



# Dexelance S.p.A.

Consolidated financial statements as at December 31<sup>st</sup>, 2024

Independent auditor's report pursuant to article 14 of  
Legislative Decree n. 39, dated 27 January 2010, and article  
10 of EU Regulation n. 537/2014



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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014  
(Translation from the original Italian text)

To the Shareholders of  
Dexelance S.p.A.

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Dexelance Group (the Group), which comprise the consolidated statement of financial position as at December 31<sup>st</sup>, 2024, and the consolidated statement of income, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and explanatory notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31<sup>st</sup>, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Dexelance S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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We identified the following key audit matters:

Key Audit Matter	Audit Response
<p>Recoverability of the carrying amount of intangible assets with indefinite useful life</p> <p>At December 31<sup>st</sup>, 2024 the carrying amount of goodwill is € 134.8 million and the carrying amount of trademarks with indefinite useful life is € 57.5 million. These intangible assets with an indefinite useful life were allocated to the Cash Generating Units (CGUs) coinciding with each Group company.</p> <p>The processes and methods to evaluate and determine the recoverable amount of each CGUs, in terms of value in use, are based on assumptions that are in some cases complex and that, due to their nature, imply the use of judgement by Management, in particular with reference to cash flow forecasts for the period covered by the Group business plan, to normalized cash flows used to estimate terminal value and to discount and long term growth rates applied to projections of future cash flows.</p> <p>The company employs an independent expert to determine the recoverable value of the CGUs.</p> <p>Considering the significance of the assets with indefinite useful life, the level of judgement and complexity of the assumptions applied in estimating the recoverable amount, we determined that this area represents a key audit matter.</p> <p>Financial statement disclosure on the valuation of trademarks and goodwill is provided in Note n. 1 "Intangible assets".</p>	<p>Our audit procedures in response to this key audit matter included, among others:</p> <ul style="list-style-type: none"><li>• assessment of the process and key controls implemented by the Group in connection with the criteria and methodology of impairment test;</li><li>• assessment of the adequacy of the CGUs perimeter and the allocation of the carrying amounts of assets and liabilities to each CGU;</li><li>• test of the consistency of the assumptions on future cash flow forecasts and comparison with the data and projections of the markets;</li><li>• assessment the consistency of each CGUs future cash flow forecasts with the Group Business Plan;</li><li>• assessment of the accuracy of cash flow projections as compared to historical results;</li><li>• assessment of the long term growth rates and discount rates.</li></ul> <p>In performing our analysis, we engaged our experts in valuation techniques, who have independently performed calculation and sensitivity analyses of key assumptions in order to determine any changes in assumptions that could materially impact the valuation of the recoverable amount.</p> <p>Lastly, we evaluated the appropriateness of the disclosures included in the explanatory notes of the consolidated financial statements with reference to goodwill and trademarks.</p>
<p>Valuation of financial liabilities for options granted to minority shareholders</p>	<p>Our audit procedures in response to this key audit matter included, among others:</p> <ul style="list-style-type: none"><li>• analysis of the understanding of the process adopted for the purpose of</li></ul>



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call options to minority shareholders subscribed as part of the business combinations carried out by the Group.

These financial liabilities are recognized on IFRS 9 basis at each reporting date (with formulas based on economic and financial indicators to be derived from the financial statements of subsidiaries available at the date of exercise of options).

Management of the Parent Company determined this value by discounting the estimated price for the acquisition of minority interests based on the performance reflected in the approved Business Plans of the companies and the variables defined in each acquisition agreements. This methodology is characterized by a high degree of complexity and the use of estimates, which by their nature are uncertain and subjective, with reference to the following elements:

- the expected cash flows of the Business Plans, determined by taking into account general economic and industry trends, actual cash flows in the last years, and projected growth rates
- the financial parameters used for the purpose of determining the discount rate;
- other variables regulated in each acquisition agreements.

For these reasons, we considered the valuation of financial liabilities for options granted to minority shareholders, a key audit matter.

Note No. 16 "Other current and non-current financial liabilities" to the consolidated financial statements for the year ended December 31, 2024 shows how financial liabilities for options granted to minority shareholders were determined and the impact on the consolidated financial statements.

estimating the value of options granted to minority shareholders;

- analysis of acquisition agreement, in which are described the mode of regulation and determination of such put and call options;
- assessment of the reasonableness of the assumptions adopted by the management in preparing the expected cash flows of the acquired businesses;
- examination of variances between expected cash flows of acquired businesses from previous years and actual results in order to understand the accuracy of the estimation process adopted;
- verification of the consistency of put and call option calculations with the definition reported in each acquisition agreements and with the variables identified within the Business Plans of individual CGUs.

Lastly, we evaluated the appropriateness of the disclosures included in the explanatory notes of the consolidated financial statements related to financial liabilities for options granted to minority shareholders.



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## Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Company Dexelance S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our



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conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

## Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Dexelance S.p.A., in the general meeting held on March 17<sup>th</sup>, 2023, engaged us to perform the audits of the consolidated financial statements for each of the years ending December 31<sup>st</sup>, 2023 to December 31<sup>st</sup>, 2031.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Group in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

## Report on compliance with other legal and regulatory requirements

### Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Dexelance S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the “Delegated Regulation”) to the consolidated financial statements as of December 31<sup>st</sup>, 2024, to be included in the annual financial report.



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We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the consolidated financial statements as at December 31<sup>st</sup>, 2024 with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31<sup>st</sup>, 2024 have been prepared in the XHTML format and have been marked-up, in all material aspects, in compliance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML.

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), *e-bis*) and *e-ter*) of Legislative Decree n. 39 dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Dexelance S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Group Dexelance as at December 31<sup>st</sup>, 2024, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations, excluding the section related to the consolidated sustainability information, and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the Report on Operations and in certain specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998.

In our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, are consistent with the consolidated financial statements of Dexelance Group as at December 31<sup>st</sup>, 2024.

Furthermore, in our opinion, the Report on Operations, excluding the section related to the consolidated sustainability information, and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph *e-ter*), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.



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Our opinion on compliance with applicable laws and regulations does not extend to the section of the Report on Operations related to consolidated sustainability information. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of (EU) Regulation 2020/852 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree No. 39 dated 27 January 2010.

Treviso, March 24<sup>th</sup>, 2025

EY S.p.A.

Signed by: Mauro Fabbro, Auditor

*This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*