-term loans. These derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is signed and, subsequently, are measured at fair value at each end date. Derivatives are recognised as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. As required by IFRS 9, hedging derivatives can be recorded based on hedge accounting methods only when:

- at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
- the hedge is expected to be highly effective;
- for cash flow hedges, the planned hedged transaction must be highly probable and must include
- an exposure to cash flow valuations that could affect the statement of profits or loss;
- the effectiveness can be reliably measured; and
- the hedge is highly effective during the various accounting periods for which it is designated.

All derivative financial instruments are measured at fair value. When derivative instruments meet the characteristics for hedge accounting, the following accounting treatments apply:

- *Fair value hedge* - if a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment that could affect profit or loss, the change in the fair value of the hedging instrument is recognised in the statement of profits or loss and the change in the fair value of the hedged item attributable to the hedged risk is recognised as part of the carrying amount of the hedged item and is also recognised in the statement of profits or loss. In the case of an irrevocable commitment, the fair value of the component relating to the hedged risk is recognised in the balance sheet as an asset or liability, adjusting the balance sheet item that will be affected by the irrevocable commitment at the time of its realisation.
- *Cash flow hedge* - if a derivative financial instrument is designated as a hedge of the exposure to the variability of the cash flows of an asset or liability in the financial statements or a highly probable forecast transaction or an irrevocable commitment and which could have effects on the statement of profits or loss, the effective portion of the gains or losses on the financial instrument is recognised in equity and shown in the statement of comprehensive income; the cumulative profit or loss is reversed from equity and recognised in the statement of profits or loss in the same period in which the hedged transaction is recognised; the gain or loss associated with a hedge, or that part of the hedge that has become ineffective, is recognised in the statement of profits or loss when the ineffectiveness is recognised.

If the conditions for the application of hedge accounting are not met, the effects deriving from the measurement at fair value of the derivative financial instrument are charged directly to the statement of profits or loss.

### IFRS 16 (Leases)

Pursuant to IFRS 16, at the start date of the leasing contract, the lessee must recognise an asset representing the right of use of the leased asset for the duration of the contract (so-called right-of-use or RoU) as well as a liability for future payments which the lessee has committed itself to by signing the contract (so-called lease liability).
The financial charges accrued on the lease liability and the amortisation of the right to use the asset are recorded separately in the statement of profits or loss.
The contracts falling within the scope of application of the standard for the Group concern the rental of office and warehouse premises, TLC infrastructures and vehicles.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand and short-term sight deposits, in accordance with IAS 7. For the purposes of the statement of cash flows, cash and cash equivalents are represented by cash as defined above net of bank overdrafts.

### Share capital and other Equity items

Costs relating to the issue of new shares or options are classified in Equity, net of the related tax benefit, as a deduction from the proceeds from the issue of such instruments.
As envisaged by IAS 32, if equity instruments are repurchased, these instruments (own shares) are deducted directly from Equity under the item "Other reserves". No gain or loss is recognised in the statement of profits or loss on the purchase, sale or cancellation of own shares.
The consideration paid or received, including any costs incurred directly attributable to the capital transaction, net of any related tax benefit, is recognised directly as a movement in Equity.
Any dividends paid to shareholders are recognised as liabilities in the period in which they are declared.

### Financial liabilities

Financial liabilities are initially recognised at the fair value of the consideration received net of transaction costs that are directly attributable to the loan itself. After initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method. Depreciation at the effective interest rate is included among financial charges in the statement of profits or loss.

### Employee benefits

Post-employment benefits may be offered to employees through defined contribution or defined benefit plans. These benefits are based on employees' remuneration and years of service.
Defined contribution plans are post-employment benefit plans under which the Company and sometimes its employees make predetermined contributions to a separate entity (a fund) and the Company does not have, and will not have, a legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to meet its obligations to employees.
Defined benefit plans are post-employment benefit plans, other than defined contribution plans. Defined benefit plans can be unfunded or wholly or partly funded by contributions paid by the company, and sometimes by its Employees, to a company or fund that is legally separate from the company that provides them to the Employees.
The amount accrued is projected into the future to estimate the amount to be paid at the time of termination of the employment relationship and subsequently discounted to take into account the time elapsed before the actual payment.
Adjustments to employee benefit liabilities are determined based on actuarial assumptions, founded on demographic and financial assumptions, and are recognised on an accrual basis in accordance with the work performed necessary to obtain the benefit. The amount of the rights matured during the year by Employees and the share of interest on the amounts accrued at the beginning of the period and on the corresponding movements referring to the same period are recognised in the statement of profits or loss under "Staff costs", while the figurative financial charge deriving from the actuarial calculation is

recognised in the statement of comprehensive income under the "Profit/(loss) from revaluation of defined benefit plans" item.
The actuarial valuation is entrusted to an actuary external to the Company.
Following the changes made to the rules for the Employee Severance Indemnity (Trattamento di Fine Rapporto - "TFR") by Law no. 296 of 27 December 2006 and subsequent Decrees and Regulations ("Pension Reform") issued in the early months of 2007:

- The TFR accrued as at 31 December 2006 is considered a defined benefit plan according to IAS 19. Guaranteed employee benefits, in the form of T.F.R., paid out on termination of employment, are recognised during the period when the right to such benefits accrues;
- The TFR accrued after 1 January 2007 is considered a defined contribution plan and, accordingly, contributions accrued in the period have been entirely recorded as a cost and, for the portion not yet paid into the funds, shown as a liability in the "Other current liabilities" item.

### Provisions for future risks and charges

Provisions for risks and charges are recognised to cover charges for obligations of the Company, whether legal or implicit (contractual or otherwise), arising from a past event. Provisions for risks and charges are recognised if it is probable that a utilisation of resources will be required to settle the obligation and if a reliable estimate of the obligation can be made.
Provisions are recognised at the best estimate of the amount that the enterprise would reasonably pay to extinguish the obligation or to transfer it to third parties at the end of the period.
Provisions are periodically updated to reflect changes in cost estimates, the time needed to complete the project and the discount rate; revisions of provisions are booked to the same statement of profits or loss item that had previously included the provisions or, when the liability relates to tangible assets, as an offsetting entry to the asset to which it refers.
The provision includes the allocation of future costs for ongoing disputes.

### Trade payables

Payables are recorded at nominal value net of discounts, returns or billing adjustments, representing the fair value of the obligation. When, given the payment terms agreed, a financial transaction is involved, the payables, valued using the amortised cost method, are discounted to their nominal value to be paid, recording the discount as a financial charge.

### Impairment losses on non-financial assets

The Company assesses whether there are any indicators of impairment of tangible and intangible assets. If there is any indication of this, the Company estimates the recoverable amount of the asset (impairment test).
The accounting standard does not require the formal preparation of an estimate of recoverable amount except when there are indicators of impairment losses. Assets not available for use and goodwill acquired in business combinations are an exception: they must be subjected to impairment testing at least once a year and whenever there are indicators of impairment losses. The Company has set the reporting date as the time to perform the impairment test for all those assets where annual analysis is required.

### Recognition of Revenue from Contracts with Customers

In accordance with IFRS 15, revenue recognition is carried out by applying a five-step model as outlined below:

- Identification of the contract with the customer: Vianova's bundled service offering meets the requirements of the standard:

  a) The parties to the contract have approved the contract in writing and have undertaken to fulfil their respective obligations.

  b) The entity can identify the rights of each party as regards the goods or services to be transferred.

c) The entity can identify the terms of payment for the goods or services to be transferred.

d) The contract has commercial substance (i.e., the risk, timing or amount of the entity's future cash flows are expected to change as a result of the contract).

e) It is probable that the entity will receive the consideration to which it is entitled in exchange for the goods or services to be transferred to the customer.

- Identification of contract performance obligations: The Company has identified a single performance obligation vis-a-vis its customers in the bundle offer (packages of Vianova goods and services), consisting of a fixed fee and a variable monthly fee in addition to the activation (up-front) fee.

  Contracts with customers fall into the category of performance obligations over time: the customer simultaneously receives and uses the benefits arising from the entity's performance as the entity performs it.

  Revenue is therefore recognised based on the amount that the Company is entitled to invoice, in accordance with the paragraphs of IFRS 120/121 and B-15/16 ("as invoiced practical expedient").
- Determination of transaction consideration: in determining the transaction price, the entity shall consider the terms of the contract and its usual business practices. The transaction price is the amount of the consideration that the entity expects to be entitled to in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (e.g., sales taxes). The consideration promised in the contract with the customer includes fixed amounts and variable amounts linked to actual consumption carried out. The latter are not linked to incentives, performance bonuses, penalties or other similar elements that depend on the occurrence or non-occurrence of a future event.
- Allocation of the consideration to individual performance obligations; the objective of allocating the transaction price is to assign each separate performance obligation (or each separate good or service) to an amount that reflects the amount of consideration to which the entity expects to be entitled in return for transferring the promised goods or services to the customer. The bundle offer of Vianova service packages is a single performance obligation and the practical expedient of "as-invoiced" as described above is applied.
- Recognition of revenue at the time of (or during) the fulfilment of the individual performance obligation: revenue is recognised during the fulfilment of the identified performance obligation and on an accrual basis.

  For the purpose of revenue recognition, the Company does not separate the performance obligations included in the contract as separate representation would not change the presentation in the financial statements. Revenue from activation fees (up-front fees) does not represent an important incentive for customers in relation to potential "renewal/non-renewal" and therefore does not transfer a "material right" to the customer. This fee does not represent a separate performance obligation, but is allocated over the average duration of the contract. The portion pertaining to the year is recognised under revenue, while the remaining portion is recorded under Other Current Liabilities. The implicit financial component does not appear to be significant and has therefore not been considered.

### Recognition of costs IFRS 15

IFRS 15 governs two types of cost: "Costs to obtain the contract" and "Costs to fulfil the contract".
The entity shall recognise as an asset the incremental costs of obtaining the customer contract if it expects to recover them. The incremental costs of obtaining the contract are costs that the entity incurs to obtain the contract with the customer that it would not have incurred had it not obtained the contract (for example, a sales commission).

An entity shall recognise as asset costs incurred in the performance of the contract only if the costs meet all of the following conditions:

- The costs are directly related to the contract or an anticipated contract, which the entity may identify specifically (this may be, for example, costs incurred for services to be provided as part of the renewal of the existing contract or for the design of an asset to be transferred under a specific contract not yet approved).

- The costs provide the entity with new or additional resources to be used to meet (or continue to meet) its obligations to do things in the future.
- The costs are expected to be recovered.

The costs incurred by the Company in obtaining and fulfilling the contract relate to the payment of premiums to agents/commercial partners for procuring customers and the costs incurred in installing equipment and networks at new customers. Both are accounted for on the basis of the average duration of the contract. The portion pertaining to the year is recorded in the Statement of profits or loss, while the remaining portion is deferred under Other Current Assets.

### Recognition of costs

Costs and other operating expenses are recognised in the statement of profits or loss when they are incurred on an accrual basis and correlated to revenue, when they do not produce future economic benefits or when they do not qualify for recognition as assets.

### Staff costs

Staff costs are represented by wages and salaries, social security charges, charges relating to defined benefit plans, mainly represented by the provision for severance indemnity, benefits for staff and Directors and other collaborators, and other staff costs (medical examinations, business trips, canteen).

### Current taxes

Income taxes are determined on the basis of a realistic forecast of the tax charges to be paid in consideration of the accrual basis of accounting and in application of current tax regulations. The tax rates and regulations used to calculate the amount are those in force, or substantially in force, at the reporting date. Current taxes relating to items recognised outside the statement of profits or loss are recognised directly in the statement of comprehensive income, and therefore in Equity, consistently with the recognition of the item to which they relate.

### Deferred taxes

Deferred taxes are calculated using the so-called “liability method” on temporary differences at the reporting date between the tax bases of assets and liabilities and the values specified in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred taxes arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, does not affect neither the profit for the year calculated for financial reporting purposes nor the profit or loss calculated for tax purposes.
Deferred tax assets are recognised for all deductible temporary differences and for tax losses carried forward, to the extent that it is probable that there will be adequate future taxable profits to use the deductible temporary differences and tax losses carried forward. The value of deferred tax assets to be recognised is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available in the future to recover the asset. Unrecognised deferred tax assets are reviewed periodically at the reporting date and are recognised to the extent that it has become probable that taxable profit will be sufficient to allow these deferred taxes to be recovered.
Deferred taxes are measured at the tax rates that are expected to apply to the period when such assets are realised or such liabilities are settled, considering the rates in force and those already enacted or substantively enacted at the reporting date.
Deferred tax assets and liabilities are offset if they relate to taxes of the same tax authority and there is a legal right to offset current tax assets and liabilities.

### Treasury shares

There are no treasury shares.

### Commitments, guarantees, contingent liabilities not disclosed in the statement of financial position

- These include guarantees, commitments and third-party assets held by the Company and the Company's assets held by third parties. Events that have already been recorded in the statement of financial position, the statement of profits or loss and/or the Notes to the financial statements, such as the Company's assets held by third parties, are not presented.
- Guarantees are recorded at a value equal to that of the guarantee provided or, if not determined, at the best estimate of the risk assumed in light of the existing situation. Commitments are recorded at their nominal value, while any non-quantifiable commitments are commented on in the Notes to the financial statements. Third-party assets held by the Company are recorded at nominal value, current market value or value deduced from existing documentation, depending on the type of asset.

### Events occurring after the end of the financial year

- Events occurring after the end of the financial year that modify conditions already existing at the reporting date and that require changes in the value of assets and liabilities, in accordance with the relevant accounting standard, are recognised in the financial statements, in accordance with the accrual basis of accounting, to reflect the effect that such events have on the financial position and results of operations at the end of the financial year.
- Events occurring after the end of the financial year that modify situations existing at the reporting date, but that do not require a change in the values of the financial statements, in accordance with the reference accounting standard, as they pertain to the following financial year, are not recorded in the financial statements but are set out in the notes when necessary for a more complete understanding of the company's situation.
- The time limit within which the event must occur for it to be taken into account is the date of preparation of the draft financial statements by the Directors, except in cases where events occur between that date and the date scheduled for approval of the financial statements by the Shareholders' Meeting that make it necessary to amend the draft financial statements.

## Notes to the individual items in the financial statements

### Note no. 1 - Owned property, plant and equipment

| (euro/000) | Historical Cost | Acc. Depreciation | 31 December 2022 Net Carrying Amount | Cost Historical | Acc. Depreciation | 31 December 2023 Net Carrying Amount |
|---|---|---|---|---|---|---|
| Land and buildings | 8,583 | -2,869 | **5,714** | 10,478 | -3,248 | **7,230** |
| TLC infrastructure | 25,603 | -17,589 | **8,014** | 26,394 | -19,449 | **6,944** |
| Equipment and plants | 6,748 | -5,005 | **1,744** | 6,769 | -5,708 | **1,060** |
| TLC equipment | 22,618 | -18,496 | **4,123** | 22,329 | -18,295 | **4,034** |
| Other assets | 4,908 | -3,976 | **932** | 5,178 | -4,106 | **1,072** |
| Tangible fixed assets in progress | 863 | 0 | **863** | 1,753 | 0 | **1,753** |
| **Total** | **69,323** | **-47,934** | **21,390** | **72,900** | **-50,807** | **22,093** |

Changes in the item "Property, Plant, Machinery and Other Assets" are shown below.

| (euro/000) | Land and buildings | TLC infrastructure | Equipment and installations | Apparatus TLC | Other assets | underway | Total |
|---|---|---|---|---|---|---|---|
| **Balance as at 1 January 2023** | **5,714** | **8,014** | **1,744** | **4,123** | **932** | **863** | **21,390** |
| Increases | 1,894 | 564 | 19 | 1,621 | 494 | 1,620 | 6,212 |
| Decreases | 0 | -17 | 0 | -61 | -4 | -107 | -189 |
| Reclassifications | 0 | 622 | 1 | 0 | 0 | -623 | 0 |
| Amortisation/depreciation | -379 | -2,238 | -704 | -1,649 | -350 | 0 | -5,320 |
| Write-downs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Other changes | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Balance as at 31 December 2023** | **7,230** | **6,944** | **1,060** | **4,034** | **1,072** | **1,753** | **22,093** |

The main investments for the year refer to expenses incurred for the constant upgrade of the fixed-mobile infrastructure with the purchase of hardware and software solutions aimed at providing services to a growing number of customers, in addition to the usual purchases of equipment required for the provision of services, and installed at Customer premises.

### Assets under finance and operating lease

In compliance with the provisions of standard IFRS 16, the Rights of Use deriving from property lease agreements and the operating lease agreement for the server solution, have been valued and recognised in the assets, respectively in the categories Buildings and TLC infrastructure.

| (euro/000) | Historical Cost | Acc. Depreciation | 31 December 2022 Net Carrying Amount | Historical Cost | Acc. Depreciation | 31 December 2023 Net Carrying Amount |
|---|---|---|---|---|---|---|
| Land and buildings | 840 | -720 | **120** | 2,514 | -896 | **1,618** |
| TLC infrastructure | 173 | -78 | **95** | 173 | -109 | **64** |
| **Total** | **1,013** | **-798** | **215** | **2,687** | **-1,005** | **1,682** |

- The increase in the item Land and Buildings is linked to the renewal of lease contracts for the Massarosa premises, and the consequent restatement of the value of the Right of Use recorded in the financial statements.
- For details of the accounting treatment of liabilities corresponding to the assets described, please refer to the relevant sections of the Notes to the financial statements on “Medium/long-term financial liabilities” and “Current financial liabilities”.

## Note no. 2 - Intangible assets with a finite useful life

| (euro/000) | Software and licenses | Other intangible assets | Intangible assets underway | Total |
|---|---|---|---|---|
| **Balance as at 1 January 2023** | **985** | **591** | **0** | **1,576** |
| Increases | 535 | 0 | 1,734 | 2,269 |
| Decreases | 0 | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 0 | 0 |
| Amortisation/depreciation | -825 | -210 | 0 | -1,036 |
| Write-downs | 0 | 0 | 0 | 0 |
| Other changes | 0 | 0 | 0 | 0 |
| **Balance as at 31 December 2023** | **695** | **381** | **1,734** | **2,809** |

- The item Intangible Assets in Progress includes the set-up fee paid to another operator, as well as costs incurred for the software infrastructure necessary for migration to the new mobile network, which will be completed during 2024.
- Based on the provisions of the reference standards, in the absence of indicators of potential impairment losses, it was not considered necessary to determine the recoverable amount of tangible and intangible fixed assets as at 31 December 2023.

## Note no. 3 - Shares in subsidiaries and associated companies

The Company holds a controlling interest in the companies Vola spa, Host spa, Qboxmail srl and NetResults srl.
The equity investments all represent a lasting and strategic investment.
The choices made to assess the value of shareholdings take adequate account of the result recorded for 2023 and of expectations of future income.
Investments in subsidiaries and associate companies are valued using the Equity Method.

### Vola spa

The equity investment, acquired in 2006 for the value of Euro 250,000, is equal to 67% of the shares.
The carrying amount was determined using the Equity Method, taking account of the non-controlling interest (fraction) of the shareholders’ equity, duly adjusted in accordance with IFRS principles, with reference to the data of fiscal year 2023.
The Directors have not identified any impairment losses as at 31 December 2023.

**Host spa**

The equity investment, acquired in 2016 for the value of Euro 1,100,000, is equal to 51% of the shares.
At the time of the first valuation, a negative difference between the purchase cost and the fraction of Equity held equal to Euro 751,585 had been recognised, an amount which it had been decided to amortise over 5 years (the amortisation was then suspended at the time of transition to international accounting standards on 1 January 2017).
The carrying amount was determined using the Equity Method, taking account of the non-controlling interest (fraction) of the shareholders' equity, duly adjusted in accordance with IFRS principles, with reference to the data of fiscal year 2023.
The Directors have not identified any impairment losses as at 31 December 2023.

**Qboxmail srl**

The shareholding, acquired in 2016 for Euro 250,820, represents 51% of the shares.
At the time of the first valuation, a negative difference between the purchase cost and the fraction of Equity held equal to Euro 70,338 had been recognised, an amount which it had been decided to amortise over 5 years (the amortisation was then suspended at the time of transition to international accounting standards on 1 January 2017).
The shareholding was valued using the equity method, taking as a reference the shareholders' equity value as at 31 December 2023 updated by IFRS adjustments.
The Directors have not identified any impairment losses as at 31 December 2023.

**NetResults srl**

The equity investment was initially acquired in 2015 for the value of Euro 344,417.
In 2015, at the time of the first valuation, a negative difference had been recognised between the purchase cost and the fraction of Equity held, equal to Euro 172,912, which it had been decided to amortise over 5 years (the amortisation was then suspended at the time of transition to international accounting standards on 1 January 2017).
In December 2022, Vianova completed the purchase of an additional portion of share capital, which increased the percentage of ownership from 40% to 70%. The difference between the purchase cost and the portion of Equity emerging from the transaction, equal to 1,540,803 euro, is included in the book value of the equity investment.
The shareholding was valued using the equity method, taking as a reference the shareholders' equity value as at 31 December 2023 updated by IFRS adjustments.
In any case, as at 31 December 2023 the directors of Vianova tested the value of the shareholding for impairment.
The recoverable value of the shareholding was estimated using the Discounted Cash Flow method, determining the "value in use" as the sum:

- of the plan value, calculated by discounting the operating cash flows of the 2024-2028 plan (approved by NetResults' Board of Directors on 13 February last) at a discount rate representative of the weighted average cost of capital (WACC) of 10%.
- of the residual value (Terminal Value), estimated based on a constant perpetuity with a prudent growth rate "g" of zero.

The recoverable amount thus determined was compared with the carrying amount of the shareholding as of 31 December 2023 net of the related Net Financial Position.
Finally, sensitivity analyses were conducted in order to verify the robustness of the impairment test to changes in cash flows and key assumptions.
At the end of the test, there was no need to record impairment losses

Below are the details of the shareholdings held.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Vola spa | 956 | 1,057 | 102 | +10.6 |
| Host spa | 537 | 656 | 119 | +22.2 |
| Qboxmail srl | 426 | 447 | 21 | +4.9 |
| NetResults srl | 2,349 | 2,255 | -93 | -4.0 |

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| **Total** | **4,267** | **4,416** | **242** | **+5.7** |

Below is a summary of the value adjustments of investments resulting from the valuations made.

| (euro/000) | Vola spa | Host spa | Qboxmail srl | NetResults srl |
|---|---|---|---|---|
| **Carrying value 31.12.2022** | **956** | **537** | **426** | **2349** |
| Dividends received | -94 | -53 | -22 | 0 |
| Revaluations/(write-downs) | 13 | 0 | 0 | 0 |
| Purchase of shares | 0 | 0 | 0 | 0 |
| Profit/(loss) for the period - Statement of profits or loss portion | 182 | 175 | 47 | -87 |
| Profit/(loss) for the period - statement of comprehensive income portion | 0 | -3 | -4 | -7 |
| **Carrying value 31.12.2023** | **1,057** | **656** | **447** | **2,255** |

## Note no. 4 - Non-current financial assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Derivative instruments, cash-flow hedges | 447 | 242 | -205 | -45.9 |
| Other securities | 505 | 516 | 11 | +2.2 |
| **Total** | **951** | **758** | **-194** | **-20.4** |

- The Parent Company signed an Interest Rate Swap (IRS) contract in order to protect itself from the interest risk arising from the opening of a new loan. The supporting elements of the hedging instrument and the hedged element are closely aligned, as the initial nominal amount, amortisation plan, interest settlement dates and maturity are consistent. Changes in the fair value of the instrument are recognised in the Statement of Comprehensive Income.
- The other securities are attributable to investments of the company's liquidity in money market instruments, which are liquid, have a short maturity and are not correlated to any risk component.

## Note no. 5 - Sundry receivables and other non-current assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Costs to obtain the contract - Over 12m | 1,820 | 1,758 | -62 | -3.4 |
| Costs to fulfil the contract - Over 12m | 1,378 | 1,352 | -26 | -1.9 |
| Guarantee deposits | 1 | 1 | 0 | 0.0 |
| **Total** | **3,199** | **3,111** | **-89** | **-2.8** |

- The application of the IFRS accounting standards required the Parent Company to allocate to the statement of profits or loss the so-called "Costs to obtain the contract" and "Costs to fulfil the contract" over a period of time equivalent to the average duration of the contracts, which was estimated and forecast at 72 months. The costs incurred by the Company for bonuses paid to agents and partners to obtain contracts, and the costs incurred for the activation of the services provided have consequently been removed from the statement of profits or loss and attributed to the same only for the part pertaining to the period. The item includes the portion of these activities that are expected to be carried out more than 12 months after the end of the year.
- Guarantee deposits were released relating to various supply contracts such as electricity, water and gas.

## Note no. 6 - Deferred tax assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Receivables | 144 | 101 | -43 | -30.0 |
| Provisions for risks | 72 | 72 | 0 | 0.0 |
| Warehouse | 3 | 2 | -1 | -33.3 |
| Intangible assets | 2 | 0 | -2 | -100.0 |
| FTA - Up-front activation fees | 18 | 0 | -18 | -100.0 |
| **Total** | **239** | **175** | **-64** | **-26.8** |

At 31 December 2023, deferred tax assets recognised on accounting items transitioned to international accounting standards as of 1 January 2017 have been fully reabsorbed.

Changes in the item "Deferred tax assets" are shown below.

| (euro/000) | Balance as at 1 January 2023 | Provisions / releases Statement of profits or loss | Provisions / releases Statement of Comprehensive Income | Balance as at 31 December 2023 |
|---|---|---|---|---|
| Receivables | 144 | -43 | 0 | 101 |
| Provisions for risks | 72 | 0 | 0 | 72 |
| Warehouse | 3 | -1 | 0 | 2 |
| Intangible assets | 2 | -2 | 0 | 0 |
| FTA - Up-front activation fees | 18 | -18 | 0 | 0 |
| **Total** | **239** | **-64** | **0** | **175** |

## Note no. 7 - Inventories

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Inventories of raw, ancillary and consumable materials | 11 | 7 | -4 | -33.8 |
| Inventory write-down provision | -11 | -7 | 4 | -33.8 |
| **Total** | **0** | **0** | **0** | **-0.0** |

Inventories refer to end-of-sales activities preceding the introduction of Vianova services. The amount in stock is unchanged and it was considered appropriate to align the value of the write-down provision to their carrying amount: the presumed realisable value was reduced to zero due to the fact that they are now completely obsolete from a technical and economic point of view.

## Note no. 8 - Trade receivables

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Trade receivables for invoices issued | 15,426 | 16,067 | 640 | +4.2 |
| Invoices to be issued for service up-front activation fees | 1,693 | 1,528 | -165 | -9.7 |
| Credit notes to be issued | -16 | -28 | -12 | +72.0 |
| **Gross trade receivables** | **17,103** | **17,567** | **464** | **+2.7** |
| Allowance for doubtful accounts | -600 | -420 | 180 | -30.0 |
| **Total** | **16,503** | **17,147** | **644** | **+3.9** |

- The invoicing, credit granting and collection policies used by the Company have remained substantially unchanged from previous years. The increase in trade receivables is mainly due to the increase in turnover compared to the previous year, as further described in Note no. 22 - Revenue and other operating income.
- There are no receivables from foreign Customers.
- The Invoices to be issued item is largely represented by the valuation of receivables claimed from Customers for the contractually envisaged up-front activation fee. The standard policy adopted by the company provides for the billing of this contribution in monthly instalments up to a maximum of 36, according to the choice made by the Customer. This item was recognised in accordance with international accounting standards, specifically IFRS 15 on Revenue Recognition. In fact, the up-front activation fee is recorded in the statement of profits or loss on an accrual basis and deferred on the basis of the average contractual duration envisaged and estimated at 72 months. Consequently, the receivable from Customers for the amounts due in the form of an up-front activation fee not yet invoiced at the closing date of the financial statements under review was recognised.
- The promissory notes subject to collection expiring on 31 December 2023 (holiday) were credited on 2 January 2024 following the banking regulations introduced in 2010, which envisage the postponement of the crediting to the first business day following the expiry. The amount of the item Receivables from Customers, if the effects were recognised as of 31 December, would have amounted to Euro 10,589 thousand. Please refer to the Director's Report on Operations.

Below is a breakdown of credit losses.

| | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Losses on receivables (euro/000) | 182 | 182 | 0 | 0.0 |
| Incidence on Revenues and Other Operating Income (%) | 0.26 | 0.25 | | |

The amount of receivable losses was fully covered by the write-down provision allocated at the end of the previous year. Considering the general economic outlook and the results of the credit recovery activities, while still forecasting further revenue growth in 2024, it was deemed appropriate to reduce the amount of the provision compared to previous years.
The book value of trade receivables is considered to approximate their fair value.

Below is a breakdown of changes in the provision for bad debts

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Opening balance | 600 | 600 | 0 | 0.0 |
| Increase due to provision for the year | 182 | 2 | -180 | -98.9 |
| Decrease due to use during the year | -182 | -182 | 0 | 0.0 |
| **Closing balance** | **600** | **420** | **-180** | **-30.0** |

## Note no. 9 - Other current assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Prepaid expenses | 1,563 | 1,783 | 221 | +14.1 |
| Tax credits | 1,812 | 999 | -813 | -44.9 |
| Costs to obtain the contract - within 12m | 774 | 778 | 4 | +0.5 |
| Costs to fulfil the contract - within 12m | 552 | 557 | 5 | +0.9 |
| Advances to suppliers | 0 | 199 | 199 | -- |
| Sundry tax receivables | 11 | 108 | 97 | +881.8 |
| Sundry receivables | 576 | 488 | -88 | -15.4 |
| **Total** | **5,288** | **4,912** | **-376** | **-7.1** |

- Prepaid expenses consist of fees and costs of various kinds charged in advance to the Company in respect of existing commercial relationships.
- Tax credits include:

  Research, Development, and Innovation Tax Credit for activities carried out in the 2020, 2021, and 2022 tax years, usable in equal instalments (to offset tax liabilities) in subsequent tax years.

  Tax credit for investments in other tangible, intangible and Industry 4.0 capital goods, usable in correlation with the depreciation of the assets to which the contribution refers.

## Note no. 10 - Current financial assets

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Short-term government bonds recorded at amortised cost | 0 | 9,374 | 9,374 | -- |
| Short-term time deposits recorded at amortised cost | 0 | 7,000 | 7,000 | -- |
| **Total** | **0** | **16,374** | **16,374** | -- |

This item includes investments of the company's liquidity in money market instruments, that are liquid, short-term, and not correlated to any risk factor.

## Note no. 11 - Cash and cash equivalents

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Bank accounts | 24,300 | 13,600 | -10,700 | -44.0 |
| Petty cash | 1 | 0 | -1 | -67.3 |
| **Total** | **24,301** | **13,600** | **-10,701** | **-44.0** |

The promissory notes subject to collection expiring on 31 December 2023 (holiday) were credited on 2 January 2024 following the banking regulations introduced in 2010, which envisage the postponement of the crediting to the first business day following the expiry. The amount of the item cash and cash equivalents, if the effects had been recognised as at 31 December, would have amounted to Euro 20,159 thousand.

The amount recorded in the financial statements is aligned with the fair value at the date of preparation of the financial statements. The credit risk is limited since the counterparties are major banking institutions.

For further details on the dynamics affecting cash and cash equivalents, see the Statement of Cash Flows.

### Note no. 12 - Shareholders' equity

The fully paid-up share capital amounts to Euro 11,000,000 and consists of 1,750,000 shares without nominal value indication. The ordinary shares were converted to special multiple voting shares as resolved by the Extraordinary Shareholders' Meeting on 22 July 2022. These shares (category "B"):

- Give right to three votes in all Shareholders' Meetings of the Company in compliance with any legal limits.
- Are automatically converted to ordinary shares (category "A") without the need for any Shareholders' Meeting resolution in the event of sale and/or change of control of the holder.

For the changes in Equity entries, reference should be made to the "Statement of Changes in Equity". For the sake of clarity, note that the profit earned in the previous year, amounting to Euro 10,425,714,25, as approved by the Ordinary Shareholders' Meeting on 31 March 2023, was allocated as follows:

- Euro 362,696.68 to the reserve pursuant to Article 2426 of the Italian Civil Code.
- Euro 4,173,750.00 corresponding to Euro 2.385 per share as a dividend to shareholders.
- The remaining Euro 5,889,267.57 to the distributable reserve.

Furthermore, following the distribution of dividends approved and carried out by the subsidiaries Vola spa, Host spa and Qboxmail srl, the reserve established pursuant to Article 2426 of the Italian Civil Code was released for the corresponding portion (Euro 168,739,90).

Below are the indications provided for in Article 2427, paragraph 1, number 7 bis of the Italian Civil Code.

| (euro) | 31.12.2023 | Possibility of use | Amount available |
|---|---|---|---|
| Share capital | 11,000,000 | --- | --- |
| Legal reserve | 2,200,000 | B | 2,200,000 |
| Reserve pursuant to art. 2426 of the Italian Civil Code | 1,225,069 | B | 1,225,069 |
| Distributable reserve | 25,751,780 | ABC | 25,751,780 |
| Reserve for other components of the statement of comprehensive income | 188,258 | B | 188,258 |
| FTA reserve | 692,225 | B | 692,225 |
| Profit/(loss) for the year | 12,036,014 | BC | 12,036,014 |

Key *possibility of use:* A - for share capital increase, B - to cover losses, C - for distribution to shareholders.

Neither capital nor reserves were used in the previous three years to cover losses.

### Note no. 13 - Non-current financial liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Mortgages and loans | 4,800 | 3,600 | -1,200 | -25.0 |
| Other financial liabilities (IFRS 16) | 10 | 1,492 | 1,482 | +14,820.0 |
| **Total** | **4,810** | **5,092** | **282** | **+5.9** |

- The Company has never taken advantage of current account overdrafts or subject to collection advances and during the year the Company did not take out any new loans, making regular payments on existing loans until they are repaid.
- In January 2022, an unsecured loan was taken out for Euro 6,000,000, with a maturity of 72 months. The debt, on which interest accrues at the 3-month Euribor rate plus 64 basis points, will be repaid in deferred quarterly instalments, the last of which is due on 31 December 2027. To hedge against rising interest rates, the Company entered into an Interest Rate Swap option.

### Note no. 14 - Employee benefits

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Balance as at 1 January | 232 | 203 | -29 | -12.5 |
| Service Cost | 0 | 0 | 0 | 0 |
| Interest Cost | 4 | 8 | 4 | +100.0 |

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Balance of provisions movements | -4 | 7 | 11 | -275.0 |
| Actuarial (gains)/losses | -29 | 3 | 32 | -110.3 |
| **Balance as at 31 December** | **203** | **221** | **18** | **+8.9** |

Details are provided below of the economic and demographic assumptions used for the purposes of the actuarial valuations, prepared by external consultants:

| Economic and demographic assumptions | 2022 | 2023 |
|---|---|---|
| Discount rate | 3.77% | 3.60% |
| Inflation rate | 2.30% | 2.30% |
| Annual rate of increase in employee severance indemnity | 3.23% | 3.23% |
| Annual rate of increase in employee salary | 1.00% | 1.00% |

## Note no. 15 - Provisions for future risks and charges

| (euro/000) | Balance as at 1 January 2023 | Provisions to the statement of profits or loss | Releases/Uses | Balance as at 31 December 2023 |
|---|---|---|---|---|
| Provision for litigation risks | 300 | 0 | 0 | 300 |
| Provision for termination indemnity (TFM) | 169 | 56 | -169 | 56 |
| Provision for assessment risks | 60 | 0 | 0 | 60 |
| Provisions for Supplementary Customer Allowances (FISC - Fondo indennità suppletiva di clientele) | 21 | 0 | -21 | 0 |
| **Total** | **550** | **56** | **-190** | **416** |
| ▪ of which current portion | *0* | *0* | *0* | *0* |
| ▪ of which non-current portion | *550* | *56* | *-190* | *416* |

- In the 2017 financial year, a provision for risks of Euro 300 thousand had been recognised in the financial statements to cover potential charges arising from the appointment of the Regional Solicitor General for Tuscany by INAIL, to take legal action against the Company to recover the legal indemnities paid by the Entity to the insured person who was the subject of a work-related accident that occurred in September 2014 at the Pisa office, during the construction work there. As of the date of preparation of the financial statements, legal action had not yet been taken and therefore the provision was left in place, while noting that the Company has always rejected all charges and that, if it is summoned to appear in court, it is ready to protect its rights, trusting that it will be fully found to be innocent of the alleged offences.
- Also in the 2017 financial year, a provision for risks of Euro 60 thousand had been recognised in the financial statements to cover potential charges arising from an assessment that had been carried out by the Italian Data Protection (Privacy) Authority in June 2017. As of the closing date of the financial year, no decision has yet been made by the Authority and therefore it is deemed necessary to leave the provision open, although we reiterate that the Company has fulfilled its obligations and therefore no penalty should be applied.
- The provision for TFM includes the allocation made during the year, in accordance with the resolution passed by the Company's Shareholders' Meeting.
- Following the termination of all agency relationships, the Supplemental Customer Compensation Fund previously recorded in the balance sheet was fully released.

## Note no. 16 - Deferred tax liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| FTA - Acquisition premiums | 13 | 0 | -13 | -100.0 |
| FTA - Up-front activation fees | 12 | 0 | -12 | -100.0 |
| FTA - F.I.S.C. | 11 | 0 | -11 | -100.0 |
| Employee benefits | 4 | 3 | -1 | -25.0 |
| Valuation of financial instruments | 0 | 4 | 4 | 100 |
| Valuation of hedging derivatives | 108 | 58 | -50 | -46.3 |
| **Total** | **148** | **65** | **-83** | **-56.1** |

At 31 December 2023, deferred taxes recognised on accounting items transitioned to international accounting standards as of 1 January 2017 were fully reabsorbed.

Changes in this item are detailed below.

| (euro/000) | Balance as at 1 January 2023 | Provisions/releases to the statement of profits or loss | Provisions/releases to the statement of comprehensive income | Balance as at 31 December 2023 |
|---|---|---|---|---|
| FTA - Acquisition premiums | 13 | -13 | 0 | 0 |
| FTA - Up-front activation fees | 12 | -12 | 0 | 0 |
| FTA - F.I.S.C. | 11 | -11 | 0 | 0 |
| Employee benefits | 4 | 0 | -1 | 3 |
| Valuation of financial instruments | 0 | 4 | 0 | 4 |
| Valuation of hedging derivatives | 108 | 0 | -50 | 58 |
| **Total** | **148** | **-32** | **-51** | **65** |

## Note no. 17 - Other non-current liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Current deferred revenue (up-front activation fee) - over 12m | 2,887 | 2,720 | -166 | -5.8 |

Following IFRS 15 revenue recognition standards, the Parent Company allocates to the statement of profits or loss the activation fees as a revenue component over the average anticipated contract life, estimated at 72 months. This is regardless of the billing method of the entry in question, which is carried out by the Company in monthly instalments up to a maximum of 36, according to the choice made by the Customer itself. Therefore, the volume of revenue accruing in future years was calculated by comparing the date of activation of the contracts and the cited average duration thereof.

## Note no. 18 - Current financial liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Mortgages and loans (current portion) | 1,200 | 1,200 | 0 | 0.0 |
| Other short-term financial liabilities (IFRS 16) | 181 | 148 | -33 | -18.2 |
| **Total** | **1,381** | **1,348** | **-33** | **-2.4** |

## Note no. 19 - Trade payables

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Trade payables to third parties | 8,697 | 9,210 | 513 | +5.9 |
| Invoices to be received | 2,982 | 2,916 | -66 | -2.2 |
| Credit notes to be received | -260 | -396 | -137 | +52.6 |
| **Total** | **11,419** | **11,729** | **310** | **+2.7** |

- During the year under review, there were no significant changes to the purchasing and payment policies agreed with suppliers.
- There are no payables to suppliers and other foreign entities expressed in currencies other than euro.
- There are no payables with a duration of more than 5 years or positions of significant debt concentration.

## Note no. 20 - Other current liabilities

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Accrued expenses and deferred income | 5,633 | 5,860 | 227 | +4.0 |
| Payables to Employees | 1,360 | 1,515 | 155 | +11.4 |
| Current deferred revenue (up-front activation fee) | 1,192 | 1,166 | -25 | -2.1 |
| Payables to social security institutions | 863 | 939 | 76 | +8.9 |
| Tax payables | 739 | 751 | 12 | +1.6 |
| Sundry payables | 317 | 376 | 59 | +18.8 |
| **Total** | **10,103** | **10,608** | **505** | **+5.0** |

- Deferred income is accounted for as a result of monthly advance billing of fees pertaining to January of the following year. The increase is mainly due to the increase in the number of customers compared to the previous year.

- The Current deferred revenue item, in applying IFRS 15 on Revenue Recognition, provides for the attribution to the statement of profits or loss of the revenue component represented by the up-front activation fees on the basis of the average expected contractual duration, estimated at 72 months. This is regardless of the billing method of the entry in question, which is carried out by the Company in monthly instalments up to a maximum of 36, according to the choice made by the Customer itself. Therefore, the volume of revenue accruing in future years was calculated by comparing the date of activation of the contracts and the cited average duration thereof.

  In order to provide better information, the portion of deferred income realisable beyond 12 months was reclassified under the item "Other non-current liabilities".

Below is a breakdown of the item "Payables to Employees":

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Payables to employees holiday pay | 831 | 971 | 140 | +16.8 |
| Payables to Employees | 529 | 544 | 15 | +2.8 |
| **Total** | **1,360** | **1,515** | **155** | **+11.4** |

All amounts, with the exception of payables related to the amount of holiday pay accrued by employees, were regularly settled at their natural due date in the new year.

Below is a breakdown of the item "Taxation":

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Tax authorities employees and collaborators for IRPEF | 500 | 524 | 24 | +4.8 |
| VAT payable | 182 | 214 | 32 | +17.6 |
| Tax authorities withholding tax on various payments on account | 57 | 8 | -49 | -86.0 |
| Other tax payables | **0** | 5 | 5 | -- |
| **Total** | **739** | **751** | **12** | **+1.6** |

All the amounts relating to IRPEF and various withholding taxes were regularly paid at their natural due date in the first months of the new financial year.

Below is a breakdown of the item 'Payables to social security and welfare institutions'.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Tax authorities employees and independent contractors INPS | 480 | 495 | 15 | +3.2 |
| Tax authorities employees holiday pay INPS | 248 | 292 | 44 | +17.7 |
| Payables to other entities | 130 | 148 | 18 | +13.8 |
| Tax authorities ENASARCO account | 3 | 0 | -3 | -100.0 |
| Payables to INAIL | 2 | 4 | 2 | +111.1 |
| **Total** | **863** | **939** | **77** | **+8.9** |

All amounts, with the exception of payables related to the amount of holiday pay accrued by employees, were regularly settled at their natural due date in the first months of the new financial year.

Below is a breakdown of the item "Sundry payables".

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Payables to Directors | 59 | 42 | -17 | -28.8 |
| Other payables | 258 | 334 | 76 | +29.5 |
| **Total** | **317** | **376** | **59** | **+18.6** |

## Note no. 21 - Current tax liabilities

| Current tax liabilities (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| IRES payable | 729 | 95 | -634 | -87.0 |
| IRAP payable | 82 | 7 | -75 | -91.5 |
| **Total** | **811** | **102** | **-591** | **-72.9** |

The corporation tax (IRES) balance is detailed below.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Provision for IRES | 2,731 | 2,812 | 81 | +3.0 |
| Advances paid | -2,002 | -2,717 | -715 | +35.7 |

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Corporation tax (IRES) balance - Debit (Credit) | 729 | 95 | -634 | -87.0 |

The balance of the regional tax on productive activities (IRAP) is detailed below.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Provision for IRAP | 597 | 601 | 4 | +0.7 |
| Advances paid | -515 | -594 | -79 | +15.3 |
| IRAP Balance - Debit (Credit) | 82 | 7 | -75 | -91.5 |

For evidence of the balance of income taxes for the year as at 31 December 2023, reference should be made to the subsequent section of the Notes to the financial statements on income taxes.

## Note no. 22 - Revenue and other operating income

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Revenue from fees | 53,637 | 56,981 | 3,344 | +6.2 |
| Revenue from pay-per-use services | 10,630 | 11,216 | 586 | +5.5 |
| Revenue from activations | 1,687 | 1,682 | -5 | -0.3 |
| Revenue from sales | 991 | 765 | -226 | -22.8 |
| Revenue from interconnection | 685 | 629 | -56 | -8.1 |
| Other revenue and income | 511 | 525 | 15 | +2.9 |
| Public grants | 446 | 220 | -226 | -50.7 |
| Income from access and pay-per-use charges adjustments | 418 | 144 | -274 | -65.5 |
| Gains on disposal of non-current assets | 63 | 113 | 50 | +79.5 |
| Revenue from assistance and actions | 36 | 38 | 2 | +4.5 |
| Release of surplus funds | 18 | 35 | 17 | +93.7 |
| Revenue adjustments | -2 | -1 | 1 | -41.8 |
| **Total** | **69,119** | **72,348** | **3,229** | **+4.7** |

- Revenue and other operating income increased compared to the previous year mainly due to the increase in the number of customers served through the Vianova offering, both for the Vianova Landline and Vianova Mobile services.
- Revenues from sales are mainly attributable to the marketing of terminals (smartphones) linked to the use of mobile telephone services provided by the Company.
- The item Other revenue consists mainly of sundry contingent assets (for 358 thousand Euro) and fees invoiced to Business partners for Vianova Phone users (for 89 thousand Euro).
- The item public grants includes grants for electricity (61 thousand Euro) and for advertising investments (21 thousand Euro), as well as grants for investments in capital goods (tangible, intangible and industry 4.0). With the latter, it should be noted that the total amount of the tax credit due is recognised in relation to the depreciation of the assets to which the grant relates. The amount recorded in this item therefore represents the portion pertaining to the year 2023 alone.

In 2023, the Company continued the development of innovative pre-competitive activities (confident that the positive outcome of these activities would strengthen the company's competitiveness with favourable economic effects), directing its efforts in particular to analysis projects, studies, design, review and testing of new products in the area of telecommunications software.
The costs of these activities were not reported for the purposes of obtaining the tax credit for research, development, technological innovation, design and aesthetic conception pursuant to Article 1, paragraphs 198 to 209 of Law no. 160 of 27 December 2019.

## Note no. 23 - Purchase of services

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Purchase of services - fees and activations | 13,722 | 14,695 | 973 | +7.1 |
| Commercial costs | 8,932 | 9,650 | 718 | +8.0 |
| Interconnection costs | 2,921 | 2,728 | -193 | -6.6 |
| Industrial overheads | 1,730 | 2,062 | 332 | +19.2 |
| Purchase of services - pay-per-use | 2,039 | 1,568 | -471 | -23.1 |

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Costs for technical interventions | 1,523 | 1,518 | -5 | -0.3 |
| Network maintenance costs | 1,264 | 1,335 | 70 | +5.6 |
| Advertising and promotional costs | 990 | 1,212 | 222 | +22.4 |
| Costs for collaborations, directors | 899 | 848 | -51 | -5.7 |
| Consultancy costs | 532 | 517 | -15 | -2.9 |
| Operator licence contributions | 409 | 434 | 26 | +6.3 |
| Maintenance costs | 359 | 348 | -11 | -3.1 |
| Bank charges | 145 | 180 | 35 | +24.3 |
| Travelling expenses | 96 | 115 | 19 | +19.5 |
| **Total** | **35,562** | **37,210** | **1,649** | **+4.6** |

The increase in the cost of services is generally due to the increased volume of turnover recorded during the year.

## Note no. 24 - Staff costs

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Wages and salaries | 8,892 | 9,558 | 666 | +7.5 |
| Social security charges | 2,567 | 2,766 | 200 | +7.8 |
| Employee severance indemnity and pension funds | 590 | 648 | 58 | +9.7 |
| Other staff costs | 773 | 486 | -287 | -37.1 |
| **Total** | **12,823** | **13,459** | **636** | **+5.0** |

Below is some information on personnel, also referencing what is more fully explained in the Directors' Report on Operations:

| Staff | 2022 | % | 2023 | % | Δ% |
|---|---|---|---|---|---|
| **no. of individuals as at 31 December** | **235** | **100** | 245 | 100 | +4.3 |
| Full Time Equivalent (FTE) as at 31 December (qty) | 231.3 | 98.4 | 240.6 | 98.2 | +4.0 |
| Average FTE (qty) | 221.8 | 94.4 | 236.9 | 96.7 | +6.8 |
| Non-employee independent contractors (qty) | 5 | 2.1 | 5 | 2.0 | +0.0 |
| Average age (years) | 40.5 | | 41.3 | | +2.1 |
| Average length of service (years) | 8.0 | | 8.8 | | +10.2 |
| Women (qty) | 68 | 28.9 | 69 | 28.2 | +1.5 |
| Graduates (qty) | 122 | 51.9 | 122 | 49.8 | +0.0 |
| Revenue per FTE (euro) | 312 | | 305 | | -2.0 |
| Cost per FTE (euro) | 62 | | 61 | | -2.5 |
| EBITDA per FTE (euro) | 86 | | 87 | | +0.5 |

## Note no. 25 - Other operating costs and change in inventories

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Provision for doubtful accounts | 182 | 2 | -180 | -98.9 |
| Other operating expenses | 218 | 187 | -31 | -14.2 |
| Duties, taxes and registration fees | 32 | 36 | 4 | +12.5 |
| **Total other operating costs** | **432** | **225** | **-207** | **-47.9** |
| Change in inventories | 0 | 0 | 0 | 0 |
| **Total** | **432** | **225** | **-207** | **-47.9** |

The actual losses on receivables incurred in 2023, amounting to Euro 182 thousand, were fully covered by the use of the provision for bad debts allocated at the end of the previous year. There are therefore no amounts charged to the statement of profits or loss for the year.

## Note no. 26 - Purchase of materials

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| MVNO cost, purchase of terminals | 934 | 688 | -246 | -26.4 |
| Cost of assets expensed during the year | 87 | 107 | 20 | +23.2 |
| Fuel costs | 77 | 84 | 7 | +8.5 |
| ICT equipment purchase | 46 | 26 | -20 | -43.3 |
| Cost of stationery and materials for internal use | 18 | 8 | -9 | -53.8 |
| MVNO cost, consumables | 9 | 33 | 24 | +266.7 |
| Cost of consumables for external use | 5 | 0 | -5 | -94.6 |
| **Total** | **1,176** | **946** | **-230** | **-19.6** |

The decrease in the costs of purchasing materials is primarily linked to the lower sales volumes of terminals (smartphones) intended for sale to Customers who utilise the Company's mobile telephone services.

## Note no. 27 - Amortisation/depreciation and write-downs

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Depreciation of property, plant, equipment and other assets | 5,487 | 5,321 | -166 | -3.0 |
| Amortisation of intangible assets with a finite useful life | 1,023 | 1,036 | 13 | +1.3 |
| Write-downs/(revaluations) of tangible and intangible fixed assets | 67 | 75 | 8 | +11.9 |
| **Total** | **6,577** | **6,432** | **-145** | **-2.2** |

## Note no. 28 - Income and expense from shareholdings

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Revaluation of equity investments | 363 | 417 | 54 | +15.0 |
| Revaluation of shareholdings | 0 | -87 | -87 | 100 |
| **Total** | **363** | **330** | **-33** | **-9.0** |

For further details, please refer to Note 3 Shares in subsidiaries.

## Note no. 29 - Financial income

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Interest income on bank current accounts | 59 | 518 | 458 | +771.1 |
| Interest income on securities and similar | 15 | 355 | 340 | -- |
| Income from fair value adjustment of securities | 5 | 11 | 7 | +142.1 |
| **Total** | **79** | **884** | **805** | **+1,013.7** |

Interest income is the result of investments of the company's liquidity in money market instruments, which are liquid, have a short maturity and are not correlated to any risk component.

## Note no. 30 - Financial charges

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Interest expense and charges on loans | 60 | 211 | 151 | +252.1 |
| Other financial charges | 8 | 35 | 27 | +337.5 |
| Foreign exchange losses | 2 | 0 | -2 | -90.0 |
| **Total** | **70** | **246** | **176** | **+251.9** |

The trend in interest expense is related to the performance of commitments under financing operations, as detailed in the section of the Notes to the financial statements on financial liabilities.

vianova

## Note no. 31 - Income taxes for the year

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| IRES | 2,732 | 2,812 | 80 | +2.9 |
| IRAP | 596 | 601 | 5 | +0.9 |
| Deferred tax assets and liabilities | 9 | 42 | 33 | +366.7 |
| Taxes relating to previous years | -858 | -450 | 408 | -47.6 |
| **Total** | **2,479** | **3,005** | **526** | **+21.2** |

The item "Taxes relating to previous years" refers to the restatement of the value of the *Patent box* benefit accrued by the Parent Company in the year 2022. The prior agreement signed with the Italian Tax Authority to define the methods and criteria for calculating the economic contribution in the event of direct use of intangible assets has a five-year term and covers the financial years 2019-2023.

The tables below permit the reconciliation of the theoretical tax charge in the financial statements (ordinary rate) with the taxable income, also showing the effective tax rate applied.

| **IRES** (euro /000) | 2022 | 2023 |
|---|---|---|
| Profit before tax | 12,905 | 15,041 |
| Ordinary rate applicable (%) | 24.00% | 24.00% |
| Theoretical tax burden | 3,097 | 3,610 |
| Income after taxes | 10,426 | 12,036 |
| Increases | 4,228 | 4,197 |
| Decreases | 3,206 | 4,429 |
| ACE deduction | 55 | 80 |
| Taxable income | 11,392 | 11,724 |
| Tax corresponding to taxable income | 2,734 | 2,814 |
| Tax credits | 2 | 2 |
| Income taxes for the year | 2,732 | 2,812 |
| Effective rate | 21.17% | 18.69% |

| **IRAP** (euro/000) | 2022 | 2023 |
|---|---|---|
| Positive components of production value | 69,141 | 72,379 |
| Negative components of production value | 43,546 | 44,790 |
| Increases | 1,269 | 1,044 |
| Decreases | 2,269 | 3,204 |
| Gross production value | 24,595 | 25,430 |
| Ordinary rate applicable (%) | 4.82% | 4.82% |
| Theoretical tax burden (euro) | 1,185 | 1,226 |
| Deductions Art. 11, para.1, a) of Legislative Decree 446 | 12,227 | 12,956 |
| Net production value | 12,369 | 12,474 |
| IRAP for the year | 596 | 601 |

- In the year under review, as in previous years, the IRAP rate was increased by 0.92% as the Company falls within the economic activities identified by the Regional Law of Tuscany for which this increase is compulsory. The rate applied is therefore 4.82%.
- For changes in deferred tax assets and deferred tax liabilities, and the consequent effects, reference should be made to the sections of the Notes to the financial statements on "Deferred tax assets" and "Deferred tax liabilities" respectively.

## Commitments and guarantees not disclosed in the statement of financial position

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Other guarantees provided | 2,539 | 2,548 | 9 | +0.4 |

The item includes commitments undertaken by the Company through banks that have provided sureties to network operators against contractual obligations to be fulfilled by the Company (Euro 2,510,000) and to other entities against contractual obligations undertaken for the supply of voice and data services.

## Contingent liabilities

Based on the information available to date, the Company's directors consider that, at the date of approval of these financial statements, the provisions set aside are adequate to ensure a fair representation of the financial information.

## Relations with related parties

Transactions with related parties comply with applicable laws and regulations, are conducted in the ordinary course of business, and are priced at market rates. The definition of a related party is based on the International Accounting Standards adopted by the European Union (IAS 24).
Relations with the associates mainly concern the reciprocal provision of services.

Below are details of the Company's creditor and debtor dealings with related parties.

| | Trade receivables | | Trade payables | |
|---|---|---|---|---|
| (euro/000) | 2022 | 2023 | 2022 | 2023 |
| Quinta spa | 0 | 0 | 7 | 0 |
| Vola spa | 8 | 6 | 6 | 0 |
| Host spa | 13 | 13 | 29 | 33 |
| Qboxmail srl | 4 | 8 | 0 | 0 |
| NetResults srl | 1 | 34 | 175 | 203 |
| Winitalia srl | 0 | 1 | 3 | 1 |
| Directors | 1 | 2 | 0 | 0 |
| Board of Statutory Auditors | 2 | 2 | 0 | 0 |
| **Total** | **29** | **66** | **220** | **237** |
| Total item | 16,503 | 17,147 | 11,419 | 11,729 |
| % Impact on item | 0.17% | 0.38% | 1.93% | 2.02% |

Below are details of the Company's economic dealings with related parties.

| | Revenue and Other income | | Costs for services | |
|---|---|---|---|---|
| (euro/000) | 2022 | 2023 | 2022 | 2023 |
| Quinta spa | 0 | 0 | 97 | 69 |
| Vola spa | 32 | 30 | 41 | 22 |
| Host spa | 61 | 67 | 144 | 163 |
| Qboxmail srl | 42 | 44 | 5 | 3 |
| NetResults srl | 18 | 54 | 481 | 529 |
| Winitalia srl | 3 | 3 | 15 | 2 |
| Directors | 6 | 14 | 0 | 0 |
| Board of Statutory Auditors | 10 | 10 | 0 | 0 |
| **Total** | **172** | **222** | **783** | **788** |
| Total item | 69,119 | 72,348 | 35,562 | 37,210 |
| % Impact on item | 0.25% | 0.31% | 2.20% | 2.12% |

In compliance with the requirements of IAS 24 and the new procedure on related parties, in addition to the Directors of the Parent Company, executives with strategic responsibilities must also be identified as related parties.

## Remuneration of Directors and the Board of Statutory Auditors

In accordance with the law, Article 2427, paragraph 1, no. 16 of the Italian Civil Code, the total gross remuneration payable to the Directors and members of the Board of Statutory Auditors is provided below, noting that the corporate bodies were renewed by resolution of the Shareholders' Meeting for the 2023-2025 three-year period and their mandate expires with the approval of these Financial Statements.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Directors | 744 | 686 | -58 | -7.8 |
| Board of Statutory Auditors | 26 | 26 | 0 | 0.0 |
| Total | **770** | **712** | **-58** | **-7.5** |

## Remuneration payable to the Auditing Firm

The total remuneration contractually agreed with the Auditing Firm is provided below, noting that the engagement for the statutory audit was for the 2022 - 2025 three-year period and expires with the approval of these Financial Statements.

| (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Audit of financial statements | 33 | 37 | 4 | +12.1 |
| Other services | 55 | 23 | -32 | -58.2 |
| **Total** | **88** | **60** | **-28** | **-31.8** |

## Significant events during the 2023 financial year

Reference should be made to the information provided in the relevant section of the Directors' Report on Operations.

## Business outlook

Reference should be made to the information provided in the relevant section of the Directors' Report on Operations.

## Hierarchical levels of fair value measurement (disclosures pursuant to IFRS 7)

Various accounting standards and certain disclosure obligations require the fair value of financial and non-financial assets and liabilities to be determined. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in a regular transaction between market participants at the measurement date. In order to increase the comparability of data and fair value measurements, the standard establishes a hierarchy identified at three different levels that reflects the significance of the inputs used in determining fair value. The identified levels are distinguished into:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the enterprise has access to at the measurement date. The price quoted in an active and liquid market is the most reliable evidence for measuring fair value, and if the market for the asset/liability is not unique it is necessary to identify the most advantageous market for the instrument.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable, directly or indirectly, for the assets or liabilities being measured. If the asset or liability has a specified duration, a Level 2 input must be observable for the entire duration of the asset or liability. Examples of instruments falling within the second level of the hierarchy include: assets or liabilities in inactive markets or interest rates and yield curves observable at commonly quoted intervals.
- Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should only be used if Level 1 and Level 2 inputs are not available. Despite this, the purpose remains the same, i.e., to determine a closing price at the measurement date, thereby reflecting the assumptions that market participants would use in pricing the asset or liability, including assumptions related to risk.

The following table provides a breakdown of the Company's financial assets and liabilities by category.

| **Financial assets measured at fair value** (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Cash and cash equivalents | 24,301 | 13,600 | -10,700 | -44.0 |
| Trade receivables | 16,503 | 17,147 | 644 | +3.9 |
| Financial assets | 951 | 17,132 | 16,180 | -- |
| Other assets | 8,487 | 8,022 | -464 | -5.5 |

| | | | | |
|---|---|---|---|---|
| **Total** | **50,242** | **55,902** | **5,660** | **+11.3** |

| **Financial liabilities measured at fair value** (euro/000) | 2022 | 2023 | Changes | Δ% |
|---|---|---|---|---|
| Financial liabilities | 6,191 | 6,440 | 248 | +4.0 |
| Trade payables | 11,419 | 11,729 | 310 | +2.7 |
| Other liabilities | 12,990 | 13,328 | 338 | +2.6 |
| **Total** | **30,600** | **31,497** | **897** | **+2.9** |

## Financial risk management

Reference should be made to the information provided in the relevant section of the Directors' Report on Operations.

## Further disclosures

### Disclosures on agreements not reported in the statement of financial position (Article 2427, paragraph 1, from number 18 to number 21 of the Italian Civil Code)

Pursuant to the provisions of the aforementioned Article, the following is hereby acknowledged:

- The Company has not issued securities with the characteristics of dividend-right shares, bonds convertible into shares, securities or similar instruments.
- The Company has not issued any other financial instruments.
- The Company has not raised financing from its shareholders.
- There are no assets earmarked for a specific business.
- There are no loans for a specific business.

### Disclosures on agreements not reported in the statement of financial position (Article 2427, paragraph 1, number 22-ter of the Italian Civil Code)

There are no such agreements.

### Certifications

The Company holds the following certifications, both issued by DNV-GL:

- ISO 9001:2015 Quality Management System valid for the application field: Design and provision of integrated services, voice, data, Internet access, value-added services and related assistance. The Company obtained the renewal of its certification in April 2021 with validity until April 2024.
- ISO/IEC 27001:2013 Information Security Management System valid for the application field: Implementation, provision, maintenance and continuity management of integrated services, voice, data, Internet access and colocation services. The Company obtained the renewal of its certification and of the relative ISO 27017 and ISO 27018 extensions in November 2022, with validity until November 2025.

### Licenses and authorisations

The Company holds the following authorisation titles:

- General authorisation pursuant to Article 25 of the Electronic Communications Code for the installation of a telecommunications network for the purpose of providing the voice telephony service with coverage area of Italy, issued on 23 May 2019 (formerly an individual licence dated 26 May 1999) expiring on 31 December 2039.
- General authorisation pursuant to Article 25 of the Electronic Communications Code for the supply of Internet access services.

- General authorisation for the provision of Mobile and Personal Services (MVNO - Mobile Virtual Network Operator) with coverage area of Italy issued on 26 July 2016, expiring on 31 December 2036.

The Company is also registered in the R.O.C. (Registro degli operatori di Comunicazione - Register of Communication Operators) held at Agcom under number 8823.

**Privacy**

The entry into force of Regulation (EU) 679/2016, better known as the GDPR, and Legislative Decree 101/2018 which amended Legislative Decree 196/2003 (Code for the Protection of Personal Data or the so-called Privacy Code) has required Vianova to undertake and continue a plan to verify the compliance of procedures and processes with the new regulatory requirements (i.e., accountability, privacy-by-design and privacy-by-default, adequacy of security measures adopted, etc.).

The key principle underlying the new legislation is "Privacy by design", i.e., to ensure data protection from the conception and design of a process or a system, and to adopt behaviours that will prevent possible problems.

With the collaboration of the Data Protection Officer (DPO), Vianova monitors the regulatory and legal framework, updating internal procedures and documentation adopted, providing new impetus to the evolutionary process of continuous updating and monitoring that embodies today's approach to the processing of personal data.

To this end, additional emphasis was placed on the accountability of the owners and senior management of the Company, i.e., on the adoption of proactive behaviours that demonstrate the concrete adoption of measures aimed at ensuring the application of the regulations, by assigning a specific task to the managers of the areas involved.

**Cybersecurity**

The Company has equipped itself with the infrastructure and skills necessary to guarantee the protection of systems, networks and programs from digital attacks, usually aimed at accessing, transforming or destroying sensitive information, as well as to the extortion of money from users or the interruption of business processes.

To this end, Vianova adopts an integrated Management System for:

- Control and optimisation of business processes
- Data and information protection
- Provision of services
- Guaranteeing business continuity

For Vianova, the Integrated Management System is a governance tool based on the principle of continuous improvement and on best practices dictated by international standards.

Vianova has decided to establish, implement, review, maintain and continuously improve the Integrated Management System for Information Quality and Security compliant with the requirements of ISO 9001, ISO 27001 and related extensions ISO 27017 and ISO 27018, which allow to:

- Assess all risks related to the business.
- Provide, in a consistent and constant manner, products and services able to meet the requirements of Customers and the applicable mandatory requirements.
- Improve Customer satisfaction through effective application of the system, including processes to continuously improve the system itself and to ensure compliance with Customers' requirements and the applicable mandatory requirements.
- Demonstrate its ability to guarantee business continuity by ensuring information security.

In addition to audits by DNV, 24 internal audits were conducted to cover the most relevant aspects of ISO 27001.

## Allocation of profit for the year

We therefore invite you to approve the financial statements, as presented, resolving to allocate the net profit of EUR 12,036,014 as follows:

- EUR 417,081 to the reserve pursuant to Article 2426 of the Italian Civil Code.
- EUR 4,814,250 corresponding to EUR 2,751 per share as a dividend to Shareholders.
- The remaining EUR 6,804,683 to the distributable reserve.

These financial statements, consisting of the "Statement of Financial Position", "Statement of Comprehensive Income", "Statement of Cash Flows" and "Statement of Changes in Equity" are consistent with the accounting records and give a true and fair view of the financial position and results of operations for the year.

For the Board of Directors
The Chairman
Stefano Luisotti

Board of Statutory Auditors' Report

**BOARD OF STATUTORY AUDITORS' REPORT TO THE ANNUAL FINANCIAL STATEMENTS**

**ENDED 31/12/2023**

**IN ACCORDANCE WITH ARTICLE 2429, PARAGRAPH 2 OF THE ITALIAN CIVIL CODE**

To the Shareholders' Meeting of Vianova s.p.a.

In accordance with Article 2429, paragraph 2 of the Italian Civil Code, the Board of Statutory Auditors is required to report to the Shareholders' Meeting on the results of the financial year and on the activities carried out in the fulfilment of its duties, as well as to make observations and proposals regarding the financial statements and their approval.

First of all, it should be noted that Vianova s.p.a.'s accounts are audited by KPMG s.p.a., the auditing company appointed by you with the Shareholders' Meeting appointment of 30/03/2022 for the financial years 2022, 2023 and 2024.

**Comments on the Financial statements**

The Financial statements for the year ended 31 December 2023 have been prepared by the Directors in accordance with international accounting standards (International Accounting Standards - IAS or International Financial Reporting Standards - IFRS) and related interpretations (SIC/IFRIC) endorsed by the European Union on that date, as well as with the measures issued in implementation of Article 9 of Legislative Decree 38/2005 regulating the optional application of these principles.

The Board of Statutory Auditors ascertained compliance with the conditions for the application of the "impairment test" processes aimed at ascertaining that the assets are recorded in the financial statements at a value not exceeding their recoverable value and that, therefore, they have not suffered a lasting reduction such that they should be recognised at the end of the financial year.

The financial statements also provide all information considered necessary to give a true and fair view of the financial position of the Company and the results of operations for the year, even if not required by specific legal provisions.

The draft financial statements for the year ended 31 December 2023 were approved by the Board of Directors and delivered to the Board of Auditors in accordance with the terms of Article 2429 of the Italian Civil Code.

The management report summarises the main risks and uncertainties and gives an account of the business outlook.

***

**Board of Statutory Auditors**

*[signatures]*

The Board of Statutory Auditors in office at the date of this report was appointed by the Shareholders' Meeting of 31 March 2023 and consists of Andrea Mariani (Chairman), Sergio Maffei (Standing Auditor) and Simone Sartini (Standing Auditor).

**Atypical or unusual transactions**

There are no atypical or unusual transactions.

*[signatures]*

**Intercompany or related party transactions**

During the financial year 2023, there were related party transactions that were part of normal business operations and settled at market prices.

In the comments on items, the type of intercompany transactions carried out are specified, where significant, with an indication of the relevant amounts.

**Supervisory activities pursuant to Articles 2403 et seq. of the Italian Civil Code**

With regard to the supervisory activity required by law, in line with the principles of conduct of the Board of Statutory Auditors recommended by the National Council of Accountants and Tax Advisors, we report the following:

– we monitored compliance with the law and the Articles of Association and compliance with the principles of proper administration. Based on the information acquired and available, we did not find any breaches of the provisions of the law and/or of the Articles of Association adopted by the Company, nor did we find any blatantly imprudent, reckless transactions, transactions in potential conflict of interest and/or such as to compromise the integrity of the company assets;

– In order to gain knowledge of and monitor the adequacy and functioning of the Company's organisational structure, we requested information from the heads of departments on the composition of the Company's workforce, its internal structure, operations and internal relations between the most important corporate functions, as well as on the adequacy of the internal control system. We have no particular observations to report in this regard;

– we have acquired knowledge of and supervised, to the extent of our powers, the adequacy and functioning of the administrative-accounting system and the reliability of the latter to correctly represent management events by obtaining information from the heads of functions and from the person in charge of the statutory audit of the accounts, as well as by examining company documents relating to the procedures used and analysing the work carried out by the Auditing Firm. We have no particular observations to report in this regard;

– we have verified compliance with the legal provisions relating to the preparation of the financial statements and management report by means of direct checks and information obtained from the Auditing Firm;

– We attended the meetings of the Board of Directors, during which we acquired information on the performance of operations, its foreseeable evolution and the most significant events that occurred during the financial year, which are specified and described in the Directors' Report on Operations. Based on the information acquired, we have no particular observations to report;

– We met with the Auditing Firm in charge of the statutory audit. The purpose of the meetings was to exchange information on the correctness of the procedures adopted by the Company, the adequacy of the internal control system, and the outcome of the controls carried out on company processes. Having regard to the audit activities, we were informed about the work carried out by KPMG and, more specifically, about the methodology, the audit approach used for the various significant areas of the financial statements and the planning of the audit work; we also shared with the Auditing Firm the issues pertaining to business risks, thus being able to appreciate the adequacy of the auditor's planned response in terms of audit approach with the Company's structural and risk profiles.

*[signatures]*

In the course of the supervisory activity carried out and based on the information obtained from the Auditing Firm, no omissions, reprehensible facts, irregularities and/or in any case significant facts such as to require their reporting to the supervisory bodies or mention in this report were found;

- We met with the Statutory Auditors of the subsidiaries and no relevant data and information emerged that should be highlighted in this report;
- We met twice during the financial year with the Supervisory Body and reviewed the reports of the SB and no critical issues arose with respect to the proper implementation of the Organisational Model that need to be highlighted in this report.

The activities described above, which took place in a unified manner, were recorded in the minutes of the Board of Auditors' meetings held in 2023.

**Organisational Structure**

The Board of Statutory Auditors assessed the organisational structure of the Company to be substantially adequate for its needs and suitable for ensuring compliance with the principles of proper administration.

**Further activities of the Board of Statutory Auditors**

The Board of Statutory Auditors acknowledged that the management report for the financial year 2023 complies with the regulations in force and is consistent with the resolutions of the managing body and the results of the financial statements. It also includes adequate information on the activities of the financial year, the economic and financial situation of the Company, significant events occurring after the end of the financial year and the risks and uncertainties to which the Company is exposed.

We also reported that the Board of Statutory Auditors:

- Always attended the meetings of the Board of Directors;
- Did not receive any complaints under Article 2408 of the Italian Civil Code;

The Board of Statutory Auditors also noted that the audit report on the annual financial statements issued by KPMG on 14 March includes:

(i) The opinion that the statement of financial position of Vianova s.p.a. as at 31 December 2023, the results of operations and cash flows for the year then ended is true and correct in accordance with the law;
(ii) An opinion on the consistency of the management report with the financial statements as at 31 December 2023 and its compliance with the law.

With reference to the Consolidated Financial Statements as at 31 December 2023, on 14 March the auditing firm KPMG issued its report in accordance with Article 14 of Legislative Decree 39/2010 stating that the Consolidated Financial Statements as at 31 December 2023 and in accordance with IFRS, have been prepared clearly and give a true and fair view of the financial position, results of operations and cash flows of the Vianova Group/ s.p.a. for the financial year then ended.

*[signatures]*

The report on the audit of the Consolidated Financial Statements also includes an opinion on the consistency of the Group Management Report with the Consolidated Financial Statements as at 31 December 2023.

In the course of the supervisory activity, as described above, no significant facts arose that would require reporting to the supervisory bodies or mention in this report.

**Proposal to the Shareholders' Meeting**

The Board of Statutory Auditors, taking into account the foregoing, to the extent of its powers, finds no reasons to prevent the approval of the financial statements as at 31 December 2023 and has no objections to the proposed resolution submitted by the Board of Directors on the allocation of the profit for the financial year.

***

Massarosa, 14 March 2024

The Board of Statutory Auditors

| | | |
|---|---|---|
| Andrea Mariani | (Chairman) | *[signature]* |
| Sergio Maffei | (Standing Auditor) | *[signature]* |
| Simone Sartini | (Standing Auditor) | *[signature]* |

# Auditing Firm’s Report

*[logo: KPMG]*

KPMG S.p.A.
Revisione e organizzazione contabile
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## Report of independent auditors pursuant to Article 14 of Legislative Decree No. 39 of 27 January 2010

*To the Shareholders of*
*Vianova S.p.A.*

### Report on the audit of the financial statements

#### *Assessment*

We have audited the financial statements of Vianova S.p.A. (also the “Company” below), which comprise the statements of financial position and financial performance as at 31 December 2023, the statement of profit or loss and the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and the notes to the financial statements, including relevant information on the accounting standards applied.

In our opinion, the financial statements give a true and fair view of the financial position of Vianova S.p.A. as at 31 December 2023, and of the results of its operations and its cash flows for the financial year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

#### *Factors underlying the audit opinion*

We conducted our audit in accordance with International Standards on Auditing (ISA Italy). Our responsibilities under these standards are further described in the section “*Responsibilities of the auditing firm for the audit of the financial statements*” of this report. We are independent of Vianova S.p.A. in accordance with the ethical and independence rules and standards applicable in Italian law to the auditing of accounts. We consider that we have acquired sufficient and appropriate evidence on which to base our opinion.

#### *Responsibility of the Directors and the Board of Statutory Auditors of Vianova S.p.A. for the financial statements*

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards adopted by the European Union and, under the conditions provided for by the law, for that part of the internal control they consider necessary to enable the preparation of financial statements that are free from material errors, whether due to fraud or unintentional conduct or events.

[logo: KPMG]



The Directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the annual financial statements, for the appropriateness of the use of the going concern assumption, as well as for adequate disclosure. The Directors use the going concern assumption in preparing the annual financial statements unless they have assessed that the conditions for liquidation of the Company or discontinuation of operations exist or they have no realistic alternative to these choices.

The Board of Statutory Auditors is responsible for supervising, in accordance with the provisions of law, the process of preparing the Company's financial reports.

### *Liability of the auditing firm for the audit of the financial statements*

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

During our ISA Italia-compliant audit, we applied professional judgment while maintaining a critical approach throughout. Furthermore:

- We have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or unintentional conduct or events; we have defined and carried out audit procedures in response to those risks; and we have obtained sufficient appropriate audit evidence on which to base our opinion. The risk of not detecting a significant misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from non-intentional conduct or events, since fraud may involve collusion, falsification, intentional omissions, misrepresentation or forcing internal control;

- We have obtained an understanding of internal control relevant to the audit for the purpose of designing audit procedures that are appropriate in the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- We have assessed the appropriateness of the accounting standards used as well as the reasonableness of the accounting estimates made by the Directors, including the relevant disclosures;

- We have reached a conclusion as to the appropriateness of the Directors' use of the going concern assumption and, based on the evidence obtained, as to whether there is any material uncertainty about events or circumstances that may cast significant doubt about the Company's ability to continue as a going concern. If a material uncertainty exists, we are required to draw attention to it in the audit report on the relevant financial statement disclosures or, if such disclosures are inadequate, to reflect that fact in the making of our opinion. Our conclusions are based on the evidence acquired up to the date of this report. However, subsequent events or circumstances may result in the Company ceasing to function as a going concern;

*[logo: KPMG]*

***Vianova S.p.A.***
*Auditing Firm’s Report*
*31 December 2023.*

- We have assessed the presentation, structure and content of the annual financial statements as a whole, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that gives a true and fair view.

We have disclosed to those in charge with governance, identified at an appropriate level as required by ISA Italia, among other matters, the planned scope and timing of the audit and the significant findings, including any significant deficiencies in internal control identified during the audit.

## Report on other legal and regulatory provisions

### *Opinion in accordance with Article 14, paragraph 2, letter e) of Legislative Decree 39/10*

The Directors of Vianova S.p.A. are responsible for the preparation of the management report of Vianova S.p.A. as at 31 December 2023, including its consistency with the relevant financial statements and its compliance with legal regulations.

We have carried out the procedures specified in Auditing Standard (SA Italy) 720B to express an opinion on the consistency of the report on operations with the financial statements of Vianova S.p.A. as at 31 December 2023 and on their compliance with the law, as well as to issue a statement on any material misstatements.

In our opinion, the management report is consistent with the financial statements of Vianova S.p.A. as at 31 December 2023 and has been prepared in accordance with the law.

With reference to the statement pursuant to Article 14, paragraph 2, letter e) of Legislative Decree 39/10, issued based on the knowledge and understanding of the company and its context acquired in the course of the audit, we have nothing to report.

Florence, 14 March 2024

KPMG S p A.

*[signature]*

Andrea Rossi
Partner

# Resolutions of the Shareholders' Meeting

The Ordinary Shareholders' Meeting of Vianova Spa met on 29 March 2024 at 9.00 a.m. in first call, to discuss and resolve on the following Agenda:

1. Approval of the financial statements for the year ended 31 December 2023
2. Any other business.

The Chairman of the Board of Directors Stefano Luisotti, at the invitation of the Shareholders' Meeting, appoints Mr Marco D'Ascoli to act as Secretary.

The Chairman noted that:

- The Shareholders' Meeting was duly convened by means of certified email sent on 18 March 2024.
- The Shareholders' Meeting was being held via video conference, as provided for in the notices of call and in compliance with the Articles of Association.

The Chairman then acknowledged the identity and legitimacy of the participants, specifying that each was asked to submit a duly signed attendance sheet to be kept on file and he then acknowledged that the following were connected:

- On their own behalf or by proxy, Shareholders representing 95.87% of the share capital.
- Directors Giovanni Luisotti, Marco Bolognini, Marco D'Ascoli, Massimo Di Puccio (absent, Directors Claudio Berretti and Nicola Gallico).
- for the Board of Statutory Auditors, Mr Andrea Mariani, Chairman, Mr Sergio Maffei and Mr Simone Sartini, Standing Auditors.

The Chairman therefore declared the meeting validly constituted and able to resolve on the items on the agenda.

### 1. Approval of the financial statements for the year ended 31 December 2023

The Chairman set out the Financial Statements for the year ended 31 December 2023, prepared in accordance with international accounting standards (IAS/IFRS), including the statement of financial position, the statement of profits or loss, the statement of cash flows, the statement of changes in equity and the Notes to the financial statements. The Directors' Report on Operations and the reports of the Board of Statutory Auditors and the Auditing Firm were also presented, but were not read out loud by unanimous consent of those present.

After discussion, the Shareholders' Meeting unanimously resolved:

1. To approve the Financial Statements as at 31 December 2023 and the related Directors' Report on Operations.
2. To allocate the net profit for the year of EUR 12,036,014.00 as follows:

- EUR 417,081 to the reserve pursuant to Article 2426 of the Italian Civil Code.
- Euro 4,814,250 corresponding to EUR 2.751 per share as a dividend to shareholders.
- The remaining EUR 6,804,683 to the distributable reserve.

The Chairman then presented the Consolidated Financial Statements for the year ended 31 December 2023, including the equity, financial and statement of profits or loss, the Notes to the financial statements, the Directors' Report on Operations and the reports of the Auditing Firm. The Shareholders' Meeting took note and, since it was not required to approve, asked the Board of Directors to file the consolidated financial statements with the Office of the Register of Companies, together with the separate financial statements, within the statutory deadline.

### 2. Any other business.

At 9.20 a.m., having read and approved these minutes and there being nothing else to resolve, the Chairman declared the Meeting closed.

| | |
|---|---|
| The Secretary | The Chairman |
| Marco D’Ascoli | Stefano Luisotti |

# Acknowledgements

**To our Customers**
Who renew their trust in us every day.

**To our Colleagues**
Adolfo Burgio, Adriano Bertuccelli, Alberto Durigon, Alberto Mario Francesco Rondel, Aldo Daini, Alessandra Brogi, Alessandra Pizzolini, Alessandro Benassi, Alessandro Bertolo, Alessandro Brusca, Alessandro Cangelmi, Alessandro Ciuti, Alessandro Gemignani, Alessandro Ibba, Alessandro Luporini, Alessandro Mendola, Alessandro Morini, Alessandro Perrucci, Alessandro Poletto, Alessandro Rizzo, Alessandro Rossini, Alessia Di Cosmo, Alessia Gagliano, Alessio Barsacchi, Alessio Cortini, Alessio Nuti, Alessio Santoro, Andrea Allegranti, Andrea Baldini, Andrea Belluomini, Andrea Bernardini, Andrea Canestrelli, Andrea Cristiano Capello, Andrea D'Alessandro, Andrea Del Bene, Andrea Di Mauro, Andrea Donetti, Andrea Galli, Andrea Luchini, Andrea Paolinelli, Andrea Scaricaciottoli, Andrea Schirò, Andrea Signorini, Andrea Tamburrino, Angela Ambrogini, Angela Crestani, Angela Giannandrea, Angelo Colucci, Aniello Alma, Aniello Barletta, Anna Giorgetti, Anna Maria Marinelli, Antonella Mura, Antonio Di Porzio, Antonio Fubiani, Antonio Pomponio, Antonio Tolu, Barbara Pardini, Barbara Romboni, Barbara Zucchi, Beatrice Andolfi, Brayan Pierini, Brunella Bolognini, Carlo Barbafiera, Carlo Benfatti, Carlo Bruno, Carlotta Bianucci, Cecilia Ravasio, Chiara Ceragioli, Chiara Conflitti, Chiara Cortopassi, Chiara Polichetti, Christian Raggi, Claudia Amato, Coliman Miconi, Cristiano Magro, Cristiano Mancini, Cristiano Orlandi, Cristina Luporini, Cristina Pardini, Damiano Campigli, Daniela Iozzia, Daniele Bevilacqua, Daniele Bonuccelli, Daniele Cecconami, Daniele Petrucci, Daniele Pommella, Dario Maurich, Dario Possenti, Dario Varano, Davide Cucurnia, Davide Lulli, Davide Morucci, Davide Zecchino, Debora Carlotti, Debora Lavorini, Desiree Athena Stevenson, Diego Maran, Diego Sartorio, Dionigi Marzucca, Domenico Carrano, Edoardo Ballati, Elena Baroni, Elena Ferrari, Elena Moccia, Eleonora Lucchi, Eleonora Scala, Elisa Andolfi, Emanuela Modena, Emanuela Simonini, Emanuele Bronzini, Emiliano Pecchia, Emmanuele Guida, Enrico Barsanti, Enrico Stinco, Erika Papini, Ermald Billa, Ernesto Traettino, Fabiana Statua, Fabio Falletta, Fabio Ferro, Fabio La Martina, Fabio Mustacchio, Fabrizio Puccinelli, Federico Benetton, Federico Butera, Federico De Luca, Federico Rossi, Federico Vannozzi, Filippo Fanciulli, Filippo Giacché, Filippo Verni, Flavio Di Vita, Fortunato De Pasquale, Francesca Di Puccio, Francesco Arruzzoli, Francesco Dambrosio, Francesco Galatioto, Francesco Lamonica, Francesco Laurora, Francesco Pieraccini, Francesco Usseglio Gaudì, Gabriele Dini, Gabriele Gelli, Gabriele Gerini, Gherardo Carra, Giacomo Rossi, Giada Bulgarella, Giada Raffaelli, Gian Luca Gianni, Gianluca Epifano, Gianmarco Gagliardi, Gianni Fiorentini, Gioia Sabbatini, Giois Guerrera, Giorgio Luchi, Giorgio Paiotti, Giorgio Pede, Giorgio Zamparelli, Giovanni Agozzino, Giovanni Galfano, Giulia Mari, Giulia Perdomini, Giulia Rispoli, Giuliano Sberna, Giuseppe Diciolla, Giuseppe Marcello Fragalà, Giuseppe Muraca, Giuseppe Sucameli, Guglielmo Nannetti, Guido Perozzi, Iacopo Da Prato, Ida Lamanna, Ilaria Ricci, Ivan Croce, Jacopo Azzetti, Jlenia Groccia, Lapo Cioni, Lara Martini, Laura Castagnetta, Laura Giannecchini, Laura Giunti, Laura Nicastro, Laura Orlandi, Letizia Ciampi, Lorenzo Barsotti, Lorenzo Bianciardi, Lorenzo Brunetti, Lorenzo Dal Pino, Lorenzo Mannucci, Lorenzo Marinsalda, Luca Castellini, Luca Del Carlo, Luca Lulli, Luca Navarrini, Luca Oronzo, Luca Scurci, Luca Vallesi, Lucia Marchi, Luigi Bertoneri, Luigi Innocenti, Manola Degl'Innocenti, Manuela Cinquini, Manuela Giussani, Marco Cerri, Marco Cimino, Marco Ercoli, Marco Guidi, Marco La Rocca, Marco Marzialetti, Marco Matassini, Marco Messini, Marco Scammacca, Marco Urso, Marco Venturini, Maria Elena Benedetti, Maria Teresa Porfidia, Mariarosaria Fimiani, Marta Borghese, Massimiliano Brocchini, Massimiliano Monti, Massimiliano Puosi, Massimiliano Santini, Massimo Guida, Matteo Anselmi, Matteo Bachini, Matteo Boschi, Matteo Bruno, Matteo Buonamici, Matteo Busatti Bei, Matteo Costa, Matteo Distefano, Matteo Doni, Matteo Lottaroli, Matteo Luchini, Matteo Menchini, Matteo Piattelli, Matteo Taccola, Maurizio Venanzini, Mauro Baroni, Mauro Benedetti, Mauro Cardillo, Michael Mazzoni, Michele Angeli, Michele Barone, Michele Fioravanti, Michele Gemignani, Michele Lunardi, Michele Reale, Milena Lorenzini, Mirela Dan, Monica Bonuccelli, Mor Ngoundji Fall, Nazario Ripani, Niccolò Matteoni, Nicholas Diana, Nicola Da Prato, Nicola Di Giusto, Nicola Di Pietro, Nicola Montagnani, Nicola

Ricci, Nicolò Benigni, Paolo Avezzano, Paolo Balzacchi, Paolo Bussotti, Paolo Gallo, Paolo Ghini, Paolo Mazzolini, Paolo Orlandini, Paolo Piccini, Paolo Stevanin, Paolo Zanoni, Pierrenato Rufolo, Rachele Petrini, Raffaele Roberto Laricchia, Ramona Di Grazia, Riccardo Brunetti, Riccardo Dini, Riccardo Diodati, Riccardo Umalini, Robert Octavian Timofte, Roberta Conidi, Roberto Bettarini, Roberto Pacini, Roberto Santini, Robson Filho Colodeti, Rosalba Scifo, Rosario Lumia, Rossana Vicini, Sabrina Bonelli, Samuel Marotta, Samuele Salmaso, Samuele Sbacco, Sandro Gemignani, Sara Provenzano, Sara Samanta Baccheschi, Sara Tinghi, Serena Cortesi, Serena Ferri Bernardini, Serena Malito, Serena Martelli, Sergio Borghese, Sergio Tosku, Silvia Agostini, Silvia Botti, Silvia Sbragia, Silvia Vistoli, Simona Birga, Simona Rossi, Simone Caneschi, Simone Galli, Simone Lollini, Simone Madiai, Simone Pellicciotti, Simone Pierucci, Simone Vaccai, Stefania Pucci, Stefania Rocchi, Stefania Turini, Stefano Aru, Stefano Biagiotti, Stefano Domenici, Stefano Lotti, Stefano Lucetti, Stefano Piva, Stefano Signore, Tatiana Erbì, Thomas Fiorenzani, Tommaso Capiferri, Tommaso Mencarelli, Valentina Romeo, Valeria Palmiotto, Valerio Patrizi, Vania Vitali, Veronica Dolfi, William Andrew Edward Hourigan.

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A.M. System srl, A2COM srl, AB Telematica srl, ABA TEL snc di Stevano Loris & C., Almas srl, Alpha Telematica srl, Andromeda Office srl, As.Co.T.T. srl, Assitecno sas di Roberto e Giorgio Biondi, Atik srl a socio unico, ATR Telematica srl, Bax srl, BeStarnet srl, Blutec srl, BMS srl, CA.MA. di Calà Gaetano e Marangon Claudio snc, Chesi snc di Ciani Simona & C., Columbus Informatica srl, Comitel srl, Comunica.Live srl, Con.Tel srl, Cre@bit srl unipersonale, Crosa Partner Group srl, DAC Computer Service srl, Dago Elettronica srl, Dealer Informatica srl, Delse srl, Diditel di Durlo Daniele, E3 Elettronica di Eoli Alessandro e Nicola snc, Eritel Telecomunicazioni srl, Eurogroup spa, Explorer srl, Fatt srl, Futura srl, Global Automation System srl, I Brain srl, IBT Connecting Energies gmbh, Infonet srl, Infosistemi srl, Inservice srl, IRQ10 srl, Ismet srl, Itacom srl, Italsinergie srl, Ites Com srl, Kappa Systems srl, Keypass srl, M.R. Service srl, Mach2 Informatica srl, Martino srl, Med Computer srl, Medea Informatica srl, My Office srl, My Voice srl, NAeS Solutions srl a socio unico, Net2Ware Informatica srl, Netphone srl, OmnisTLC srl, OP System srl, Pellegrini Telecomunicazioni srl, Phone Progetti srl, Puntosys sas di Claudio Fusà e C., Pusinanti Group srl, Restart srl, Reti srl, RIP Impianti Sud srl, S.O.S. Computer srl, Samu.it srl, SEC di Zelaschi & C. srl, Sfera srl, Sintec srl, SiSolution srl, Sistel sas di De Andreis Vladimiro & C., Sistema Azienda srl, Sistema Digital srl, Sistemi di Comunicazione Centro srls, Sitel 2.0 snc, Sitel Telematica srl, Six Sigma snc di Onesto Giovanni e Marano Luca, Snap System srl, Società Telefonica Lombarda srl, Solidata srl, Solutions Plus srl, Soluzioni per Comunicare srl, Sormani srl, Sti di Venturi & C. snc, Stiven Sistemi srl, System Byte srl, T4Tech srl, Tecno Trade srl, Tecnodata srl, Tecnoteam srl, Telefonia Emiliana srl, Telefonitalia srl, Teleimpianti spa, Telenord di Pozzato Alessio & C sas, TeM srl, Tematel Sistemi srl unipersonale, Tesi Servizi di Specchi Jonathan e C. sas, Tontini Franco e Luca & C snc, Tre Ci srl, TTT Impianti di Andrea Bardi, Ultrapromedia srl, Uniontel srl, Unisid Group srl, V.T.S. srl, Vallcom srl, Ventunocento srl.

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### To our Suppliers

For the quality of the products and services received.

### To our Banks

Banca di Pescia e Cascina Credito Cooperativo, Banca Monte dei Paschi di Siena, Banca Nazionale del Lavoro, Banco BPM, Banco di Desio e della Brianza, BPER Banca, Castagneto Banca 1910, Credem, Crédit Agricole Italia, Fineco Bank, Intesa Sanpaolo, Unicredit.