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**REPORT OF THE INDEPENDENT INDEPENDENT AUDITORS PURSUANT TO ARTICLE 14 OF LEGISLATIVE  
DECREE NO. 39 OF 27 JANUARY 2010**

**PALINGEO S.P.A**

**FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

To the Shareholders of  
Palingeo S.p.A

## **Audit Report on the Financial Statements for the year ended 31 December 2024**

### **Judgment**

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1. We have audited the financial statements of Palingeo S.p.A. consisting of the balance sheet as at 31 December 2024, the income statement and the cash flow statement for the year ended that date and the notes to the financial statements.

In our opinion, the financial statements provide a true and fair representation of the financial position of Palingeo S.p.A. as at 31 December 2024, the economic result and cash flows for the year ending on that date, in accordance with the Italian regulations governing the criteria for their preparation.

### **Elements underlying the judgment**

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2. We have carried out the audit in accordance with International Auditing Standards (ISA). Our responsibilities under these standards are further described in the Independent Auditors' Responsibilities for Auditing the Financial Statements section of this report. We are independent of Palingeo S.p.A. in accordance with the rules and principles on ethics and independence applicable in the Italian legal system to the audit of financial statements. We believe that we have obtained sufficient and appropriate audit evidence on which to base our judgment.

### **Responsibilities of the Directors and the Board of Statutory Auditors for the financial statements**

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3. The Directors are responsible for preparing the financial statements that provide a true and fair representation in accordance with the Italian regulations governing the criteria for their preparation and, within the terms provided for by law, for that part of the internal control they deem necessary to allow the preparation of a financial statements that do not contain material errors due to fraud or unintentional conduct or events.

The Directors are responsible for assessing the company's ability to continue to operate as a going concern entity and, in preparing the financial statements, for the appropriateness of using the going concern assumption, as well as for providing adequate information on the matter. The Directors use the assumption of business continuity in the preparation of the financial statements unless they have assessed that the conditions for the liquidation of Palingeo S.p.A. or for the interruption of the business exist or have no realistic alternatives to such choices.

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

## Responsibilities of the independent auditors for the audit of the financial statements

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4. Our goals are to provide reasonable assurance that the financial statements as a whole do not contain material misstatements, whether due to fraud or unintentional conduct or events, and to issue an audit report that includes our judgment. Reasonable assurance means a high level of assurance which, however, does not provide assurance that an audit carried out in accordance with ISAs will always identify material misstatement, if any. Errors may result from fraud or unintentional conduct or events and are considered material if they can reasonably be expected to be able to influence the economic decisions made by users on the basis of the financial statements.

As part of the audit carried out in accordance with International Auditing Standards (ISA), we exercised professional judgement and maintained professional scepticism throughout the duration of the audit. In addition:

- we have identified and assessed the risks of material misstatements in the financial statements, due to fraud or unintentional behaviour or events; we have defined and carried out review procedures in response to these risks; We have obtained sufficient and appropriate audit evidence on which to base our judgment. The risk of not detecting material misstatement due to fraud is higher than the risk of not detecting material misstatement resulting from unintentional conduct or events, as fraud may involve collusion, falsification, intentional omissions, misrepresentations or overreach;
- we have acquired an understanding of internal control relevant to the audit for the purpose of establishing audit procedures appropriate in the circumstances and not to express an opinion on the effectiveness of the Company's internal control;
- we assessed the appropriateness of the accounting principles used as well as the reasonableness of the accounting estimates made by the sole director, including the related disclosure;
- We have reached a conclusion on the appropriateness of the sole director's use of the going concern assumption and, based on the audit evidence acquired, on the possible existence of significant uncertainty regarding events or circumstances that may give rise to significant doubts about the ability of the Company to continue to operate as a going concern. If there is significant uncertainty, we are required to draw attention in the auditor's report to the related financial statements, or, if such disclosures are inadequate, to reflect this in the formulation of our opinion. Our conclusions are based on the audit evidence obtained up to the date of this report. However, subsequent events or circumstances may result in the company ceasing to operate as a going concern;
- We evaluated the presentation, structure and content of the financial statements as a whole, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that provides a fair representation.

We have disclosed to those charged with governance, identified at an appropriate level, as required by the ISAs, among other things, the planned scope and timing of the audit and the significant results that emerged, including any material deficiencies in internal control identified during the audit.

## Report on other legal provisions and regulations

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### 5. Judgment pursuant to Article 14, paragraph 2, letter e), e-bis), e-ter) of Legislative Decree 39/2010

The directors of Palingeo S.p.A. are responsible for preparing the report on operations of Palingeo S.p.A. as at 31 December 2024, including its consistency with the relevant financial statements and its compliance with the law.

We have carried out the procedures indicated in the 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 Palingeo S.p.A. as at 31 December 2024 and on its compliance with the law, as well as to issue a statement on any material errors.

In our opinion, the report on operations is consistent with the financial statements of Palingeo S.p.A. as of December 31, 2024 and is prepared in accordance with the law.

With reference to the declaration referred to in art. 14, paragraph 2, letter e), of Legislative Decree 39/10, issued on the basis of the knowledge and understanding of the company and its context acquired during the auditing activity, we have nothing to report.

Milan, 14 April 2025

WPartners S.r.l



Cesare Claudio Sala  
(Statutory Auditor)