

ITALPREZIOSI®

Financial Statements

2023

Personal Data

ITALPREZIOSI SPA

Headquarters in Arezzo – Strada A 32 Loc. San Zeno

Share capital Euro 25,000,000.00 fully paid out

Registered with the C.C.I.A.A. Arezzo - Siena

Tax Code and Business Registry number 01111420517

REA AR-83621

GOVERNANCE

BOARD OF DIRECTORS

Ivana Ciabatti - President

Carlo Ferrini - Vice President

Giuseppe Ferrara - Board member

Filippo Dami - Board member

Alice Vanni - Board member

BOARD OF STATUTORY AUDITORS

Gabriele Nardi – President

Luca Varignani – Statutory auditor

Cristiana Chiericoni – Statutory auditor

AUDITING COMPANY

BDO Italia SpA

SUPERVISORY BOARD (O.D.V.)

Luca Nannini

Fabio Vezzosi

Umberto Faltoni

Cover photo: “StarSand” by Tommaso Rubechi

*“Far from lights, roads, street lamps and cities.
Immersed in the desert, without Wi-Fi and without internet.
Isolated.
Lost under millions of stars.”*



Printed on recycled “Fenice” paper

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MANAGEMENT REPORT OF THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023

Foreword

This Management Report, prepared pursuant to art. 2428 of the Civil Code, aims to support the information represented in the financial statements for the fiscal year ended 31 December 2023, contextualizing the emerging results in the macroeconomic scenario in which they accrued. Its objective, on one hand, is to specifically analyze the dynamics that characterized corporate management in the past fiscal year. On the other, it aims to represent reasonable prospects for the fiscal year currently in progress.

All this information is represented within the values that inspire the company mission and that can be seen in the Impact Report for 2023. Its contents, based on the Global Reporting Initiative (GRI) reporting standards, complete those with a more strictly economic, capital and financial dimension, indicated below.

Management progress

Activity conducted by the company and the values pursued

Our company celebrates 40 years of activity in 2024. It has consolidated its leadership in the sector of precious metal refining and sales, as well as in the production and sale of investment gold. This is in addition to treatment and recovery of precious and non-precious metals from waste from the goldsmithing, electroplating and automotive industries. We operate with a substantial supply chain integration that starts from extraction and, with the products of subsequent processing, reaches other operators involved in this business. These include central banks, national mints, private investors and the industrial sector, including the gold-silversmith sector.

We are associated with the London Bullion Market Association (LBMA) and the Responsible Jewellery Council (RJC). We have obtained Good Delivery Refinery, Code of Practices (CoP), "Provenance Claim", Chain of Custody (CoC) and Fairmined Gold Supplier certifications. We are registered as a professional gold operator with the Bank of Italy and are members of the Responsible Mineral Initiative (RMI), Precious International Metals Institute (IPMI), Watch & Jewellery 2030 (WJI2030) and the Processor Working Group of the Initiative for Responsible Mining Assurance (IRMA).

As stated in the Impact Report, we are particularly proud of two additional results we achieved during 2023. Through specific modification of its corporate purpose and following the additional regulatory obligations for this purpose, Italtreasures SpA earned the Benefit Company (SB) qualification. This continues the virtuous path that has always characterized it, aimed at the combined need to cultivate (profit-oriented) entrepreneurial objectives with the search for its actions' positive impact on society and on the environment. This new legal status provides us with a solid base to align our long-term mission and create shared value, committing ourselves to pursuing common benefit responsibly and transparently, balancing

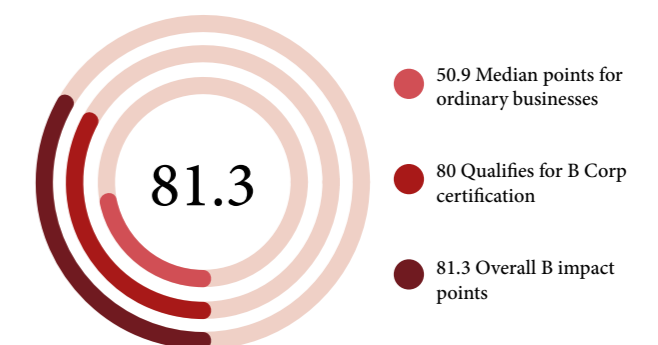
shareholders' interests with those of the community. This also involves the obligation to report our activities transparently and completely through an annual impact report, through an integration of the (already extensive) information offered in the sustainability report (today, precisely, called impact report).

In addition, our ongoing commitment enabled us to obtain the B Corp™ certification, considered one of the main references in corporate ESG performance analysis. B Corp™ certified companies undergo the B Impact Assessment (BIA), a strict evaluation process that analyzes the social and environmental impact of their management, governance practices and commitment to transparency, to establish effective compliance with the high standards required, as documented evidence of an authentic commitment to sustainability and corporate social responsibility. We are pleased to highlight that we earned the certification with a gratifying score of 81.3.

The B Corp™ certification

OVERALL B IMPACT POINTS

Based on the B impact evaluation, Italtreasures SpA obtained overall points of 81.3. The mean points for ordinary businesses that complete the evaluation is currently 50.9.



During 2023, on the more strictly industrial front, the company continued its revamping activity dedicated to treatment and recovery of precious and non-precious metals from waste from the goldsmithing, electroplating and automotive industries. As reported last year's financial statements, in 2022, Italtrepreziosi purchased a portion of SICAM SpA (Società Italiana Chimica Affinazione Metalli), an industrial reality with more than 50 years of experience in the metal recovery sector. Thus, our company acquired significant expertise, considering the availability of licenses that will progressively allow us to complete and diversify material processing and ensure customers a wider range of highly professional services.

However, this business expansion project is still in an implementation phase with results to be seen over a medium and long-term time horizon. Currently, we are still engaged in reorganization and structural redevelopment of the acquired company with necessary interventions to redesign the existing facilities to adapt them to our needs, in the perspective of innovation and sustainability. Unfortunately, according to the schedule we had prepared, the work that particularly affects the building in which the activities are conducted should have started in early September 2023 but, due to bureaucratic issues related to completion of the authorization process, it has not proceeded to date. We expect the construction site to open in the second part of the year, but these delays have caused us a strong slowdown in the implementation of the related business plan and, correspondingly, the failure to achieve the desired (and expected) economic results.

Still in the perspective of progressive strengthening of our business areas, in the last months of 2023, we

established Italtrepreziosi Invest Srl. This is a wholly owned company into which, following our organizational process and with a view to functional autonomy, we intend to transfer the management of the business unit dedicated to the investment gold market. It is a sector in progressive expansion at an international level, in which we can further enhance our skills.

In the past fiscal year, we have, more generally, continued our persevering innovation policy both at the industrial and IT levels, with investments planned in the short and long term aimed at promoting efficiency, reducing risks and improving IT resilience. In this context, the project linked to the implementation of the RMS platform deserves special mention. We have been working on it for some time now and it will be operational within a few months, making information flows more effective and accelerating our digital transformation.

Always in the foreground is the ongoing commitment to strengthening our brand and our world leadership, maintaining financial strength in all market conditions. We are firmly resolved to make sustainability the founding principle of our strategy. This is in line with the objective of contributing in our small way to a better future, ensuring our actions' positive impact in the social and environmental spheres. Our daily work is inspired by the intent to develop actions capable of combining economy, individual, environment and society, so that our company is recognized not only as innovative, but also as sustainable, responsible and transparent.

We also continue to invest in qualified human resources, which we also try to select from abroad, to make our organization more solid and structured.

REFINING

Italtrepreziosi uses the most advanced refinement techniques to recover gold and silver at the highest purity levels. The standards reached and maintained within the entire process have allowed Italtrepreziosi to obtain the LMBA Good Delivery certification.

PRODUCING INGOTS

Availing itself of the latest generation, technologically advanced machines and internally optimizing all the processes, the company creates gold bars and ingots with the Good Delivery certification and pure silver grains.

ANALYSIS LAB

Extremely professional and technologically advanced, it will include a team of highly qualified professionals who always operates with precision, transparency and reliability, respecting international standards.

METAL AND TRADING BANK

Italtrepreziosi has also developed a digital platform for brokering physical metal: Italtplatform. Through this system, all its clients and suppliers can establish the price in real time or by fixing and insert orders.

PAC INVESTMENT GOLD

Italtrepreziosi has launched PAC Tesoro, a service for investment in physical gold, aimed at all clients interested in diversifying its own portfolio at a measured pace.

ITALPREZIOSI CHEMICAL DIVISION

The Italtrepreziosi Chemical Division gives new life to the metals contained in waste from goldsmithing, galvanic and industrial processing through the cycle of recovery, refinement and transformation. Our technologically advanced facilities guarantee the highest standards of circularity and respect for the environment.

ACCREDITATIONS



The overall economic trend in the 2023 fiscal year

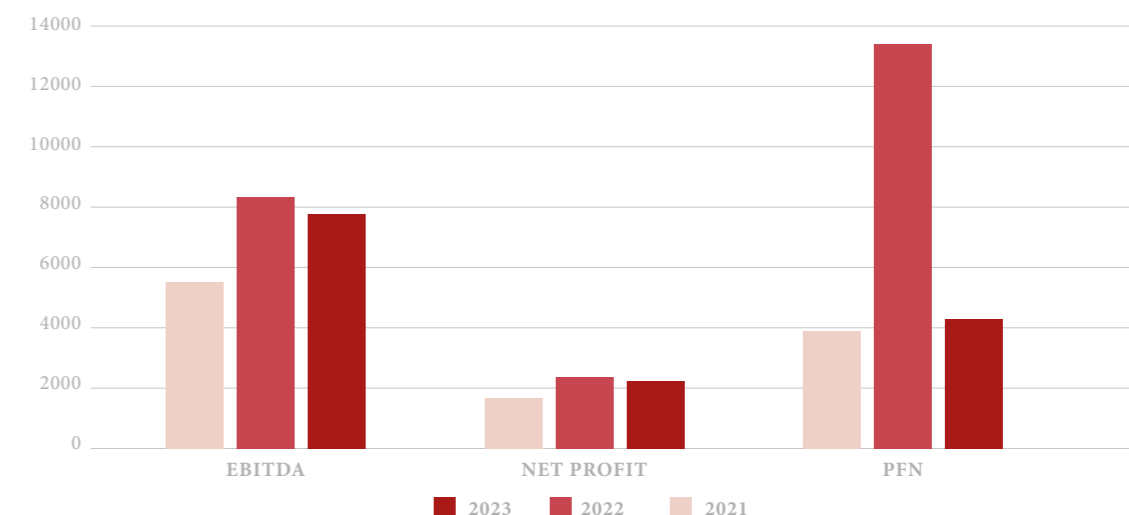
To analyze in detail the contents of the financial statements as of 31 December 2023, we note that the period closed with a net profit of 2,218,848 euros, substantially in line with that of the previous fiscal year. This result must be appreciated in view of the still difficult macroeconomic context. As we emphasize later, high uncertainty characterized international markets due to conflicts affecting sensitive areas of the world along with

national governments' consequent economic and monetary policy choices aimed at the difficult search for new and delicate geo-political balances.

In comparative terms, our results' evolution can be represented as follows:

	2023	2022
Production value	3.170.091.086	3.569.890.461
EBITDA	7.752.439	8.300.248
Net profit	2.218.842	2.333.581
PFN	4.216.584	13.317.601
Net worth	36.576.291	35.328.852

Development of profitability and financial balance



Revenue breakdown by sector	
Sales	3.166.277.188
Service provision	1.449.722
Other	677.453
Total	3.168.404.363
Revenue breakdown by geographic area	
Italy	930.135.997
Abroad	2.238.268.366
Total	3.168.404.363

This framework denotes the maintenance of an appreciable balance from an economic and financial perspective, confirming the correctness of the choices adopted, and providing useful reference for future development plans.

We intend to progressively increase these results, espe-

The macroeconomic situation and impacts on company management

We talked about the need to contextualize the financial statement results analysis within the external environment in which they accrued. In 2023, the global economy actually achieved better results than expected. Many expected a global recession and, therefore, some resilience was seen despite a slowdown in world GDP to 3.2% compared to 3.5% in 2022, which, in absolute terms, reached 105 trillion dollars. Not only Italian but global manufacturing experienced a strong contraction caused by the consumption shift from goods to services such as tourism; the weakening of European industry, especially German; exhaustion of emergency policies; the squeeze on credit, and various and increasingly frequent climate disasters. All this has led to a decline in world trade in goods, also aggravated by the intensification of trade barriers (-1%).

The Italian economy exceeded forecasts, recording GDP growth of 0.9%, therefore better than expected, but down compared to 2022 (it had been 4%). Growth was influenced by consumption and investments with good domestic demand, compared to a negative foreign demand contribution (-0.1%). The impact of actions related to the PNRR seems decisive for our country, and we hope this will be significant. This is a unique opportunity for Italy to make up for delays, supporting investments and reforms that we have awaited for decades. To implement all this, however, we need a clear strategy, a vision and the idea of what future we want to build.

In the Eurozone, growth stood at 0.4% after 3.3% in 2022, with a period of stagnation. There, as already reported, Germany showed an unpromising picture (-0.3%), while Greece achieved a significant result, raising the quality of its debt, which is no longer classified as “junk,” thanks to its investments in innovation and digital transformation and the increase in market competition. Spain also performed well, where the GDP reached 2.5%, driven by household consumption and investments.

The US performed better than expected, with GDP

cially regarding profitability, while maintaining the ethical approach that distinguishes us. We hope for a rapid consolidation of our numerous strategic actions and, also, therefore, as a declination of a business plan aimed at growth, through the already reported integrations of our traditional core business.

growth of 2.5% thanks to consumer spending and a solid labor market. The Chinese economy disappointed expectations, although it grew by 5.2%, but below the historical average due to indebtedness, the reduction in consumption and the crisis in the real estate market.

Despite the problems related to high inflation, the weaker rupee and tighter monetary policy, India's GDP grew by 6.7% and remains one of the best-performing emerging economies. Russia managed to contain the damage caused by sanctions and reduced gas exports to Europe by increasing prices and opening new commercial relations, especially with China and other Asian countries. The economy in Japan grew by 1.9%, but in the ranking of countries with the highest GDP, it fell from third to fourth place after the United States, China and Germany. The root cause is that the ranking is measured in dollars and the yen has experienced a strong depreciation. In general, emerging countries drive world GDP.

Of note is the enormous debt that afflicts the world, stock has reached 313 trillion and is worth 336% of global GDP and with high rates, interest rates risk exploding. The truth is that several years after the beginning of the crisis and despite governments' and various central banks' significant public effort, global debts have grown a great deal. These are the highest values in more than 150 years, excluding the World War II period. Even emerging countries are under pressure and struggling to manage their debts, both due to the sharp rise in interest rates and because of the strong dollar. With respect to these data, a study by the Bank for International Regulations dedicated to the analysis of complications in derivatives management, indicates that banks based outside the US have an OTC debt of 39,000 billion, more than 10 times their capital, and more than double their debt recorded in the balance sheet. If they are unable to keep their side of the agreement, serious problems could arise.

Critical issues still exist, therefore, on the global eco-

nomy, due both to the risk of a contraction in growth and to the risk of ripple effects due to possible defaults in some countries. However, several factors are surprisingly positive: a greater drive in growth by the United States, a slowdown in global inflation, and consequently a predicted slowdown in monetary policy tightening.

In this context, cryptocurrencies are an asset of interest, but not quite a safe haven like gold, which has more than two thousand years of history and has always been considered a reliable substitute for money. In addition, the gold market is completely regulated, unlike, for example, Bitcoin, for which any regulation may represent a great threat. Surely, we are witnessing the creation of a new world order; geopolitics has become the protagonist of the global economic system, characterized by a series of events that have led to “the great transition,” contributing to significant changes in society, culture and finance. The world appears increasingly divided into new and old alliances and is experiencing an increasingly important loss of the dollar as an international currency, considering that Arabia, China and Brazil have decided to exchange with their own currencies instead of the US dollar. Re-

Trends in the gold and other precious metals market

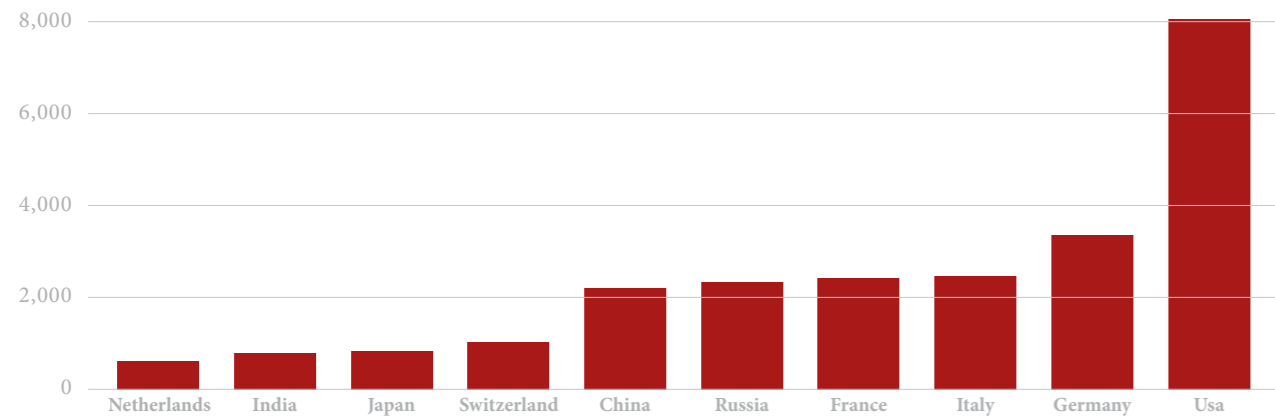
As mentioned, the gold market is more vital than ever. Several factors have influenced the prices of the yellow metal: worsening geopolitical tensions, in particular those generated by the Russia/Ukraine conflict and the Israeli/Hamas conflict; economic and financial uncertainty; from the sharp increase in debts in the world; deglobalization of world trade, and the war on currencies with “de-dollarization” that contributes to an increasingly important loss of US currency's role. Not to mention the Chinese slowdown, compared to expectations, the crisis and then bankruptcy of real estate funds such as Evergrande and the fear of contagion of any insolvency crisis, regarding some banks, especially American ones. An event that affected gold prices in the first months of 2023 was the banking crisis that began in the US with the collapse of two major banks, followed by the Credit Suisse difficulty in Europe. The US government promptly managed to remedy the banking system situation by promising deposit insurance for customers of banks in difficulty. Contagion is the FED's greatest fear, and if this turns into “lack of trust” and a rush to the counter, there will not be enough collateral guarantees and the FED will have no choice

cent studies show that the BRICS are working on the development of a new currency, and even the group of ASEAN nations is thinking of eliminating the dollar and the euro in financial transactions.

But for our company, all of this offers an opportunity. The new geo-political structures, along with the enormous uncertainty that characterizes the world economy, will continue to determine a strong global demand for gold in the coming years, because gold is not a promise of payment, its value is recognized worldwide and it constitutes a reserve of real value that does not involve counterparty risk.

but to print money. Central banks continued their purchases with a demand of 1,037 tons, the second most active year since 2020. Global demand for bullion and coins fell by 3%, while in Europe it fell by 59%; it increased by 28% in China as well as in India and Turkey. ETFs continued to sell for the third consecutive year. Central bank purchases show an all-time high since 1967, even without considering the Russian Central Bank' purchases from domestic producers. These purchases functioned to increase gold reserves to protect balance sheets in the event of any crisis that could destabilize governments or the bank and to protect itself from possible sanctions. Some central banks are also diversifying their currency reserves by selling dollars; their interest is shifting to gold, seen as a “risk-free” asset, which thus improves the reserves' quality. This trend continues to be marked even in the first months of 2024.

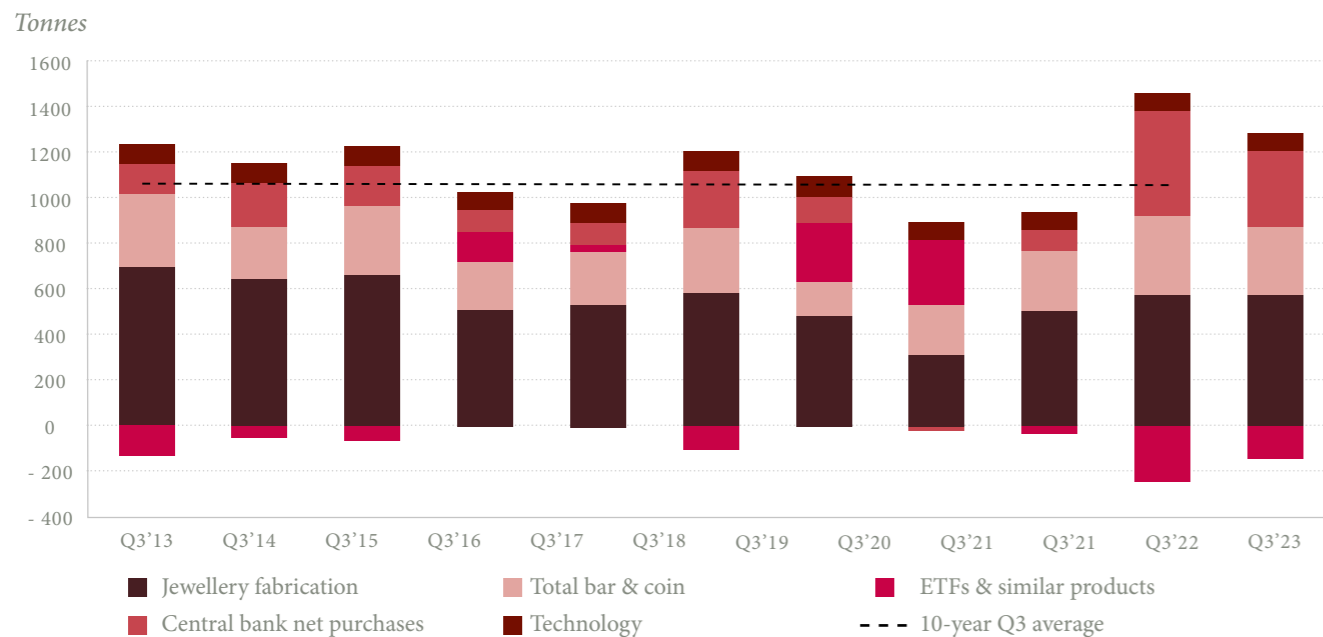
2024 Gold Reserve by Country



Regarding palladium, we have witnessed a price drop due to the reversal in policies concerning electric cars. The euro's exchange rate against the dollar, which fell below parity in October 2022, rose again in July 2023, and then fell to 1.05 in October, favored by the ECB acceleration and rate increase. The PBOC Central Bank and the Chinese private sector have pushed up gold prices precisely because of "de-dollarization." Using the dollar as a weapon is a threat to their dollar

reserves, as is the American debt spiral.

The Italian gold-silversmith and jewelry sector closed 2023 by continuing the positive trend with a turnover of 11.97 billion euros (+10.2%); 10.9 billion euros in exports (+11%) compensate for a declining domestic market. Worldwide jewelry consumption is substantially stable.



Sources: Metals Focus, Refinitiv GFMS, World Gold Council

Tonnes	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23		y/y change
Supply							
Mine production	949.1	946.7	860.2	912.7	971.1	▲	2%
Net producer hedging	-26.8	-13.6	37.1	-19.5	7.2	▲	-
Recycled gold	268.3	290.7	312.0	322.9	288.8	▲	8%
Total Supply	1,190.6	1,223.8	1,209.3	1,216.1	1,267.1	▲	6%
Demand							
Jewellery fabrication	582.6	601.9	512.4	492.8	578.2	▼	-1%
Jewellery consumption	525.7	628.5	474.8	475.8	516.2	▼	-2%
Jewellery inventory	56.9	-26.7	37.6	17.0	62.1	▲	9%
Technology	77.3	72.1	70.1	70.4	75.3	▼	-3%
Electronics	63.5	57.9	56.1	56.4	61.1	▼	-4%
Other Industrial	11.3	11.7	11.6	11.6	11.8	▲	4%
Dentistry	2.5	2.4	2.4	2.4	2.3	▼	-6%
Investment	100.5	247.4	274.3	255.7	156.9	▲	56%
Total bar & coin demand	344.2	336.6	303.0	276.8	296.2	▼	-14%
Physical Bar demand	225.1	222.2	183.3	163.8	205.9	▼	-9%
Official Coin	86.2	85.5	94.9	87.2	54.9	▼	-36%
Medals/Imitation Coin	33.0	28.9	24.7	25.8	35.4	▲	7%
ETFs & similar products	-243.7	-89.2	-28.6	-21.1	-139.3	▲	-
Central banks & other inst.	458.8	382.1	287.7	174.8	337.1	▼	-27%
Gold demand	1,219.2	1,303.5	1,144.5	993.7	1,147.5	▼	-6%
OTC and other	-28.6	-79.7	64.7	222.4	119.6	▲	-
Total Demand	1,190.6	1,223.8	1,209.3	1,216.1	1,267.1	▲	6%
LBMA Gold Price, US\$/oz	1,728.9	1,725.9	1,889.9	1,975.9	1,928.5	▲	12%

Source: Metals Focus, Refinitiv GFMS, ICE Benchmark Administration, World Gold Council

For better evidence of the above, we represent the 2023 precious metal trends on a US\$ per ounce basis and the quotations in € per ounce.

	MAX \$/OZ	MIN \$/OZ	MAX \$/GR	MIN \$/GR	DATA MAX	DATA MIN
gold	2,135,39	1,804,92	68,654	58,029	Dec 04	Feb 28
silver	26,135	19,904	0,840	0,639	May 05	Mar 10
platinum	1,134,95	843,1	36,489	27,106	Apr 21	Nov 10
palladium	1,843,18	925,11	59,259	29,742	Jan 09	Dec 05
	MAX €/OZ	MIN €/OZ	MIN €/GR	MIN €/GR	DATA MAX	DATA MIN
gold	1,932,17	1,702,01	62,120	54,720	Dec 04	Feb 28
silver	23,686	18,785	0,761	0,603	Dec 04	Mar 10
platinum	1,036,96	790,21	33,339	25,405	Jan 04	Nov 10
palladium	1,726,56	858,04	55,510	27,586	Jan 05	Dec 05
	MAX	MIN	DATA MAX	DATA MIN		
EURUSD	1,1276	1,0448	18-lug	03-ott		
	MAX €/OZ	MIN €/OZ	MIN €/GR	MIN €/GR	DATA MAX	DATA MIN
ruthenium	475	450	15,271	14,467	Jan 03	Dec 12
rhodium	12,400	4,000	398,668	128,602	Jan 04	Jul 03
Iridium	5,000	4,500	160,753	144,678	Oct 18	Aug 16

Analysis of the main capital, financial and economic indicators

In this context, Italtreppioni has long implemented a business strategy aimed at innovation that starts from management and industrial processes and adopts a streamlined organizational model capable of more quickly implementing its business program's objectives. This, combined with the capital and financial strength that characterizes corporate management, has made it possible

to react effectively to the stresses in the macroeconomic environment. The results achieved are thus appreciable. To better evaluate them, it is appropriate to examine the balance sheet as of the reporting date and the fiscal year income statement, appropriately reclassified with financial and functional criteria represented as follows:

FINANCIAL BALANCE SHEET			
Assets	Amount in units of €	Liabilities	
FIXED ASSETS	€ 35.341.302	NET WORTH	€ 36.576.291
Intangible fixed assets	€ 8.677.738	Share capital	€ 25.000.000
Tangible fixed assets	€ 10.275.357	Reserve	€ 11.576.291
Financial fixed assets	€ 16.388.207		
		CONSOLIDATED LIABILITIES	€ 9.639.318
CIRCULATING ASSETS (CA)	€ 96.935.498		
Warehouse	€ 32.220.077		
Deferred liquidity	€ 14.965.878	CURRENT LIABILITIES	€ 86.061.191
Immediate liquidity	€ 47.749.543		
INVESTED CAPITAL (IC)	€ 132.276.800	FINANCING CAPITAL	€ 132.276.800

FUNCTIONAL BALANCE SHEET			
Assets	Amount in units of €	Liabilities	
INVESTED OP. CAPITAL	€ 115.579.337	NET WORTH	€ 36.576.291
		FINANCING LIABILITIES	€ 52.216.975
EXTRA-OPERATIVE LOANS	€ 16.697.463		
		OPERATING LIABILITIES	€ 43.483.534
INVESTED CAPITAL (IC)	€ 32.276.800	FINANCING CAPITAL	€ 32.276.800

RECLASSIFIED INCOME STATEMENT	
Revenue from sales	€ 3.168.404.363
Internal production	€ 497.651
OPERATING OUTPUT VALUE	€ 3.168.902.014
External operating costs	-€ 3.157.910.711
Added value	€ 10.991.303
Personnel costs	-€ 3.697.140
GROSS OPERATING PROFIT	€ 7.294.163
Depreciation and provisions	€ 2.034.945
OPERATING PROFIT/LOSS	€ 5.259.218
Ancillary area result	€ 695.544
Financial area result (net of financial expenses)	€ 3.332.552
EBIT	€ 9.287.314
Financial charges	-€ 6.068.406
GROSS PROFIT/LOSS	€ 3.218.908
Income taxes	€ 1.000.066
NET PROFIT/LOSS	€ 2.218.842

This reclassification allows us to determine the main balance sheet indicators and economic and financial position to be assessed, also in comparison with the previous fiscal year:

ASSET FINANCING INDICATORS FIXED		
	2023	2022
Primary structure margin	€ 1.234.989	€ 2.302.627
Primary structure quotient	1,03	1,07
Secondary structure margin	€ 10.874.307	€ 21.099.247
Secondary structure quotient	1,31	1,64
FUNDING STRUCTURE INDICES		
	2023	2022
Total debt ratio	2,61	2,64
Quotient of financial debt	1,43	1,98
PROFITABILITY INDICES		
	2023	2022
Net ROE	6,07%	6,61%
Gross ROE	8,80%	9,74%
ROI	7,29%	5,71%
ROS	0,17%	0,14%
SOLVENCY INDICATORS		
	2023	2022
Availability margin	€ 10.874.307	€ 21.099.247
Availability quotient	1,13	1,28
Cash margin	-€ 23.345.770	€ 1.366.189
Treasury quotient	0,73	1,02

To appreciate the evolutionary dynamics of management, the following additional evidence can also be considered:

Comparative evolution of income components

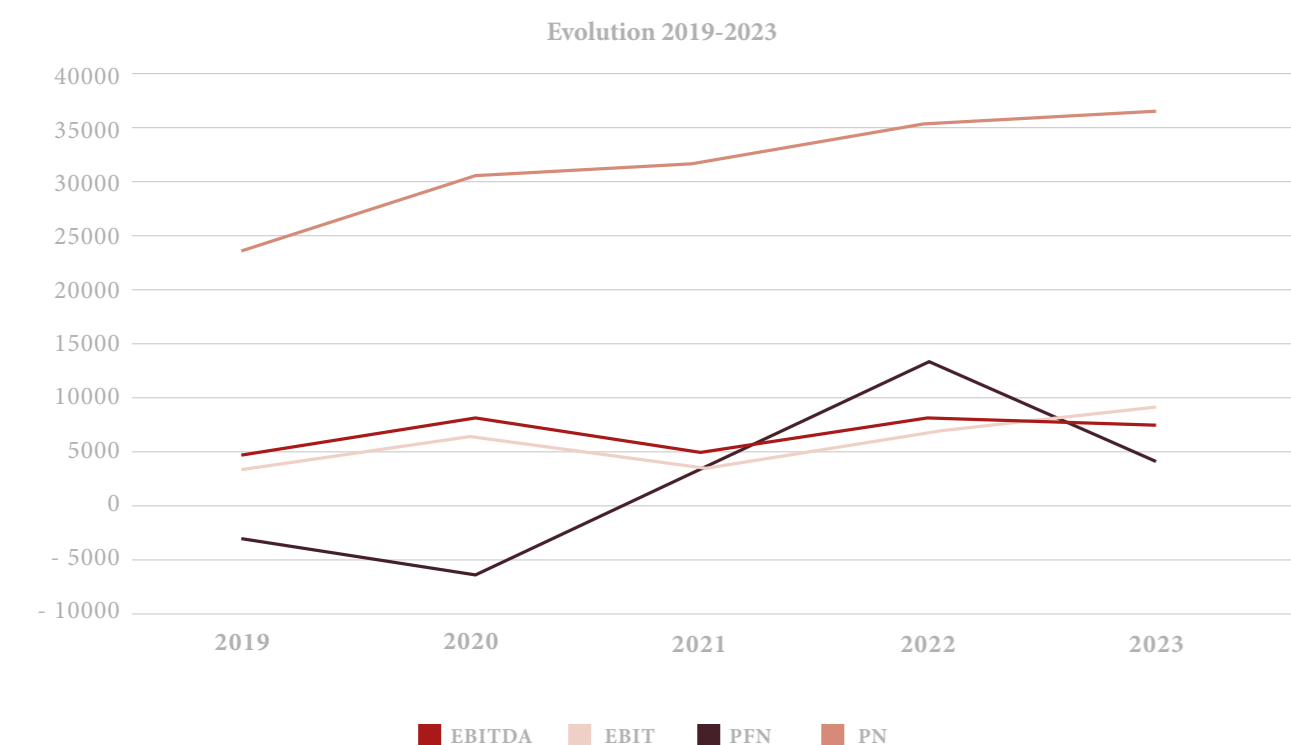
	2023	2022	difference
PRODUCTION VALUE			
REVENUES FROM SALES AND SERVICES	3.168.404.363	3.567.710.021	-399.305.658
FIXED ASSET INCREASES FOR INTERNAL WORK	497.651	504.498	-6.847
CONTRIBUTIONS TO FISCAL YEAR ACCOUNT	9.035	1.800	7.235
OTHER REVENUES	1.180.037	1.674.142	-494.105
	3.170.091.086	3.569.890.461	-399.799.375
PRODUCTION COSTS			
SUBSIDIARY RAW MATERIAL CONSUMPTION AND MERCHANDISE	3.162.883.970	3.535.084.509	-372.200.539
SERVICES	9.451.523	9.190.376	261.147
ENJOYMENT OF THIRD-PARTY ASSETS	62.237	45.551	16.686
PERSONNEL	3.697.140	3.032.439	664.701
AMORTIZATIONS AND DEPRECIATION	1.534.945	1.710.779	-175.834
INVENTORY CHANGES	-14.487.019	13.600.234	-28.087.253
PROVISIONS FOR RISKS	500.000	500.000	0
MISCELLANEOUS MANAGEMENT COSTS	493.528	527.540	-34.012
	3.164.136.324	3.563.691.428	-399.555.104
FINANCIAL MANAGEMENT PROFIT/LOSS			
TOTAL FINANCIAL INCOME AND EXPENSES	-2.735.854	-2.759.730	23.876
FISCAL YEAR TAXES ACCRUED			
CURRENT, ADVANCE AND DEFERRED TAXES	1.000.066	1.105.722	-105.656

Comparative evolution of indebtedness

	2023	2022	difference
DEBTS			
TO BANKS WITHIN 12 MONTHS	43.417.707	51.708.661	-8.290.954
TO BANKS BEYOND 12 MONTHS	8.799.268	18.089.948	-9.290.680
DOWN PAYMENTS	7.347.906	2.357.380	4.990.526
SUPPLIERS	30.855.992	17.189.865	13.666.127
TREASURY	174.227	882.693	-708.466
SOCIAL SECURITY INSTITUTIONS	142.473	132.054	10.419
TOWARD OTHERS	959.421	841.692	117.729
	91.696.994	91.202.293	494.701

Regarding profitability appreciation profiles, the value of inventories of some metals (platinum, palladium and rhodium) has been influenced by their (temporarily contracting) price trend. In addition, in 2023, the

company completed deferred payment of the debt to the Financial Administration generated by the conciliation of a significant dispute that had been initiated with it.



Environment and staff

As anticipated, in our company, making economic value coexist with human value and with respect for the general interest in every activity has always inspired corporate policies and informed daily actions.

Extensive evidence is shown in the Impact Report presented to the shareholders' meeting with the financial information, a document into which this information fits naturally.

To summarize, our collaborators are our strength. We continually try to evaluate their needs, so that they operate not only in total safety, but also in a rewarding and constructive environment. Health and safety are the central focus of our action, which translates into training courses and constant awareness-raising initiatives. These include the Listening Desk, Corporate Welfare, Climate Work Survey, Monthly Newsletters, team building events, and ongoing training.

In line with legal obligations, we provide each facility with a Risk Assessment Document (DVR), to ensure and preserve our workers' health and safety. This document identifies and assesses the risks associated with each activity, outlining the actions necessary to eliminate or reduce such risks. To support this mission, we continually implement technical and organizational interventions. Pursuant to the relevant regulatory requirements, these include continuous monitoring and active management of risks and safety, regular updating of work methods, development and implementation of training and communication programs for the organization's various levels, and periodic meetings to update and share improvement plans.

From the perspective of our legal safeguards, every employee has the opportunity to report any risk situation, even potential, through numerous contact tools with dedicated company functions.

During 2023, there were 2 workplace accidents. One of these was caused by contact with a hot material, while the other involved three employees and was caused by a reaction with chemicals.

These events were an opportunity for a further and necessary study on the effectiveness of the measures

the company had adopted. We undertook a series of additional actions to improve management of these risks, also increasing (tripling) the number of hours allocated to training on the subject. This increase not only demonstrates our commitment to ensuring a safe work environment, but also the recognition of the crucial importance of preparation and awareness to prevent workplace accidents and injuries. Continuous monitoring and review of security conditions have also been established, involving both employees and the top functions of the business organization to identify and address critical areas that require improvement.

The Impact Report contents are also dedicated to environmental issues in broad and timely terms.

The company is part of the PlanetGold Program Advisory Group (PAG), which involves various stakeholders including the United Nations, NGOs, associations, private sector companies and public authorities. This project is active in eight countries, collaborating to create projects that involve small communities of artisanal miners and help them eliminate the use of mercury, one of the substances most harmful to the environment and human health, in line with the Minamata Convention.

As part of our corporate mission aimed at pursuing environmental sustainability principles, we are faced with unprecedented challenges related to climate change and biodiversity loss. We therefore recognize the need to act to support protection of the environment in which we live and operate, and to outline a strategic path to effectively address these global challenges. Climate change is one of the main threats to our planet's stability. We are therefore developing a strategy to evaluate the decarbonization of our activities, inspired by the principles of the Taskforce on Climate-related Financial Disclosures (TCFD) and the approach of the Science Based Target initiative (SBTi). We started this process by certifying our carbon footprint according to the ISO 14064-1:2019 standard in 2021 and continuing work for 2023. Being aware and informed about our emissions is essential to develop a strategy that allows us to set specific and measurable objectives, in compliance with SBTi standards, to reduce greenhouse gas emissions and mitigate the

environmental impact of our activities. Thus, we can contribute to worldwide efforts to contain global warming within the limits established by international agreements.

Simultaneously with the challenges related to climate change, we recognize the crucial value of biodiversity for our planet's health. We are actively creating our Na-

ture Roadmap following the guidelines of the Taskforce on Nature-related Financial Disclosures (TNFD), which we joined in 2023. This commitment involves the progressive integration of biodiversity into our business decisions and production processes, with the aim of promoting a balance as harmonious as possible between our activities and the natural environment.

Management of exchange, credit and liquidity risks

Also, in compliance with the provisions of art. 2428, paragraph 3, in point 6-bis of the Civil Code, we provide information regarding the following risks:

- Credit Risk
- Liquidity Risk
- Market Risk
- Exchange Risk

Credit risk

The company operates in compliance with control policies aimed at reducing credit risks. These policies are based on in-depth preliminary analysis regarding customer reliability and guaranteed payment methods. The company carefully monitors and manages its exposure to customers with significant positions. As is customary for the type of product sold, cash deposits are required in advance of shipments. However, the company's activi-

ties have good credit quality, except for some commercial credits (customers), considered to fall within the physiological share, whose chargeability is poor if not zero due to the presence of insolvency proceedings. For these financial assets, considered to be of dubious collection, a special devaluation fund has been set aside equal to what is believed to be the relative loss.

Liquidity risk

At the operational level, the Company grants deferred payments to customers. A significant part of sales transactions are "factored" through non-recourse sale to leading factoring companies. The debt instruments and credit lines to meet liquidity needs are continually monitored and planned. The company operates by implementing financial planning activities aimed at reducing liquidity risk. Leading Italian and foreign financial insti-

tutions trust us with credit lines qualitatively and quantitatively appropriate for importing precious metals and related materials. Based on financial needs trends, where the need is identified, the credit lines necessary to meet these needs are planned with the banking system, according to a corresponding distinction between short-term and long-term lines.

It should also be noted that:

- the company deals with goods and raw materials for which there is a liquid market, and which appear to be readily saleable to meet liquidity needs. Gold, silver, platinum and palladium are commodities listed on international markets.

- there are different sources of funding;
- there are no significant concentrations of liquidity risk on the side of financial assets or financing sources.

Market risk

Below is a sensitivity analysis on the balance sheet date, indicating the effects of possible changes on the income statement regarding the relevant risk variables, for each of the following components:

- interest rate risk: minimum because the transactions conducted are in the very short term

- exchange rate risk (or currency risk): minimum since the company has among its policies to cover all transactions from the moment they are conducted;
- price risk: minimum based on what has already been stated above.

Exchange risk

The company also operates in international markets using the dollar instead of the national currency, so it is exposed to fluctuating exchange rates. However, these transactions are continuously monitored and aligned, to avoid significant repercussions on exchange rates, covered by transactions of the opposite sign in the same currency. To cancel the exchange risk in transactions for the purchase and sale of precious metals in currency, the

company conducts daily internal balancing operations (netting between sale and purchase transactions) and for the excess part it proceeds to cover the currency risk for the part linked to the exchange rate between currencies (US\$/ounce) by reversing the transaction with professional financial counterparties.

Research and development activities

Even during the 2023 fiscal year, the company conducted structured and ongoing research and development activity for technological innovation and focused its efforts in particular on the following projects considered to be particularly innovative:

- study and development of BPMN models for ‘management of financial flows’ of ‘physical metal’ and of the algorithms integrated into the platform’s blockchain to manage transaction hedging and information exchange with the current accounting system;
- study and experimental development of innovative Sustainable Gold projects: from the “responsible

supply chain” to laboratory tests to evaluate plant solutions with physical methods to contain the costs of separating “sustainable” gold and precious metals without the use of chemicals;

- study and development of an operating model by reviewing and analyzing existing business procedures and processes.

It is hoped that these innovations’ positive outcomes will generate results in terms of increasing turnover and boosting business efficiency, with favorable effects on the economy of management.

Number and nominal value of own shares and stocks and shares of parent companies owned, purchased and disposed of

The company does not own, did not purchase nor dispose of any own shares, or stocks or shares of parent companies during the fiscal year.

Secondary offices

Regarding the provisions of paragraph 4 of art. 2428 C.C. please note that the company had the following branch offices on the reporting date:

PLACE/LOCATION	ADDRESS	USE
Arezzo	via A. Righi n. 34	Office
Arezzo	Strada E 26 Loc. San Zeno	Warehouse
Arezzo	Strada A 26 Loc. San Zeno	Chemical Lab
Milan	via San Raffaele n. 1	Office

Other Information

The company adopts the “Prevention Model” referred to in Legislative Decree No. 231/2001” and, as required by Legislative Decree No. 14/2019 (Code of Crisis and Business Insolvency), has an organizational, administrative and accounting structure adapted to its size depending on the timely detection of potential crisis conditions, further strengthened for this purpose, also through the periodic monitoring of sensitive indicators that are shared at the top level with governance and supervisory bodies.

With reference to national and EU provisions on per-

sonal data protection, the company adopts the minimum security measures regarding personal data protection. It has drafted the Programmatic Security Document and is updating it within the terms established by the legislation in force.

regarding the provisions of numbers 3 and 4 of art. 2428 C.C. specifies that it does not own and has not purchased or sold shares or shares of parent companies during the year, through a trust company or an intermediary person.

Investment activities conducted

During the 2023 fiscal year, in addition to the reported reorganization of the company purchased from SICAM SpA, constant investments were made to renew

and strengthen the production structure. The evidence is represented in the Supplementary Note; please refer to it for pertinent details.

Relationships with subsidiaries, associates, parent companies and affiliates

The company holds a shareholding equal to the entire share capital of Gold Lake IP srl currently in Arezzo with which it maintains relationships, which do not include atypical and/or unusual transactions, and which are governed by normal market conditions. In

December 2023, it established Italpreziosi Gold Invest srl, of which it holds the entire share capital. The subsidiary is in an initial start-up phase and no transaction has yet been conducted.

Predictable management evolution

At the beginning of 2024, the global economy's growth prospects remain weak, especially in advanced economies, due to high uncertainty, with inflation falling slightly but still above the set targets, and much market volatility. The main risks are seen, in addition to increased geopolitical uncertainty, from the possible shocks on the supply side of emerging markets, to less favorable financial conditions, greater fragmentation of international production, and possible repercussions on commodity prices. It will be necessary to observe the resilience of the American economy, China's contribution and the resilience of the Eurozone.

The BPoC and the Chinese private sector in particular are pushing up gold prices precisely because of the de-dollarization phenomenon. Their dollar reserves are threatened by the use of gold as a weapon along with the Americans' debt spiral. When the real estate sector in China began to crumble at the end of 2021 due to capital controls, Chinese investors tried gold, having few places to go besides the equity sector and beyond the real estate sector. An interesting aspect is the role of technology in the gold market. The digitization of financial assets and the emergence of online trading platforms have made access to the gold mar-

ket easier for a larger market, and with the growth of gold-related cryptocurrencies, new opportunities for investment and speculation on gold are created. The 60 elections that will be held in various parts of the world represent another positive factor for gold in 2024.

In this context, in the first months of 2024, Italtreasures witnessed an interesting increase in the demand for investment gold, mainly from private individuals in Italy and in other parts of the world, dictated by fear and various uncertainties, with a view to diversifying and protecting their assets.

Despite this great uncertainty, we consider it possible to increase our volumes and margins, thanks to the strengthening of the CoC supply and the ingots we produce, in addition to the increase beyond our service offers, expanded and enhanced thanks to the investments made and those already planned.

In addition, we are confident in concluding the planned interventions to ensure progressive consolidation of the positive returns linked to the acquisition of the "former SICAM" company initially referred to above.

Business continuity

In light of that indicated so far, although there are extraordinary conditions that cause tensions on the market and on the economic system more generally,

there are no consequences that could affect the value of the company's activities or have an impact on the effective maintenance of business continuity conditions.

Significant events that occurred after fiscal year end

On March 15 2024, Italtreasures celebrated its 40th anniversary, consolidating itself as a pillar of industrial excellence and sustainability. This important anniversary represented an important stage in our journey. Other ambitious goals must always be achieved with great enthusiasm, investing in all-Italian high technology, aiming at products and services that meet high standards of quality and ethical and social responsibility. As mentioned, we celebrated this significant step, reaching the important milestone of becoming a Benefit Corporation and obtaining B Corp™ certification. We are the only group in the world to have obtained this recognition, thus counting ourselves among the companies that lead a global movement committed to an inclusive and equitable economic paradigm. Being a B Corp™ certified Benefit Corporation is not only an honor but also a responsibility that pushes us to continue on this path with even more determination towards continuous improvement.

As a confirmation of our commitment and the ethics of our actions, we were further gratified by the result of the inspections by the UIF (Financial Information Unit for Italy), and which ended in the first months of 2024 without the formulation of findings and with a positive and constructive comparison. This allowed us to confirm the functionality of our compliance activities, one of our business organization's characteristic features.

Finally, on 25 March 2024, the Board of Directors decided to avail itself of the possibility legally and statutorily provided for approval by the shareholders' meeting, within the maximum period of 180 days from the fiscal year end. Due to having, as reported, assumed the status of Benefit Company, there existed for the first time, pursuant to art. 1, co. 382 of law No. 208/2015, the need to fulfill specific, adequately prepared reporting obligations.

Allocation of fiscal year result

As already indicated in the Supplementary Note, the Board of Directors proposes, together with the approval of the financial statements as of 31 December 2023, to allocate the operating profit achieved, equal to €2,218,842.09 as follows:

Financial statements as of 31 December 2023	Euro	2.218.842,09
5% to the legal reserve	Euro	111.000,00
to the statutory reserve	Euro	2.107.842,09

BOARD OF DIRECTORS

Ivana Ciabatti - President
Carlo Ferrini - Vice President
Giuseppe Ferrara - Board member
Filippo Dami - Board member
Alice Vanni - Board member

Balance Sheet

Balance sheet	31/12/2023	31/12/2022
ASSETS		
A) CREDITS TO SHAREHOLDERS FOR PAYMENTS STILL DUE		
Total credits due to shareholders for unpaid capital	0	0
B) FIXED ASSETS		
I - Intangible fixed assets		
1) Start up and expansions costs	18,539	37,078
2) Research, developments and advertising costs	438,719	463,306
3) Industrial patents and intellectual property rights	30,505	25,976
4) Concessions, Licenses, Trademarks, and Similar Rights	4,261,692	4,512,643
5) Goodwill	1,313,972	1,392,876
6) Assets in progress and advances	1,903,097	1,487,224
Other	711,214	837,176
Total intangible assets	8,677,738	8,756,279
II - Tangible fixed assets		
1) Land and buildings	4,866,860	4,009,565
2) Plants and machinery	5,295,678	3,813,735
3) Industrial and commercial equipment	56,321	25,129
4) Other assets	56,498	47,744
Total tangible fixed assets	10,275,357	7,896,173
III - Financial fixed assets		
1) Shares in		
a) Subsidiaries	684,793	584,793
d-bis) Other companies	2,585,568	2,117,835
Total equity investments	3,270,361	2,702,628
2) Credits receivables		
a) Due to subsidiaries		
Due beyond one year	528,319	528,319
Total receivables from subsidiaries	528,319	528,319

Balance sheet	31/12/2023	31/12/2022
d-bis) To others		
Due within one year	328,923	322,998
Due beyond one year	12,319,012	12,138,661
Total due to others	12,647,935	12,461,659
Total Credits	13,176,254	12,989,978
4) Active derivative financial instruments		
Total financial fixed assets (III)	16,697,463	16,684,860
Total fixed assets (B)	35,650,558	33,337,312
C) CURRENT ASSETS		
I - Inventories		
4) Finished products and goods for resale	34,220,077	19,733,058
Total inventories	34,220,077	19,733,058
II - Receivables		
1) To customers		
Due within one year	7,772,694	9,321,339
Total receivables to customers	7,772,694	9,321,339
5-bis) Tax Receivables		
Due within one year	653,967	421,220
Total tax receivables	653,967	421,220
5-ter) Deferred fixed assets		
5-quater) To others	527,106	393,414
Due within one year	4,591,011	9,648,517
Due beyond one year	19,667	11,911
Total receivables to others	4,610,678	9,660,428
Total credits	13,564,445	19,796,401
III - Financial assets not representing fixed assets		
Total financial not representing fixed assets	0	0
IV - Liquid funds		
1) Bank and postal deposits	47,733,171	55,473,325
3) Money and cash values	16,372	15,428

Balance sheet	31/12/2023	31/12/2022
Total liquid funds	47,749,543	55,488,753
Total current assets (C)	95,534,065	95,018,212
D) ACCRUED INCOME AND PREPAID EXPENSIVES	1,092,177	485,316
TOTAL ASSETS	132,276,800	128,840,840
Balance sheet	31/12/2023	31/12/2022
LIABILITIES		
A) NET WORTH		
I - Share capital	25,000,000	25,000,000
II - Reserve from overpricing of shares	0	0
III - Revaluation reserves	0	0
IV - Legal reserve	1,753,084	1,636,084
V - Statutory reserves	6,743,515	5,026,934
VI - Other reserves:		
Various other reserves	2	-1
Total other reserves	2	-1
VII - Hedgig reserve for expected cash flows	250,848	992,254
VIII - Retained earnings (losses)	610,000	340,000
IX - Net profit (loss) for the year	2,218,842	2,333,581
Loss made up for the financial year	0	0
X - Negative reserve for own shares in portfolio	0	0
Total net worth	36,576,291	35,328,852
B) PROVISIONS FOR RISKS AND CHARGES		
4) Others	1,746,274	1,339,224
Total provisions for risks and charges (B)	1,746,274	1,339,224
C) EMPLOYEES SEVERANCE INDEMNITIES	840,050	706,672
D) PAYABLES		
4) Due to banks		
Due within one year	43,417,707	51,708,661
Due beyond one year	8,799,268	18,089,948
Total payables to banks (4)	52,216,975	69,798,609

Balance sheet	31/12/2023	31/12/2022
6) Down payments		
Due within one year	7,347,906	2,357,380
Total down payments (6)	7,347,906	2,357,380
7) Due to suppliers		
Due within one year	30,855,992	17,189,865
Total due to suppliers (7)	30,855,992	17,189,865
12) Tax payables		
Due within one year	174,227	882,693
Total tax liabilities (12)	174,227	882,693
13) Due to social security and social security institutions		
Due within the next fiscal year	142,473	132,054
Total due to social security and social security institutions (13)	142,473	132,054
14) Other payables		
Due within one year	959,421	841,692
Total other payables (14)	959,421	841,692
Total payables (D)	91,696,994	91,202,293
E) ACCRUED EXPENSIVE AND DEFERRED INCOME	1,417,191	263,799
TOTAL EQUITIES AND LIABILITIES	132,276,800	128,840,840

Income Statement

Income Statement	31/12/2023	31/12/2022
A) VALUE OF PRODUCTION		
1) Revenues from sales and services	3,168,404,363	3,567,710,021
4) Increases in fixed assets for internal work	497,651	504,498
5) Other revenues and income		
Operating grants	9,035	1,800
Others	1,180,037	1,674,142
Total other revenues and income	1,189,072	1,675,942
Total value of production	3,170,091,086	3,569,890,461
B) COST OF PRODUCTION		
6) Raw and consumable materials and goods for resale	3,162,883,970	3,535,084,509
7) Services	9,451,523	9,190,376
8) Leases and rentals	62,237	45,551
9) Payroll costs:		
a) Wages and salaries	2,663,209	2,156,541
b) Social security	846,072	685,876
c) Severance idemnities	187,859	190,022
Total payroll costs	3,697,140	3,032,439
10) Depreciation and write-offs:		
a) Depreciation of fixed intangible ecc	857,920	1,202,037
b) Depreciation of fixed tangible ecc	638,222	462,068
d) Devaluation of current assets and cash assets	38,803	46,674
Total amortizations and write-offs	1,534,945	1,710,779
11) Charge in inventories of raw, subsidiary, consumer materials and goods for resale	-14,487,019	13,600,234
12) Provisions for risks and changes	500,000	500,000
14) Other operating expenses	493,528	527,540
Total production costs	3,164,136,324	3,563,691,428
Difference between value and production costs (A-B)	5,954,762	6,199,033

Income Statement	31/12/2023	31/12/2022
C) FINANCIAL INCOME AND EXPENSES:		
15) Income from equity investments		
Others	7,402	7,791
Total income from equity investments (15)	7,402	7,791
16) Other financial income:		
a) From credits recorded in fixed assets		
Others	496	405
Total financial income from receivables in fixed assets	496	405
d) Income other than the above		
Others	3,087,385	462,635
Total income other than the above	3,087,385	462,635
Total other financial income	3,087,881	463,040
17) Interest and other financial expenses		
Others	6,068,406	3,340,123
Total interest and other financial expenses	6,068,406	3,340,123
17-bis) Foreign exchange gains and losses	237,269	109,562
Total financial income and expenses (C) (15+16-17+-17-bis)	-2,735,854	-2,759,730
D) ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES:		
Total adjustments to the value of financial assets and liabilities (18-19)	0	0
RESULTS BEFORE TAX (A-B+-C+-D)	3,218,908	3,439,303
20) Current, deferred and prepaid income taxes for the year		
Current taxes	1,133,758	1,256,922
Deferred and prepaid taxes	-133,692	-151,200
Total income taxes for the year, current, deferred and advance	1,000,066	1,105,722
21) NET PROFIT (LOSS) FOR THE YEAR	2,218,842	2,333,581

Cash flow statement (with indirect method)

Cash Flow Statement	31/12/2023	31/12/2022
CASH FLOW STATEMENT (WITH INDIRECT METHOD)		
	CURRENT FISCAL YEAR	PRIOR FISCAL YEAR
Profit (loss) year	2,218,842	2,333,581
Current taxes	1,000,066	1,105,722
Interest and other financial statements (income)	2,980,525	2,877,083
(Dividends)	(7,402)	(7,791)
Capital gains/losses on disposal of assets	0	0
1, Profit/(loss) for the current year before, interest, dividends and capital gains/losses from disposal	6,192,031	6,308,595
Adjustments for non-monetary items not offset in net working capital		
Provisions to funds	690,022	680,348
Depreciation of fixed assets	1,496,142	1,664,105
Write down for unpayment losses	0	14,209
Adjustments to the value of financial assets and liabilities of derivative financial instruments that do not involve monetary movements	0	0
Other increase/(decrease) adjustments for non-monetary items	0	(189,760)
Total adjustments for non-monetary items not offset in net working capital	2,186,164	2,168,902
2, Cash flow before changes in net working capital	8,378,195	8,477,497
Changes in net working capital		
Decrease/ (Increase) in inventories	(14,487,019)	13,600,234
Decrease/ (Increase) receivables to customers	1,548,645	326,689
Increase/ (Decrease) in payables to suppliers	13,666,127	(132,080)
Decrease/ (Increase) prepaid expenses and accrued income	(606,861)	(107,375)
Increase/ (Decrease) accruals and deferrals	1,153,392	(11,102)
Other decreases/(Other increases) in net working capital	8,928,023	(18,572,606)
Total changes in net working capital	10,202,307	(4,896,240)
3, Cash flow after changes in net working capital	18,580,502	3,581,257
Other adjustments		

Cash Flow Statement	31/12/2023	31/12/2022
Interest collected/ (paid)	(2,980,525)	(2,877,083)
(Income taxes paid)	(1,133,758)	(1,256,922)
Dividends collected	7,402	7,791
(Use of funds)	149,594	(87,564)
Other receipts/ (payments)	0	0
Total other adjustments	(3,957,287)	(4,213,778)
Cash flow from operating activities (A)	14,623,215	(632,521)
B, Cash flows from investment activity		
Tangible fixed assets		
(Investments)	(3,017,406)	(2,129,356)
Divestments	0	0
Intangible fixed assets		
(Investments)	(779,379)	(2,419,571)
Divestments	0	0
Financial fixed assets		
(Investments)	(12,603)	(1,165,880)
Divestments	0	0
Non-fixed financial assets		
(Investments)	0	0
Divestments	0	0
(Acquisition of business units net of cash)	0	0
Sale of business units net of cash	0	0
Cash flow from investment activity (B)	(3,809,388)	(5,714,807)
C, Cash flows deriving from the financing activity		
Third - party financial supplies		
Increase/ (Decrease) short-term debts to banks	(8,290,954)	28,892,634
New finance funding	0	0
(Refund of loans)	(9,290,680)	(21,090,594)
Own financial resources		
Capital increase for a fee	0	1,007,488
(Capital refund)	(971,403)	0
Disposal (purchase) of own shares	0	0
Dividends and downpayment on dividends to be paid	0	0

Cash Flow Statement	31/12/2023	31/12/2022
Cash flow from the financing activity (C)	(18,553,037)	8,809,528
Increase (decrease) in cash availabilities (A ± B ± C)	(7,739,210)	2,462,200
Exchange rate effect on cash availabilities	0	0
Cash availabilities at the beginning of the year		
Bank and postal deposits	55,473,325	53,016,427
Checks	0	0
Money and cash values	15,428	10,126
Total cash availability at the beginning of the year	55,488,753	53,026,553
Amount not freely usable	0	0
Cash availabilities at the end of the year		
Bank and postal deposits	47,733,171	55,473,325
Checks	0	0
Money and cash values	16,372	15,428
Total cash availabilities at the end of the year	47,749,543	55,488,753
Amount not freely usable	0	0

SUPPLEMENTAL NOTE TO THE FINANCIAL STATEMENTS AS OF 31/12/2023

Foreword

The financial statements for the year ended 31 December 2023, of which this supplemental note constitutes an integral part pursuant to art. 2423, first paragraph of the Civil Code, corresponds to the results of regularly held accounting records and is drafted pursuant to the provisions of articles 2423, 2423 ter, 2424, 2424 bis, 2425, 2425 bis, 2425 bis, 2425 bis, 2425 ter of the Civil Code.

The evaluation criteria adopted pursuant to art. 2426 of the Civil Code comply with those used in drafting the financial statements for the previous fiscal year and there have been no exceptional events that made it necessary to resort to waivers referred to in articles. 2423 bis, second paragraph and 2423, fifth paragraph of the Civil Code.

The principles and recommendations published by the

Italian Accounting Body (OIC) have been observed, supplemented, when missing, by generally accepted international principles (IAS/IFRS and USGAAP) to give a true and correct representation of the financial and capital position and economic result for the fiscal year.

The supplemental note's purpose is to provide the illustration, analysis and in some cases an integration of the financial statements. It contains the information required by art. 2427 c.c. In addition, it provides all the additional information considered necessary to give the most transparent and complete reading, even if not required by specific legal provisions.

The financial statements are accompanied by the Management Report, drafted according to the indications given by art. 2428 of the Civil Code.

Drafting Criteria

Pursuant to the provisions of article 2423 bis of the Civil Code, when drafting the financial statements, steps were taken to:

- evaluate individual items prudently and in anticipation of normal business continuity;
- include only the profits actually made during the fiscal year;
- determine revenues and costs pursuant to the time limit, and regardless of their financial manifestation;
- include all liability risks and losses, even if they become known after fiscal year end;
- consider separately, for the relative valuation, the heterogeneous elements included in the various financial statement items;
- keep unchanged the evaluation criteria adopted with respect to the previous fiscal year.

The following financial statement assumptions are respected as set out in OIC 11 par. 15:

- a) prudence;
- b) business continuity perspective;
- c) substantial representation;
- d) competence;
- e) consistency in the evaluation criteria;
- f) relevance;
- g) comparability.

Business continuity perspective

The financial statement items were evaluated from the business continuity perspective and therefore considering the fact that the company constitutes a functioning economic complex, destined, at least for a foreseeable period in the future (12 months from the reporting date), to the production of income.

In the prospective assumption of business continuity, no significant uncertainties emerged, not even in the face of the tensions produced by the extraordinary events that characterized the global economic system during 2023.

Evaluation Criteria

The following criteria are applied in detail in the evaluation of financial statements, pursuant to the provisions of art. 2426 of the Civil Code.

Intangible fixed assets

Intangible assets and future utility costs are accounted at the cost including ancillary charges. These costs are recorded in assets with the prior consent, as legally required, of the Board of Statutory Auditors and amortized in constant shares. The amortization period for intangible fixed assets recorded in the financial statement is five years for installation and expansion costs, for research and development expenses and for industrial patent rights, 20 years for trademarks and 18 years for start-up.

Revaluation L. 126/2020

In the financial statements as of 31 December 2020, the company used the option provided by L. 126/2020, revaluing the corporate brand for a total of 4,978,660 euros.

The recorded value as a result of the revaluation was determined based on a special estimate report drafted by a specialized professional and represents the average of the values that emerged applying the criterion of “Relief from Royalty.”

The registered value is not higher than that actually attributable to the brand pursuant to art. 110 paragraph 7 of the same L. 126/2020.

A corresponding reserve was recorded in the equity net of the replacement tax to be paid to attribute fiscal importance to the revaluation.

With reference to the unforeseen provisions in art. 1, paragraphs 622, 623 and 624 of the Law of 30 December 2021 No. 234 (2022 Budget Law), the company has maintained the definition of the civil amortization period of the revalued brand values at 20 years compared to the tax value finally set at 50 years, with the consequent recording of the related effects regarding early taxation.

Tangible fixed assets

Tangible fixed assets are recognized on the date on which the risks and benefits associated with the acquired assets are transferred and recorded, within the recoverable value limit, at the purchase or production cost net of the related amortization funds, including all costs and ancillary charges directly attributable to the indirect costs inherent to domestic production, as well as the costs related to the financing of domestic manufacturing incurred during the manufacturing period and up to the moment the asset can be used.

The costs incurred on existing assets for expanding, modernizing and improving structural elements, as well as those incurred to increase their compliance with the purposes for which they were acquired, and extraordinary maintenance pursuant to the provisions of OIC 16 in paragraphs 49 to 53, were capitalized only in the presence of a significant and measurable increase in production capacity or useful life.

The cost of fixed assets, the use of which is limited in time is systematically amortized in each fiscal year based on economic-technical rates determined regarding the remaining possibility of use.

The rates that reflect the result of the technical amortization plans have been applied, confirmed by the companies and reduced by 50% for acquisitions in the year, as the conditions set out in OIC 16 par.61 exist for the latter.

The rates applied are specified below:

Former FIBA building - GAPI bankruptcy building	3%
San Zeno Building - C.D. Branch Building	1,50%
Generic implants	7,50%
C.D. branch plants	7,50%
Alarm systems	7,50%
San Zeno Lifts	3,75%
Refining plants	3,75%
Photovoltaic system	3%
4.0 machinery and plants	15%
Ingot development machinery	15%
Laboratory testing machines	7,50%
Ingot production machinery	7,50%
C.D. branch machinery	10%
C.D. branch equipment	10%
Miscellaneous equipment	7,50%
Vehicles	25%
Office machines	20%
Furnishings	15%
Office furniture	12%

Based on a precise application of the accounting standard OIC 16, and also following a revision of the estimates of the capital fixed assets' useful life, in the year ended 31 December 2008, the part of the cost referring to the areas where they are based was separated.

The value attributed to these areas has been identified based on a flat estimate criterion that allows distribution of the unit cost, for consistency, in the amount of 20% of the property cost net of capitalized incremental costs and any revaluations made.

Starting from the year ended 31 December 2008, the amortization shares relating to the above-mentioned land value were no longer allocated. Based on the updated corporate estimates, they are considered assets not subject to degradation and with an unlimited useful life.

Financial fixed assets

Financial fixed assets are recorded at the cost of purchase or subscription pursuant to art. 2426 C.C.

Financial leasing transactions

Pursuant to art. 2427 No. 22 C.C., a summary statement is set out below in this supplemental note; it provides information regarding financial leasing transactions involving the transfer to the lessee of the predominant part of the risks and benefits inherent to the assets subject to the contract.

Inventories

The evaluations were conducted in continuity with the criteria already adopted in previous years. Raw materials were evaluated applying the price of metal AU, AG, PT and PD as of 29 December 2023, while for machinery, consumables and food goods (subject to a previous commercial project), the specific cost criterion was applied.

Derivative financial instruments

These are financial instruments such as swap contracts to cover metal buying and selling transactions. Considering the chosen transaction, temporary differences are detected and liquidated daily, compared to the date of fixing the purchase and/or sale price. All these differences regarding contracts open as of 31 December 2022 and already completely closed in the first months of the year 2023 were accounted for among the credits/debts relating to negative/positive differences, respectively. For the related income consequences, all these differences are sterilized by a transaction specularly contrary to the sale or purchase of physical metal.

Receivables / Credits

Credits are classified as fixed assets or current assets based on their destination/origin with respect to ordinary assets.

The amounts due within and after the fiscal year are divided with reference to the contractual or legal deadline. This also considers facts and events that may cause a change in the original deadline, the debtor's realistic ability to fulfill the obligation within the contractual terms and a time horizon considered reasonable to claim the credit.

Credits pursuant to art. 2426, paragraph 1 number 8 of the Civil Code are recorded according to the amortized cost criterion, with the exception of credits for which are irrelevant the effects of application of the amortized cost, pursuant to art. 2423 paragraph 4 of the Civil Code, (maturity of fewer than 12 months).

Due to the principle of relevance already mentioned, the credits have not been updated if the interest rate deducted from the contractual conditions is not significantly different from the market interest rate.

Credits for which the amortized cost criterion has not been applied have been recognized at the presumable realizable value. Regardless of whether or not the amortized costs are applied, they are represented in the financial statement net of the registration of a devaluation fund to cover the credits considered uncollectible, as well as the generic risk related to the remaining credits. These figures are based on estimates founded on past experience, the trend in the seniority indices of overdue credits, the general economic situation, sector and country risk, as well as on the events that occurred after fiscal year end and have an impact on the values as of the financial statement date.

Tax credits and assets for prepaid taxes

The 'Tax credits' item includes certain and determined amounts deriving from credits for which a conversion right has arisen through reimbursement or in compensation.

The 'Prepaid tax' item includes assets for early taxes determined based on deductible temporary differences or the repayment of tax liabilities, applying the estimated rate in force at the time when these differences are considered to be reversed.

Liquid assets

Cash assets are expressed at their nominal value.

Accruals and rebates

The accruals and prepaid income were recorded based on the principle of temporal economic accrual and contain the accruing revenues/costs for the fiscal year and due in subsequent fiscal years and the revenues/costs incurred by fiscal year end but covered by subsequent years.

Provisions for risks and charges

Funds for risk represent liabilities related to situations that existed on the financial statement date, but occurrence of which is only probable.

Expenditure funds represent certain liabilities, related to negative components of income for the fiscal year, but which will have a cash manifestation in the following year.

The estimation process is conducted and/or adjusted to the financial statements' closing date based on past experience and every useful element available.

In accordance with OIC 31 par.19, since the classification criterion by nature of costs must prevail, provisions to funds, risks and expenses are registered among the items of the management activity to which the transaction relates (characteristic, ancillary or financial).

Employees severance indemnities

Severance pay is recorded in compliance with the provisions of current legislation and corresponds to the Company's actual commitment to individual employees on the financial statement closing date, minus the advances paid.

Payables / Debits

Debts, pursuant to art. 2426, paragraph 1 number 8 of the Civil Code, are recorded according to the amortized cost criterion, with the exception of debts under the effects of the application of the amortized cost, pursuant to art. 2423 paragraph 4 of the Civil Code, are irrelevant (maturity less than 12 months). Due to the principle of relevance already mentioned, the debts have not been updated if the interest rate deducted from the contractual conditions is not significantly different from the market interest rate.

The 'time factor' referred to in art. 2426, paragraph 1 number 8, by discounting debts due over 12 months in the event of a significant difference between the effective interest rate and the market rate.

Debts for which the amortized cost criterion has not been applied have been recognized at nominal value.

The amounts due before and after the fiscal year are divided with reference to the contractual or legal deadline, also considering facts and events that may cause a change in the original deadline.

Debts originating from acquisitions of assets are recorded at the time the risks, charges and benefits are transferred; those relating to services are recognized at the time the service is performed; financial and other debts when the obligation to the counterparty arises.

Tax debts include liabilities for certain and determined taxes, as well as withholding taxes made as a substitute, and not yet paid on the financial statement date, and, when compensation is allowed, are recorded net of prepayments, withholding taxes and tax credits.

Currency values

Monetary assets and liabilities in currency are recorded at the spot exchange rate at fiscal year end, with related foreign exchange gains and losses attributed to the income statement.

Any net profit deriving from the exchange rate adjustment is recorded, for the part not absorbed by the possible fiscal year loss, in a special reserve that cannot be distributed until the moment of realization.

Non-monetary currency assets and liabilities are recorded at the exchange rate in effect at the time of their purchase, and, pursuant to OIC 26 par.31, when drafting the financial statements, this cost is compared, according to the reference accounting principles, with the recoverable value (fixed assets) or with the value deductible from market performance (current assets).

Costs and revenues

Costs and revenues are recorded based on accrual principle. The revenues related to sales and the costs for purchase of the goods are charged at the time of the ownership transfer, which is normally identified with the delivery of the goods. Dividends are entered in the financial statement according to the cash principle.

Income taxes

These are recorded based on a prudent interpretation of current tax legislation and considering the tax credits due. Prepaid and deferred taxes are also considered when the conditions for their registration are met. These taxes are calculated on the temporary cumulative differences between financial statement results and tax-relevant income components based on the rates estimated at the time of their tax relevance. The net difference between deferred and prepaid taxes is recorded in the financial statement with an allocation in a specific income statement item.

INFORMATION ON THE FINANCIAL STATEMENT ASSETS

Fixed Assets

Total Intangible Fixed Assets

Intangible fixed assets amount to €8,677,738 (€8,756,279 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	START UP AND EXPANSIONS COSTS	RESEARCH, DEVELOPMENTS & ADVERTISING COSTS	INDUSTRIAL PATENTS AND INTELLECTUAL PROPERTY RIGHTS	CONCESSIONS, LICENSES, TRADEMARKS, AND SIMILAR RIGHTS	GOODWILL	ASSETS IN PROGRESS AND ADVANCES	OTHER	TOTAL FIXED INTANGIBLE ASSETS
Value at fiscal year start								
Cost	37.078	463.306	25.976	4.512.643	1.392.876	1.487.224	837.176	8.756.279
Financial statement value	37.078	463.306	25.976	4.512.643	1.392.876	1.487.224	837.176	8.756.279
Changes in the fiscal year								
Acquisition increases	0	204.486	19.918	0	0	415.873	139.103	779.380
Depreciation for the fiscal year	18.539	229.073	15.389	250.952	78.904	0	265.065	857.922
Other changes	0	0	0	1	0	0	0	1
Total changes	-18.539	-24.587	4.529	-250.951	-78.904	415.873	-125.962	-78.541
Year-end value								
Cost	18.539	438.719	30.505	4.261.692	1.313.972	1.903.097	711.214	8.677.738
Financial statement value	18.539	438.719	30.505	4.261.692	1.313.972	1.903.097	711.214	8.677.738

Tangible fixed assets

Tangible fixed assets amount to €10,275,357 (€7,896,173 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	LAND AND BUILDINGS	PLANTS AND MACHINERY	INDUSTRIAL AND COMMERCIAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TOTAL TANGIBLE ASSETS
Value at fiscal year start					
Cost	4.804.923	6.199.140	167.611	219.957	11.391.631
Depreciation (Depreciation Fund)	795.358	2.385.405	142.482	172.213	3.495.458
Financial statement value	4.009.565	3.813.735	25.129	47.744	7.896.173
Changes in the fiscal year					
Acquisition increases	957.575	1.984.961	39.614	35.256	3.017.406
Depreciation for the fiscal year	100.280	503.018	8.422	26.502	638.222
Total changes	857.295	1.481.943	31.192	8.754	2.379.184
Year-end value					
Cost	5.762.498	8.165.201	207.225	255.213	14.390.137
Depreciation (Depreciation Fund)	895.638	2.869.523	150.904	198.715	4.114.780
Financial statement value	4.866.860	5.295.678	56.321	56.498	10.275.357

Financial leasing transactions

Below is the information concerning financial leasing transactions, pursuant to art. 2427, paragraph 1 number 22 of the Civil Code:

	TOTAL AMOUNT OF ASSETS UNDER FINANCIAL LEASE AT FISCAL YEAR END	DEPRECIATIONS THAT WOULD HAVE BEEN ACCRUED FOR THE FISCAL YEAR	ADJUSTMENTS AND RECOVERIES OF VALUE THAT WOULD HAVE PERTAINED TO THE FISCAL YEAR	PRESENT VALUE OF UNEXPIRED RENT INSTALLMENTS AT FISCAL YEAR END	FINANCIAL EXPENSES FOR THE FISCAL YEAR BASED ON THE EFFECTIVE INTEREST RATE
Amount	758.500	61.500	0	557.383	3.828

Financial fixed assets

Investments, other securities and active financial derivatives

The investments included in financial fixed assets amounted to €3,270,361 (€2,702,628 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	INVESTMENTS IN CONTROLLED COMPANIES	INVESTMENTS IN OTHER COMPANIES	TOTAL PARTICIPATIONS	FINANCIAL FIXED ASSETS
Value at fiscal year start				
Cost	584.793	2.117.835	2.702.628	992.254
Financial statement value	584.793	2.117.835	2.702.628	992.254
Changes in the fiscal year				
Acquisition increases	100.000	467.733	567.733	0
Other changes	0	0	0	-741.406
Total changes	100.000	467.733	567.733	-741.406
Year-end value				
Cost	684.793	2.585.568	3.270.361	250.848
Financial statement value	684.793	2.585.568	3.270.361	250.848

Credits

The receivables included in financial fixed assets amounted to €13,176,254 (€12,989,978 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	INITIAL NOMINAL AMOUNT	INITIAL DEVALUATION FUND	INITIAL NET VALUE	PROVISIONS TO THE DEVALUATION FUND	USES OF THE DEVALUATION FUND
To subsidiaries receivable beyond the next fiscal year	528.319	0	528.319	0	0
To other receivables within the next fiscal year	322.998	0	322.998	0	0
To other receivables after the next fiscal year	12.138.661	0	12.138.661	0	0
Total	12.989.978	0	12.989.978	0	0

	(DEVALUATIONS) /VALUE RECOVERY	RECLASSIFIED BY/ (TO) OTHER ITEMS	OTHER MOVEMENTS INCREASES/ (DECREASES)	FINAL NOMINAL AMOUNT	FINAL DEVALUATION FUND	FINAL NET VALUE
To subsidiaries receivable beyond the next fiscal year	0	0	0	528.319	0	528.319
To other receivables within the next fiscal year	0	0	5.925	328.923	0	328.923
To other receivables after the next fiscal year	0	0	180.351	12.319.012	0	12.319.012
Total	0	0	186.276	13.176.254	0	13.176.254

The summary movements are represented below:

	VALUE AT FISCAL YEAR START	CHANGES IN THE FISCAL YEAR	YEAR-END VALUE	SHARE DUE BY FISCAL YEAR END	SHARE MISSING BEYOND THE FISCAL YEAR	WITH A REMAINING PERIOD OF MORE THAN 5 YEARS
Fixed assets to subsidiaries	528.319	0	528.319	0	528.319	0
Fixed assets to others	12.461.659	186.276	12.647.935	328.923	12.319.012	0
Total fixed assets	12.989.978	186.276	13.176.254	328.923	12.847.331	0

The fixed assets of euro 313,730 relate to the credit to the subsidiary Mintata SAS and, for euro 12,319,012, refer to the unpaid portion of the credit after the fiscal year to Tuscany Group Srl originating from the sale of the shareholding in Intertuscany Srl.

Investments in controlled companies

Below are the data for investments in controlled companies, pursuant to art. 2427, paragraph 1 number 5 of the Civil Code:

NAME	CITY, IF IN ITALY, OR FOREIGN COUNTRY	TAX CODE (FOR ITALIAN COMPANIES)	CAPITAL IN EUROS	PROFIT (LOSS) LAST YEAR IN EURO	NET ASSETS IN EUROS	SHARE HELD IN EUROS	SHARE HELD IN %	FINANCIAL STATEMENT VALUE OR RESPECTIVE CREDIT
GOLD LAKE IP SRL	AREZZO	01947210512	120.000	11.717	262.009	120.000	100,00	584.793
ITALPREZIOSI GOLD INVEST SRL	AREZZO	02469440511	100.000	0	0	100.000	100,00	0
Total								584.793

The subsidiary Gold Lake IP Srl has as its object the supply chain traceability design, from mining to refining and the subsequent exclusive sale of ethical gold to Cartier. However, at present, it is not operational. The data indicated in the table above refer to the financial statements closed as of 31 December 2022 as the financial statements as of 31 December 2023 have not yet been filed.

The subsidiary ItalGold Invest Srl has as its object the trade of “investment gold.” Notary Martini of Arezzo established the company on 28 December 2023 and the first financial statements for the fiscal year will be those of 31/12/2024. It is currently in a preparatory phase for the start of the business program for which it was established.

Fixed assets - Breakdown by geographical area

Below are the data relating to the division of fixed assets by geographical area, pursuant to art. 2427, paragraph 1 number 6 of the Civil Code:

	GEOGRAPHIC AREA	FIXED ASSETS TO SUBSIDIARIES	FIXED ASSETS TO OTHERS	TOTAL FIXED ASSETS
	ITALY	528.319	12.319.012	12.847.331
	ABROAD	0	328.923	328.923
Total		528.319	12.647.935	13.176.254

Detail of value of fixed assets in other companies

DESCRIPTION	BOOK VALUE
BANCO POPOLARE	4.241
PRATACCI SHOPPING CENTER	276
CONAI CONSORTIUM	281
BANCA DI CREDITO COOPERATIVO DI ANGHIARI E STIA	10.296
STARCORE INTERNATIONAL MINES	1.225.270
ARIS MINING CORP	873.631
MINTATA SAS	3.840
CONSORZIO ENERGIA TOSCANA SUD	300
DENARIUS METALS CORP	467.433
Total	2.585.568

Note, in March 2023, newly issued shares of the mining company Denarius Metals Corp, a Canadian company listed on the Toronto Stock Exchange that owns two gold projects in Colombia (Zancudo and Guia Antica), a polymetallic project in northeastern Spain (gold, silver, zinc and lead) in the Lomero-Poyatos mines and which has acquired the rights to take over a mine north of Madrid, a silver, lead, and zinc polymetallic project called “Toral.”

Current Assets

Inventories

The quantities were recorded using a physical inventory drafted at fiscal year end.

The inventories included in current assets amounted to €34,220,077 (€19,733,058 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	VALUE AT FISCAL YEAR START	FISCAL YEAR VARIATION	YEAR-END VALUE
Finished products and merchandise	19.733.058	14.487.019	34.220.077
Total inventories	19.733.058	14.487.019	34.220.077

Credits / Receivables

The credits included in current assets amount to €13,564,445 (€19,796,401 in the previous fiscal year).

Credits / Receivables - Separation by maturity

Below are the data for the division of credits by maturity, pursuant to art. 2427, paragraph 1 number 6 of the Civil Code:

	VALUE AT FISCAL YEAR START	FISCAL YEAR VARIATION	YEAR-END VALUE	PART DUE BY FISCAL YEAR END	PART MISSING BEYOND THE FISCAL YEAR	WITH A REMAINING TERM OF MORE THAN 5 YEARS
Credits to customers registered in current assets	9.321.339	-1.548.645	7.772.694	7.772.694	0	0
Tax credits recorded in current assets	421.220	232.747	653.967	653.967	0	0
Deferred tax assets recorded in current assets	393.414	133.692	527.106			
Current asset credits to other shareholders	9.660.428	-5.049.750	4.610.678	4.591.011	19.667	0
Total credits recorded in current assets	19.796.401	-6.231.956	13.564.445	13.017.672	19.667	0

The 'Tax credits' item relates to the prepayments made on income taxes and the VAT credit.

The 'Prepaid tax' item of €527,106 relates to the gap between tax and civil jurisdiction over amortization of the brand revaluation for €108,000 and the difference of €419,106 is due to provisions on the taxed risk fund.

Credits - Breakdown by geographical area

Below are the data for the division of credits registered in current assets by geographical area, pursuant to art. 2427, paragraph 1 number 6 of the Civil Code:

Geographic area	TOTAL	
	ITALY	ABROAD
Credits to customers registered in current assets	7.772.694	5.384.764
Tax credits recorded in current assets	653.967	0
Deferred tax assets recorded in current assets	527.106	0
Current asset credits to other shareholders	4.610.678	3.725.996
Total credits recorded in current assets	13.564.445	9.110.760

Liquid assets

The cash assets included in current assets amounted to €47,749,543 (€55,488,753 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	VALUE AT YEAR START	YEAR VARIATION	YEAR-END VALUE
Bank and postal deposits	55.473.325	-7.740.154	47.733.171
Money and other cash values	15.428	944	16.372
Total cash flow	55.488.753	-7.739.210	47.749.543

Accruals and prepaid income

Accruals and prepaid income amounted to €1,092,177 (€485,316 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	VALUE AT YEAR START	YEAR VARIATION	YEAR-END VALUE
Active accruals	9.876	69.541	79.417
Prepaid expenses	475.440	537.320	1.012.760
Total accruals and prepaid expenses	485.316	606.861	1.092.177

Composition of active accruals:

	DESCRIPTION	AMOUNT
	GSE income	6.204
	Derivative financial income	31.013
	Financial income	42.200
Total		79.417

Composition of prepaid expenses:

	DESCRIPTION	AMOUNT
	Interest expense coverage premiums	229.445
	Technical assistance	9.836
	Insurances	119.807
	Legal fees	32.196
	Expenses and certification costs.	2.613
	Publicity	77.044
	Software fees	3.592
	Rental fee	3.157
	Leasing fees	252.885
	Bank fees	213.340
	Fair expenses	3.534
	Expenses for financial information services.	15.577
	Transportation	11.446
	Consulting	36.132
	Others of an unappreciable amount	2.156
Total		1.012.760

INFORMATION ON FINANCIAL STATEMENT LIABILITIES AND NET WORTH

Net Worth

Existing equity at fiscal year end amounted to €36,576,291 (€35,328,852 in the previous fiscal year).

The following statements highlight the movement experienced during the fiscal year by the individual items that make up the Net Assets:

	VALUE AT YEAR START	DIVIDEND	OTHER DESTINATIONS	INCREASES
Share capital	25.000.000	0	0	0
Legal reserve	1.636.084	0	117.000	0
Statutory reserve	5.026.934	0	1.716.581	0
Other reserves				
Various other reserves	-1	0	0	3
Total other reserves	-1	0	0	3
Reserve for operations to cover expected cash flows	992.254	0	0	0
Retained profits (losses)	340.000	0	500.000	0
Profit (loss) for the fiscal year	2.333.581	0	-2.333.581	0
Total Net Worth	35.328.852	0	0	3

	DECREES	RECLASSIFICATIONS	OPERATING RESULT	YEAR-END VALUE
Capital	0	0		25.000.000
Legal reserve	0	0		1.753.084
Statutory reserve	0	0		6.743.515
Other reserves				
Various other reserves	0	0		2
Total other reserves	0	0		2
Reserve for operations to cover expected cash flows	0	-741.406		250.848
Retained profits (losses)	230.000	0		610.000
Profit (loss) for the fiscal year	0	0	2.218.842	2.218.842
Total Net Worth	230.000	-741.406	2.218.842	36.576.291

Hedging for expected cash flows

The information required by article 2427-bis, paragraph 1 number 1 letter b-quater) of the Civil Code regarding the specification of transactions during the fiscal year is summarized in the table below:

	HEDGING FOR EXPECTED CASH FLOWS
Value at fiscal year start	992.254
Changes in the fiscal year	
Decrease due to change in fair value	741.406
Year-end value	250.848

The reserve represents the positive change between the fair value at fiscal year end and the notional value of the three-year IRS interest rate coverage contract on 90% of the loan subscribed in a banking pool with a SACE guarantee.

Availability and use of equity items

The information required by article 2427, paragraph 1 number 7-bis of the Civil Code regarding the specification of equity items with reference to their origin, possibility of use and distributability, as well as their use in previous years, can be deduced from the statements below:

	AMOUNT	POTENTIAL USE	AVAILABLE QUOTA
Capital	25.000.000		0
Legal reserve	1.753.084	AB	1.753.084
Statutory reserve	6.743.515	ABCD	6.743.515
Other reserves			
Various other reserves	2		0
Total other reserves	2		0
Reserve for operations to cover expected cash flows	250.848		0
Profits carried over	610.000		0
Total	34.357.449		8.496.599
Remaining distributable share			8.496.599
Legend: A: for capital increase B: for loss coverage C: for distribution to shareholders D: for other statutory constraints E: other			

Provisions for Risks and Charges

The funds for risks and expenses are recorded in liabilities for a total of €1,746,274 (€1,339,224 in the previous year). The composition and movements of the individual items are represented as follows:

	FUND FOR RETIREMENT TREATMENT AND SIMILAR OBLIGATIONS	FUND ALSO FOR DEFERRED TAXES	PASSIVE DERIVATIVE FINANCIAL INSTRUMENTS	OTHER FUNDS	TOTAL FUNDS FOR RISKS AND CHARGES
Value at fiscal year start	0	0	0	1.339.224	1.339.224
Changes in the fiscal year					
Fiscal year provision	0	0	0	500.000	500.000
Use in fiscal year	0	0	0	92.950	92.950
Total changes	0	0	0	407.050	407.050
Year-end value	0	0	0	1.746.274	1.746.274

The provision for a generic risk fund has been recorded in the risk funds for euro 500,000.00.

Employees severance charge indemnities

Severance pay is included among the liabilities for a total of €840,050 (€706,672 in the previous fiscal year).

The composition and movements of the individual items are represented as follows:

	SEVERANCE PAY
Value at fiscal year start	706.672
Changes in the fiscal year	
Fiscal year provision	190.022
Use in fiscal year	56.644
Total changes	133.378
Fiscal year-end value	840.050

Debts / Payables

Debts are recorded in liabilities for a total of €91,696,994 (€91,202,293 in the previous fiscal year).

Debts / Payables - Breakdown by Deadline

Below are the data for division of debts by maturity, pursuant to art. 2427, paragraph 1 number 6 of the Civil Code:

	VALUE AT FISCAL YEAR START	FISCAL YEAR VARIATION	FISCAL YEAR-END VALUE	SHARE DUE BY FISCAL YEAR END	SHARE MISSING BEYOND THE FISCAL YEAR	WITH DURATION OF MORE THAN 5 YEARS
Debts to banks	69.798.609	-17.581.634	52.216.975	43.417.707	8.799.268	0
Down payments	2.357.380	4.990.526	7.347.906	7.347.906	0	0
Debts to suppliers	17.189.865	13.666.127	30.855.992	30.855.992	0	0
Tax debts	882.693	-708.466	174.227	174.227	0	0
Debts to social security and social security institutions	132.054	10.419	142.473	142.473	0	0
Other debts	841.692	117.729	959.421	959.421	0	0
Total debts	91.202.293	494.701	91.696.994	82.897.726	8.799.268	0

The 'Debt to banks' item equal to €52,216,975 includes long term borrowing, including the transaction in a banking pool with a SACE guarantee of the remaining amount of €15,000,000, which expresses the actual debt for capital and ancillary expenses accrued and receivable.

The 'Tax debts' item includes withholding taxes for company relationships with employees and professionals and the remaining installment debt relating to the tax substitution for the brand revaluation.

Debts / Payables - Breakdown by geographical area

Below are the data for the division of debts by geographical area, pursuant to art. 2427, paragraph 1 number 6 of the Civil Code:

	TOTAL	ITALY	ABROAD
Geographic area		ITALY	ABROAD
Debts to banks	52.216.975	34.388.603	17.828.372
Down payments	7.347.906	1.150.280	6.197.626
Debts to suppliers	30.855.992	12.370.888	18.485.104
Tax debts	174.227	174.227	0
Debts to social security and social security institutions	142.473	142.473	0
Other debts	959.421	959.421	0
Debits	91.696.994	49.185.892	42.511.102

Debts backed by collateral on social assets

Below is the information concerning real guarantees on company assets, pursuant to art. 2427, paragraph 1 number 6 of the Civil Code:

	DEBTS NOT BACKED BY COLLATERAL	TOTAL
Debts to banks	52.216.975	52.216.975
Down payments	7.347.906	7.347.906
Debts to suppliers	30.855.992	30.855.992
Tax debts	174.227	174.227
Debts to social security and social security institutions	142.473	142.473
Other debts	959.421	959.421
Total debts	91.696.994	91.696.994

Accruals and Deferred Income

Accruals and deferred income are recorded in liabilities for a total of €1,417,191 (€263,799 in the previous fiscal year). The composition and movements of the individual items are represented as follows:

	VALUE AT FISCAL YEAR START	FISCAL YEAR VARIATION	FISCAL YEAR-END VALUE
Accrued liabilities	218.111	682.354	900.465
Passive feedback	45.688	471.038	516.726
Total accrued and deferred income	263.799	1.153.392	1.417.191

Composition of passive accruals:

DESCRIPTION	AMOUNT
Bank interest expense	520.359
Fees and availability of funds	9.200
Interest capitalization	367.270
Bank fees	3.636
Total	900.465

Composition of deferred income:

DESCRIPTION	AMOUNT
Property tax credit. 4.0	513.613
Revenue per rental	3.113
Total	516.726

INCOME STATEMENT INFORMATION

Production Value

Revenue from sales and benefits - Breakdown by activity category

Pursuant to the provisions of art. 2427, paragraph 1 number 10 of the Civil Code, the breakdown of revenues by activity categories is set out in the following statements:

	ACTIVITY CATEGORY	CURRENT FISCAL YEAR VALUE
	Revenues from sales	3.166.277.188
	Services	1.449.722
	Other	677.453
Total		3.168.404.363

Revenue from sales and benefits - Breakdown by region

Pursuant to the provisions of art. 2427, paragraph 1 number 10 of the Civil Code, the breakdown of revenues by geographical area is set out in the following statements:

	GEOGRAPHIC AREA	CURRENT FISCAL YEAR VALUE
	ITALY	930.135.997
	ABROAD	2.238.268.366
Total		3.168.404.363

Production Costs

Production costs rose from €3,563,691,428 in 2022 to 3,164,136,324 in 2023, with a decrease of €399,555,104 and are the best divided in the income statement.

Financial Income and Expenses

Interest and other financial expenses - Breakdown by debt types

Pursuant to the provisions of art. 2427, paragraph 1 number 12 of the Civil Code, the subdivision of the “interest and other financial expenses” item is set out below:

	INTEREST AND OTHER FINANCIAL CHARGES
Debts to banks	6.068.406
Total	6.068.406

Foreign exchange gains and losses

Below is the information concerning the division of foreign exchange gains and losses deriving from the fiscal year-end valuation compared to those actually realized:

	EVALUATION PART	PART MADE	TOTAL
Profit on foreign exchange	0	734.286	734.286
Foreign exchange losses	0	497.016	497.016

Operating Income Taxes, Current, Deferred and Advance

The composition of the individual voices is represented as follows:

	CURRENT TAXES	TAXES RELATED TO PREVIOUS YEARS	DEFERRED TAXES	PREPAID TAXES	INCOME (EXPENSES) FROM JOINING THE CONSOLIDATED TAX SYSTEM/TAX TRANSPARENCY
IRES	805.339	0	0	133.692	
IRAP	328.419	0	0	0	
Total	1.133.758	0	0	133.692	0

Deferred taxes also contain the transfers relating to the initial findings of the 'Deferred Tax Fund' that directly affected the equity.

The following schedules, drafted based on the indications suggested by OIC 25, contain the information required by art. 2427, paragraph 1 number 14, letters a) and b) of the Civil Code. They contain information on the summary values of the fiscal year transaction of 'Total Early and Deferred Taxation' and on the composition of the deductible temporary differences that gave rise to 'Prepaid Tax Assets.'

	IRES
A) Temporary differences	
Total deductible temporary differences	557.050
Total taxable temporary differences	0
Net temporary differences	-557.050
B) Tax effects	
Deferred (anticipated) tax fund at fiscal year start	-393.414
Deferred (anticipated) taxes for the fiscal year	-133.692
Deferred tax fund (anticipated) at the end of the year	-527.106

DESCRIPTION	AMOUNT AT PRIOR FISCAL YEAR-END	VARIATION OCCURRED DURING THE FISCAL YEAR	AMOUNT AT FISCAL YEAR END	IRES RATE	IRES TAX EFFECT	IRAP RATE	IRAP TAX EFFECT
Credit devaluation and provisions for risks on non-deductible credits	480,000	-72,950	407,050	24.00	97,692	0	0
Brand	150,000	0	150,000	24.00	36,000	0	0

The tax credit and debt amounts are shown in the financial statements considering the compensation between them based on the regulatory provisions in this regard according to the following detail:

A) Offset tax credits	
R&D tax credit	580.654
VAT credit	73.313
GSE withholding taxes	2.007
Interest withholding	35.586
Ires accounts	656.753
Irap accounts	338.419
B) Offset tax debts	
IRES Debt	805.339
IRAP debt	328.419
TFR tax deposit	6.349

OTHER INFORMATION

Research and development activities

During the 2023 fiscal year, the company also conducted structured and constant research and development activity for technological innovation and focused its efforts especially on the following projects considered to be particularly innovative, the facility in San Zeno, Arezzo.

In summary, the following individual projects were developed:

- study and development of BPMN models for “cash flow management” of “physical metal” and algorithms for managing transaction hedging and information exchange with the current accounting system interfaced with a software platform developed and suitably adapted to business needs;
- study and experimental development of innovative Sustainable Gold projects: from the “responsible supply chain” to laboratory tests to evaluate plant solutions with physical methods to contain the costs of separating “sustainable” gold and precious metals without using chemicals. During 2023, further studies were conducted on the entire electrochemical refining process of silver material, with particular attention to the operating parameters of amperage, temperature and concentration of base metals in the anodes. Study involved the reduction process applied to the spent electrolyte waste solution to achieve a higher degree of conversion, and therefore of the recovery of silver and other precious metals still present in the solution before final disposal;
- study and development of an operating model by obtaining ISO 9001 and Carbon Footprint certifications, formalizing and reviewing existing business procedures and processes, increasing the “green company reputation” towards partners, suppliers and potential new professional collaborations.

It is hoped that these innovations' positive outcome will generate results in terms of increasing turnover and boosting business efficiency, with favorable effects on the economy of management.

Other Information

Company:

a) as required by Legislative Decree No. 14/2019 (Business Crisis and Insolvency Code), adopts an organizational, administrative and accounting structure appropriate to the company's nature, also depending on timely detection of the business crisis and taking appropriate initiatives;

b) adopted, by resolution of the Board of Directors of 26 October 2022, the “Prevention Model” referred to in Leg. Dec. No. 231/2001” and was updated and integrated into its revised version as of 31 January 2024, subject to analysis and consent at the Board of Directors meeting of 5 March 2024. The Collegial Supervisory Board has been appointed;

c) has equipped itself with a “Whistleblowing platform” that appears to meet current legislation on the matter;

d) has assumed the qualification of benefit corporation pursuant to and for the effects of law No. 208/2015.

Employment data

Below is the information concerning the staff, pursuant to art. 2427, paragraph 1 number 15 of the Civil Code:

	AVERAGE NUMBER
Manager	11
White Collar	40
Blue Collar	33
Total Employees	84

Compensation to corporate bodies

Below is the information concerning the directors and auditors, pursuant to art. 2427, paragraph 1 number 16 of the Civil Code:

	TRUSTEES	AUDITORS
Compensation	350.000	35.000

Compensation to the statutory auditor or to the auditing firm

Below is the information regarding compensation to the statutory auditor or to the auditing firm pursuant to art. 2427 paragraph 1 number 16 bis of the Civil Code:

	VALUE
Statutory review of annual accounts	28.350
Total fees due to the statutory auditor or auditing firm	28.350

Categories of shares issued by the company

The information required by article 2427, paragraph 1 number 17 of the Civil Code regarding the data on the shares that make up the company's capital, the number and nominal value of the shares subscribed during the fiscal year can be deducted from the following schedule

	DESCRIPTION	INITIAL CONSISTENCY, NUMBER	INITIAL CONSISTENCY, NOMINAL VALUE	FINAL CONSISTENCY, NUMBER	FINAL CONSISTENCY, NOMINAL VALUE
	ORDINARY SHARES	5.000.000	5	5.000.000	5
Totale		5.000.000	5	5.000.000	5

Potential commitments, guarantees and liabilities not resulting from the financial statement

Pursuant to the provisions of art. 2427, paragraph 1 number 9 of the Civil Code, the following schedule shows commitments, guarantees and potential liabilities not resulting from the financial statement:

	AMOUNT
Commitments	655.801

These commitments do not result from the financial statement, are not quantifiable, and refer to a "lease-back" transaction No. A1D78263 with BNL Leasing Spa signed on 20 November 2023 for 60 months, for the purchase of an automatic production line for gold and silver ingots called "Bullion Line."

Related party transactions

Please note, pursuant to art. 2427, paragraph 1 No. 22-bis of the Civil Code, that the company, during the 2023 fiscal year, did not conduct transactions with related parties to report pursuant to this provision.

Information pursuant to art. 1 paragraph 125, of the Law of 4 August 2017 n. 124

Pursuant to art. 1, paragraph 125-bis, of the Law of 4 August 2017, No. 124, the company has received grants, subsidies, advantages, contributions or aid, in cash or in kind, not of a general nature and without consideration, remuneration or compensation, from public administrations referred to in Article 1, paragraph 2, of Legislative Decree 30 March 2001, No. 165 and from the subjects referred to in art. 2-bis of Legislative Decree 14 March 2013, No. 33. Such aid, provided under the de minimis system, is fully published in the National Register of State Aid. As required by paragraph 125-quinquies of the Law of 4 August 2017, this publication fulfils the obligations set out in paragraphs 125 and 125-bis.

PAYING ENTITY	CONTRIBUTION VALUE	PRACTICAL STATUS (DELIBERATED/ DISBURSED/DETERMINED/ COMPENSATED)	DATE	REGULATORY REFERENCE
Italian State	32.014,67€	Second third compensated	16/05/2022 15/02/2023	Research & Development L. 190 as amended 2021
Italian State	35.532,00€	Second third compensated	15/02/2023	Credit 10% capital goods Law 232 of 11/12/2016
Italian State	16.012,91€	Compensated for the first two-thirds	12/05/2023 15/11/2023	Credit 6% capital goods Law 232 of 11/12/2016
Italian State	3.324,03€	The balance has been fully compensated	14/04/2023	Research & Development L. 190 as amended 2020
Italian State	552.800,00€	Determined		Capital goods investment tax credit L. 232/2016 and L. 178/2020

Significant events that occurred after fiscal year end

Finally, on 25 March 2024, the Board of Directors decided to avail itself of the possibility legally and statutorily provided for approval of the financial statement by the shareholders' meeting, within the maximum period of 180 days from the fiscal year end due to the fact that, having, as reported, the same assumed the status of "Benefit Company," for the first time, existed, pursuant to art. 1, par. 382 of law No. 208/2015, the need to fulfill specific, adequately prepared reporting obligations.

Allocation of fiscal year result

Pursuant to the law and the by-laws, we submit for your approval the financial statements as of 31 December 2023, as well as the proposal to allocate the operating profit achieved, equal to €2,218,842.09 as follows:

- 5% rounded, equal to €111,000.00, to the legal reserve;
- €2,107,842.09 to the statutory reserve

BOARD OF DIRECTORS

Ivana Ciabatti - President
Carlo Ferrini - Vice President
Giuseppe Ferrara - Board member
Filippo Dami - Board member
Alice Vanni - Board member

Declaration of Compliance

Copy corresponding to the documents kept at the company.

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING ON THE OCCASION OF APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED 31 DECEMBER 2023, PURSUANT TO ART. 2429, PARAGRAPH 2, OF THE ITALIAN CIVIL CODE

Dear shareholders of ITALPREZIOSI S.p.A.,

The Board of Statutory Auditors of ITALPREZIOSI S.p.A. presents its report pursuant to Article 2429, paragraph 2, of the Italian Civil Code, to account for the supervisory activity pursuant to Article 2403 of the Italian Civil Code conducted during the 2023 financial year and up to the present date.

The Board of Directors made available the following documents approved on 27/05/2024, relating to the year ended 31/12/2023:

- draft financial statements, complete with explanatory notes;
- Directors' Report

During the financial year ended 31/12/2023, our activities were inspired by the provisions of the law and the Rules of Conduct of the Board of Statutory Auditors issued by the National Council of Chartered Accountants and Accounting Experts, in compliance with which we conducted the self-assessment, with a positive outcome, for each member of the Board of Statutory Auditors.

The Board of Statutory Auditors, not being appointed to conduct the statutory audit, conducted the supervisory activities on the financial statements provided for in Rule 3.8 of the "Rules of conduct of the Board of Statutory Auditors of unlisted companies," consisting of an overall summary audit aimed at verifying that the financial statements have been correctly prepared. The verification of compliance with the accounting data is the responsibility of the statutory auditor.

That said, we report on our performance for the year ended 31 December 2023.

Supervisory activities pursuant to art. 2403 and following articles from Italian Civil Code

We have supervised compliance with the law and the Articles of Association, compliance with the principles of proper administration and, in particular, the adequacy of the organizational structures, the administrative and accounting system and their specific functioning.

We have participated in shareholders' meetings and board of directors meetings, regarding which, based on the information available, we have not detected violations of the law and the by-laws, nor manifestly imprudent, risky, potentially conflicting interest or transactions that could compromise the integrity of the company's assets.

During the meetings held, we obtained information from the directors on the general performance of the business and its foreseeable evolution, as well as on the most significant transactions, due to their size or characteristics, conducted by the company and its subsidiaries and, based on the information acquired, we have no particular observations to report.

We met with the statutory auditor and exchanged data and information relevant to the performance of our supervisory activities in a timely manner.

In addition, given that the company has adopted the Organizational Model under former Legislative Decree 8 June 2001, No. 231 and approved by the Board of Directors on 26/10/2022, we met with the Supervisory Body and reviewed its reports, and no critical issues emerged with respect to the correct implementation of the organizational model that should be highlighted in this report.

We have acquired knowledge and supervised, to the extent of our competence, the adequacy and functioning of the company's organizational structure, also through the collection of information from the

heads of the functions. In this regard, we have no particular observations to report.

We acquired knowledge and supervised, as far as our competence is concerned, the adequacy and functioning of the administrative-accounting system, as well as its reliability to correctly represent the management facts, by obtaining information from the heads of the functions and examining the company documents. In this regard, we have no particular observations to report.

The Board of Statutory Auditors has not received any complaints from shareholders pursuant to Article 2408 of the Italian Civil Code.

During the year, the Board of Statutory Auditors did not issue opinions pursuant to the law.

During the year, Italtreppioni assumed the status of a benefit corporation, through a change in its corporate purpose and implementing further regulatory requirements.

The Board of Statutory Auditors has taken note of the Company's preparation of the Impact Report, referring to the financial year ended 31/12/2023 and prepared in compliance with Law 208/2015 on Benefit Corporations. The Company has fulfilled the obligation to draw up an annual report attached to the financial statements, a report that contains the objectives and actions implemented to achieve the purposes of the common benefit, the assessment of the social impact of the business activity and the identification of the objectives for the following year.

During the supervisory activity, as described above, no additional material facts have emerged that would require reporting in this report.

Comments on the financial statements

According to the report of the person appointed to audit the statutory auditor, "The financial statements provide a true and fair representation of the financial position of Italtreppioni s.p.a.s of 31/12/2023, the economic result and cash flows for the year ended on that date pursuant to the Italian rules governing their preparation criteria."

To the best of our knowledge, the directors, in preparing the financial statements, did not waive the provisions of the law pursuant to art. 2423, paragraph 4, of the Italian Civil Code.

Pursuant to art. 2426, No. 5 of the Italian Civil Code, we have consent to the recognition of development costs for € 497,651 in the balance sheet assets.

The net result ascertained by the Board of Directors

for the year ended 31/12/2023, as also evident from the reading of the financial statements, is positive for euro 2,218,842.

The Company has appointed the Independent Auditors BDO, recorded in the registry established at the Ministry of Justice, pursuant to Article 2409-bis et seq. of the Italian Civil Code.

The report of the Independent Auditors pursuant to art. 14 Leg.Dec. 27 January 2010, No. 39 relating to the financial statements for the year ended 31/12/2023 was prepared on 13/06/2024 and does not show any findings of significant deviations; i.e., negative opinions or the impossibility of expressing an opinion or information reminders. Therefore, the opinion issued is positive.

Comments and proposals regarding approval of the financial statements

Considering the results of the activity we performed, as well as the results of the activity conducted by the independent auditors on the statutory audit of the accounts contained in the report pursuant to art. 14 Leg.Dec. 27 January 2010, No. 39, report expressing a positive opinion, the Board of Statutory Auditors

proposes to the Shareholders' Meeting to approve the financial statements for the year ended 31 December 2023, as prepared by the directors.

The Board of Statutory Auditors agrees with the directors' proposal for the allocation of the fiscal year result in the notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT PURSUANT TO ART. 14 OF LEGISLATIVE DECREE 27 JANUARY 2010, NO. 39

ITALPREZIOSI S.P.A.

Independent auditor's report
pursuant to art. 14 of Legislative
Decree 27 January 2010, no. 39

Financial statements at 31 December 2023

This report has been translated into English from the original, that was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.

Independent auditor's report

pursuant to art. 14 of Legislative Decree 27 January 2010, no. 39

To the Shareholders of
Italpreziosi S.p.A.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Italpreziosi S.p.A. (the Company), which comprise the statement of financial position as at 31 December 2023, the statement of income and the statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023 and of its financial performance and its cash flows for the year then ended, in accordance with Italian regulations governing financial statements.

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 financial statements* section of this report. We are independent of the Company in accordance with ethical requirements and standards applicable in Italy to the audit of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the directors and of the audit committee for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with Italian regulations governing financial statements and, within the terms prescribed by 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 Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate use of the going concern assumption, as well as for a proper disclosure of matters related to going concern. The directors use the going concern basis of accounting in preparing the financial statements, unless they either intend to liquidate the Company or to cease operations, or have no realistic alternatives but to do so.

The audit committee is responsible for overseeing, within the terms prescribed by law, the Company's financial reporting process.

Bari, Bologna, Brescia, Cagliari, Firenze, Genova, Milano, Napoli, Padova, Palermo, Roma, Torino, Verona

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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we have identified and assessed the risks of material misstatements in the financial statements, whether due to fraud or error; we have designed and performed audit procedures in response to those risks; we have 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 the risk of not detecting a material misstatement 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 Company's internal control;
- we have evaluated the appropriateness of accounting principles used, as well as the reasonableness of accounting estimates and related disclosures made by the directors;
- we have reached a conclusion on the appropriateness of the directors' use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubts on the Company's ability to continue as a going concern. If a significant 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 modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying events and transactions in a manner consistent with a fair presentation.

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

Report on other legal and regulatory requirements

Opinion pursuant to art. 14, paragraph 2, letter e), of Legislative Decree 27 January 2010, no. 39

The directors of Italtre S.p.A. are responsible for the preparation of the report on operations of Italtre S.p.A. as at 31 December 2023, including its consistency with the related financial statements and its compliance with applicable laws and regulations.

We have performed the procedures required by auditing standard (SA Italia) no. 720B in order to express an opinion on the consistency of the report on operations with the financial statements of Italtre S.p.A. as at 31 December 2023, and on its compliance with applicable laws and regulations, as well as to declare whether it contains material misstatements.

In our opinion, the report on operations is consistent with the financial statements of Italtre S.p.A. as at 31 December 2023 and complies with applicable laws and regulations.

With respect to the statement pursuant to art. 14 paragraph 2 letter e) of Legislative Decree 27 January 2010, no. 39, issued on the basis of our knowledge and understanding of the entity and its environment obtained in the course of the audit, we have nothing to report.

Firenze (Italy), 13 June 2024

BDO Italia S.p.A.

Signed by
Luigi Riccetti
Partner

This report has been translated into English from the original, that was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.

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