

STI SRL

VIA DELL'ARTIGIANATO IV TRAV. - 63076 MONTEPRANDONE (AP)

Fiscal Code 01515300448 – Vat Number 01515300448

Chamber of Commerce code AP

Repertoire economic and administrative number 000000151748

Social capital 1335000,00 i.v.

Legal form: Limited Liability Company

Prevalent business sector (ATECO) 332002

Belonging to a group No

Company with a single member No

Company in liquidation No

Company subject to other management activities No

FINANCIAL STATEMENT AT 31/12/2019

The amounts presented are expressed in euros

Balance sheet	31/12/2019	31/12/2018
Active		
A) Receivables from shareholders for payments still due	-	-
B) Assets		
I - Intangible assets	266.066	316.658
II - Tangible fixed assets	88.183	315.806
III - Financial fixed assets	400.293	400.293
Total fixed assets (B)	754.542	1.032.757
C) Active circulating		
I - Inventories	1.421.271	1.289.788
tangible fixed assets held for sale, year-end value	-	-
II – Credits		
due within the next financial year	2.575.033	2.327.241
payable beyond the following financial year	1.170.292	1.192.422
advance taxes	1.111	1.111
Total credits	3.746.436	3.520.774
III - Financial assets that do not constitute fixed assets	-	-
IV - liquidity	50.397	15.207
Total active circulating (C)	5.218.104	4.825.769
D) Accrued income and prepayments	408.915	169.165
TOTAL ACTIVE	6.381.561	6.027.691
PASSIVE		
A) Patrimonio netto		
I – Capital	1.335.000	1.335.000
II - Share premium reserve	-	-
II - Revaluation reserve	-	-
IV - Legal reserve	26.115	25.479
V - Statutory reserve	337.424	325.344
VI - Other reserves	14.131	14.131
VII - Reserve for hedging operations of expected cash flows	-	-
VIII - Retained earnings (losses)	-	-
IX - Profit (loss) for the year	13.372	12.716
Loss covered in the financial year	-	-

X - Negative reserve for treasury shares in portfolio	-	-
Total equity	1.726.042	1.712.670
B) Provisions for risks and charges	-	-
C) Employee termination indemnity	140.989	141.622
D) Payables		
Required within the next financial year	3.163.756	3.387.514
Exemptable beyond the following year	1.242.807	706.318
Total debts	4.406.563	4.093.832
E) Accrued expenses and deferred income	107.967	79.567
TOTAL PASSIVE	6.381.561	6.027.691

Profits and loss	31/12/2019	31/12/2018
A) Value of production		
1) revenue from sales and services	2.648.494	2.636.466
2), 3) changes in inventories of work in progress, semi-finished and finished products and work in progress on order	96.380	40.350
2) changes in inventories of work in progress, semi-finished and finished products	96.380	40.350
3) changes in contract work in progress	-	-
4) increases in fixed assets for internal works	-	-
5) other revenues and income		
Operating grants	0	31.617
Others	12.050	3.980
Total other revenues and income	12.050	35.597
Total value of production	2.756.924	2.712.413
B) Production costs		
6) raw materials, ancillary materials, consumables and goods	798.441	1.055.100
7) for services	707.947	467.830
8) for the enjoyment of third party assets	149.950	155.654
9) for the staff		
a) wages and salaries	626.689	623.947
b) social charges	141.798	110.279
C), d), e) termination treatment, retirement treatment, other personnel costs	46.355	35.977
c) termination treatment	32.294	27.413
d) quiescence treatment and the like	-	-
e) other personnel costs	14.061	8.564
Total personnel costs	814.842	770.203
10) depreciation and write-downs		
A), b), c) amortization of intangible fixed assets, other writedowns of fixed assets	90.271	107.827
a) amortization of intangible assets	60.923	68.286
b) depreciation of tangible fixed assets	29.348	39.541
c) other writedowns of fixed assets	-	-
d) devaluation of receivables included in current assets and liquid assets	-	-
Total depreciation and write-downs	90.271	107.827
11) changes in inventories of raw materials, ancillary materials, consumables and goods	-35.103	-37.587
12) provisions for risks	-	-
13) other provisions	-	-
14) different management charges	114.994	41.951
Total production costs	2.641.342	2.560.978
Difference between value and costs of production (A - B)	115.582	151.435

C) Financial income and expenses		
15) income from investments		
From controlled companies	-	-
From related companies	-	-
From controlling companies	-	-
From companies subject to control by the parent companies	-	-
Others	-	-
Total income from investments	-	-
16) other financial income		
a) from receivables recorded under fixed assets		
From controlled companies	-	-
From related companies	-	-
From controlling companies	-	-
From companies subject to control by parent companies	-	-
Others	-	-
Total financial income from receivables recorded under fixed assets	-	-
B), c) from securities registered in fixed assets that do not constitute equity investments and securities included in current assets that do not constitute equity investments	-	-
b) from securities registered in fixed assets that do not constitute equity investments	-	-
c) from assets registered in current assets that do not constitute equity investments	-	-
d) income other than the previous ones		
From controlled companies	-	-
From related companies	-	-
From controlling companies	-	-
From companies subject to control by the parent companies	-	-
Others	1	1
Total income other than the previous ones	1	1
Total other financial income	1	1
17) interests and other financial charges		
To subsidiaries	-	-
Towards related companies	-	-
Towards controlling companies	-	-
Towards companies subject to control by the parent companies	-	-
Others	88.725	97.156
Total interests and other financial charges	88.725	97.156
17-bis) exchange gains and losses	0	24
Total financial income and expenses (15 + 16 - 17 + - 17-bis)	-88.724	-97.131
D) Value adjustments to assets and financial assets		
18) revaluations		
a) of investments	-	-
b) of financial fixed assets that do not constitute investments	-	-
c) of securities in current assets that do not constitute equity investments	-	-
d) derivative financial instruments	-	-
Of financial assets for centralized treasury management	-	-
Total revaluations	-	-
19) devaluations		
a) of investments	0	3.450
b) of financial fixed assets that do not constitute investments	-	-
c) of securities in current assets that do not constitute equity investments	-	-
d) derivative financial instruments	-	-
Of financial assets for centralized treasury management	-	-

Total devaluations	0	3.450
Total value adjustments to assets and financial assets (18 - 19)	0	-3.450
Result before the taxes (A - B + - C + - D)	26.858	50.854
20) Income taxes for the year, current, deferred and anticipated		
Current taxes	13.486	38.138
Taxes relating to previous years	-	-
Deferred and prepaid taxes	-	-
Income (charges) from joining the tax consolidation/tax transparency regime	-	-
Total income taxes for the year, current, deferred and anticipated	13.486	38.138
21) Consolidated profit (loss) for the year	13.372	12.716

The values are expressed in euros

Notes to the Financial Statements as at 31/12/2019

EXPLANATORY NOTES INITIAL PART

Dear Shareholders, these financial statements have been prepared in accordance with the provisions of the civil code and are composed of the following documents: 1) Balance Sheet; 2) Profits & Loss; 3) Explanatory note.

The financial statements for the year ended December 31, 2019 correspond to the accounting records regularly held and are prepared in accordance with art. 2423 and following of the civil code. The financial statements are prepared with the amounts expressed in euro. In particular, pursuant to art. 2423, last paragraph, of the Italian Civil Code:

the balance sheet and the income statement are prepared in euros. The transition from account balances, expressed in euro cents, to financial statement balances, expressed in units of euro, occurred by rounding up or down in accordance with the provisions of the EC Regulation.

The notes to the financial statements, such as the balance sheet and the income statement, have been prepared in euros, without decimals, as required by art. 16, paragraph 8, Legislative Decree n. 213/98 and by art. 2423, last paragraph, of the Civil Code: all amounts expressed in euro units have been rounded, to the lower unit if they are less than 0.5 euro and higher if they are equal to or higher than 0.5.

COMPILATION CRITERIA

The following were respected: the general clause for the preparation of the financial statements (Article 2423 of the Civil Code), its drafting principles (Article 2423-bis of the Italian Civil Code) and the evaluation criteria established for the individual items (Article 2423 of the Civil Code). In particular:

- the valuation of the items was carried out according to the precaution and in the perspective of the continuation of the activity;
- the entry and presentation of the items is carried out taking into account the existence of the transaction or the charge;
- income and expenses have been considered in accordance with the accrual principle regardless of the date of collection or payment;
- the risks and losses pertaining to the year have been considered even if known after the closure of this;
- profits were included only if realized at the date of closure of the financial year according to the principle of competence;
- for each item in the balance sheet and income statement, the amount of the corresponding item of the previous year was indicated, in compliance with the provisions of art. 2423-ter of the Italian Civil Code .

It is also specified that:

- pursuant to art. 2435-bis, paragraph 1 of the civil code, the financial statements have been prepared in abridged form since the limits set by the same article are not exceeded for two consecutive financial years;
- the criteria used in the formation and assessment of the financial statements for the year ended 31.12.2018 take into account the notices introduced in the national system by the Legislative

Decree. n. 139/2015, through which Directive 2013/34 / EU was implemented. As a result of Legislative Decree no. 139/2015 the national accounting standards were changed;

- pursuant to the provisions of art. 2423-ter of the Civil Code, in the drafting of the financial statements, the formats provided for by art. 2424 of the Civil Code for the Balance Sheet and by art. 2425 of the civil code for the Economic Report. These schemes are able to provide sufficient information to give a true and fair view of the Company's financial position and financial performance;

- the company has maintained the same valuation criteria used in previous years to which reference is made to the individual items of the financial statements, so that the financial statement values are comparable with those of the previous financial statements without having to make any adjustments.

Pursuant to art. 2435-bis, paragraph 7, of the Civil Code:

1) Own shares are not owned, nor are shares or shares of controlling companies, not even through a third party or a defense company;

2) Neither own shares nor shares or parent company shares have also been acquired or repaid, even through a third party or trust company.

This explanatory note, relating to the financial statements closed on 31 December 2019, is an integral part of the financial statements, drawn up in accordance with the rules of the civil code and national accounting standards, in the version revised and updated by the Italian Accounting Body (OIC) .

PERFORMED ACTIVITY

The company carries out the following activities:

a) construction, assistance and maintenance of industrial automations, civil and industrial electrical systems, photovoltaic systems, security and telephony systems, industrial electronics and installation of fire-fighting systems, limited to the electrical and electronic parts, with ATECO activity code 2007 332002;

b) manufacture of equipment for electricity distribution and control networks with ATECO code 2007 271200.

VALUATION CRITERIA APPLIED

Pursuant to art. 2427 paragraph 1 no. 1, the evaluation criteria adopted and which are illustrated below, comply with the requirements of art. 2426 of the civil code, with particular reference to those items in the financial statements for which the legislator admits different evaluation and adjustment criteria or for which no specific criteria are provided.

MATERIAL IMMOBILISATIONS

Property, plant and equipment are recorded at purchase cost, including ancillary costs and costs directly attributable to the asset.

No portion of interest expense was charged to the cost of the assets.

Ordinary maintenance costs are charged in full to the income statement. Maintenance costs of an incremental nature are attributed to the assets to which they refer and amortized in relation to their residual possibility of use.

Tangible fixed assets are amortized on a straight-line basis according to rates commensurate with their residual possibility of use and also taking into account the physical use of the asset, which coincide with the ordinary rates envisaged by tax legislation (table attached to Ministerial Decree 31.12.1988, updated with modification with Ministerial Decree of 17.11.1992), and for the first year of entry into operation of the assets, they are reduced by 50 per cent as representative of the effective participation in the production process which can be considered as average at half year.

For the goods purchased at the beginning or end of the year, the period of use was taken into account.

The **depreciation rates** used for the individual asset classes are:

Industrial and commercial buildings	3%
Generic plants	10%
Industrial and commercial equipment	15%
Electron machines of office	20%
Furniture	15%
Truck / car	20-25%
Ordinary office machines	12%

In the event that, regardless of the depreciation already recorded, there is a permanent loss in value, the asset is correspondingly devalued; if the assumptions of the write-down no longer apply in subsequent financial years, the original value is restored.

Capital goods of modest unit cost of less than € 516.46 and of reduced useful life are fully expensed in the year of acquisition, those with a multi-year useful life (at least three years) are charged to the reference asset group and amortized with the same rules .

Assets under construction and advances to suppliers are recorded under assets on the basis of the cost incurred including directly attributable expenses.

FINANCIAL FIXED ASSETS

INVESTMENTS VALUED AT THE COST PRICE

The investments held by the company, recorded among the fixed assets as they represent a long-term and strategic investment, are valued at purchase or subscription cost (article 2426 n.1) and / or at the value of conferment (Maltignano Energy Srl)

CIRCULATING ACTIVE

Inventories

Raw materials inventories are recorded at the average purchase cost, as they are lower than the replacement cost derived from market trends.

Work in progress that has not yet been completed is instead evaluated on the basis of specific costs and share of general industrial costs already incurred on individual sites.

Credits

They are recorded in the balance sheet at the realizable value, taking into account the actual and concrete causes of non-collection; the receivables from customers subject to bankruptcy proceedings were also carefully assessed, bypassing those considered definitively uncollectable, also on the basis of the information and recovery actions of the legal department in charge.

The Company does not have any claims against foreign customers.

Liquid availability

Cash and cash equivalents are recorded for their actual amount.

Bank statements have been reconciled.

Accrued and deferred income and prepayments

They have been entered according to correct accounting practice to record the economic and temporal competence of costs and revenues.

Employee termination indemnity

The severance indemnity payable has been calculated in accordance with the provisions in force governing the employment relationship for employees and corresponds to the actual commitment of the company to individual employees at the balance sheet date.

Debts

Payables are recorded at nominal value and divided between those with a short maturity (within the following year) and a medium / long term maturity (more than the following year).

Costs and revenues

Costs and revenues have been accounted for on an accruals basis regardless of the date of collection and payment, net of returns, discounts, rebates and premiums.

Taxes

Taxes are allocated based on the forecast of the charge for the year.
Income taxes for the year amounted to € 13.486,00 entirely for IRAP.
No deferred taxes were recorded.

The company, as the parent company, applies the tax consolidation with the subsidiary "Energy" companies (Maltignano Energy Srl and Campus Energy Srl).

Fixed assets movements

	Intangible assets	Tangible fixed assets	Financial immobilizations	Total fixed assets
Start value of the year				
Costs	501.837	801.103	400.293	1.703.233
Amortization (Devaluation fund)	185.179	485.297		670.476
Book value	316.658	315.806	400.293	1.032.757
Variations in the year				
Increases for acquisitions	10.331	54.187	-	64.518
Decreases for disposals and divestments (book value)	-	252.462	-	252.462
Amortization of the year	60.922	29.348		90.270
Total variations	(50.591)	(227.623)	-	(278.214)
End of year value				
Cost	512.168	548.521	400.293	1.460.982
Depreciation (amortization provision)	246.102	460.338		706.440
Book value	266.066	88.183	400.293	754.542

Intangible fixed assets movements

	Installation and expansion costs	Development costs o	Grant, licenses, trademarks and similar rights	Other intangible assets	Totale intangible assets
Start value of the year					
Costs	17.781	333.764	-	150.291	501.836
Amortization (Devaluation fund)	7.373	93.478	-	84.327	185.178
Book value	10.408	240.286	0	65.964	316.658
Variations in the year					
Increases for acquisitions	-	-	2.150	8.181	10.331
Amortization of the year	-	46.739	215	13.968	60.922
Total variations	-	(46.739)	1.935	(5.787)	(50.591)
End of year value					
Cost	17.781	333.764	2.150	158.472	512.167
Depreciation (amortization provision)	7.373	140.217	215	98.295	246.100
Book value	10.408	193.547	1.935	60.177	266.067

The **intangibile fixed assets** consist of:

Costs of installations	€ 1.689,48
Expansion costs	€ 16.091,32
Development costs	€ 333.764,39
Trademarks	€ 2.150,00
Extraordinary works on third party assets	€ 158.472,80
	€ 512.167,99

Tangible fixed assets

MOvements of tangible fixed assets

	Terreni e fabbricati	Impianti e macchinario	Attrezzature industriali e commerciali	Altre immobilizzazioni materiali	Totale Immobilizzazioni materiali
Start value of the year					
Cost	339.623	16.728	139.175	305.577	801.103
Amortization (Devaluation fund)	68.889	16.602	130.311	269.494	485.296
Book value	270.734	126	8.864	36.083	315.807
Variations in the year					
Increases for acquisitions	-	-	45.469	8.718	54.187
Decreases for disposals and divestments (book value)	252.462	-	-	-	252.462
Amortization of the year	3.931	125	7.198	18.094	29.348

Others variations	-	(1)	-	-	(1)
Totale variations	(256.393)	(126)	38.271	(9.376)	(227.624)
End of year value					
Cost	32.855	16.728	184.644	314.295	548.522
Depreciation (amortization provision)	18.514	16.728	137.509	287.588	460.339
Book value	14.341	0	47.135	26.707	88.183

Le **immobilizzazioni materiali** sono costituite da:

Construction off good in economy	€	32.855,24
Generic installations	€	10.173,53
Specific plants (photovoltaics plants)	€	6.553,97
Industrial and commercial facilities	€	184.643,79
Ordinary office furnitures and machines	€	16.551,03
Electronic office machines	€	182.073,69
Lorries/cars	€	66.716,40
Furniture	€	48.953,05
	€	548.520,70

No financial charges have been charged to the aforementioned items.

The items include the values deriving from the compnies PHE Equipment Srl and Appignano Energy Srl, as mentioned above, wich have been incorporated into STI Srl.

The value of the fixed assets has undergone a decrease since on 12/07/2019 with the deed of the Notary Dr. Federica Nardo the building represented by an office, located in the province of Milan, was sold, which had been transferred following of the merger with PHP Equipment Srl and which was subject to a mortgage guaranteeing a fortnightly loan taken out in 2010.

Financial leasing transaction

The Company has a financial leasing contract in place following the takeover due to the merger with Appignano Energy Srl relating to the photovoltaic plants built in the municipality of Appignano (AP); entered on 22/05/2013 with MPS Leasing expiring on 22/05/2028 for a value of € 566,968.00 for a total of 180 monthly installments of € 3,725.84 residual at 31.12.2019 € 276,997.23.

On 15/12/2017 the company entered into a Lease with FCE Bank plc for a Ford Connect Van with expiration 15/12/2021 for a value of € 15,793.08 for a total of 49 monthly installments of € 366.29 remaining at 31.12.2019 € 7,083.27.

On 10/10/2018 the company entered into a lease for a Ford Connect Van with FCE Bank plc expiring on 10/26/2022 for a value of € 16,459.33 for a total of 49 monthly installments of € 354.72 remaining at 31.12.2019 € 9,958.21.

On 11/01/2019 the company entered into a lease for a Ford Transit Van with FCE Bank plc with expiration 28/01/2023 for a value of € 20,876.15 for a total of 49 monthly installments of € 450.72 remaining at 12/31/2019 € 13,820.23.

On 22/05/2019 the company entered into a lease for an Audi Q3 with Volkswagen Financial Services S.p.a. expiring on 10/21/2023 for a value of € 30,582.33 for a total of 48 monthly installments of € 460.02 remaining at 31.12.2019 € 26,785.87.

On 09/07/2019 the company entered into a lease for a Ford Focus Stline with FCE Bank plc with expiry on 26/07/2023 for a value of € 21,486.25 for a total of 49 monthly installments of € 500.18 remaining at 12/31/2019 € 17,067.65.

Financial fixed assets

CRITERION FOR FUNGIBLE EQUITY INVESTMENTS:

The civil code states that "the cost of fungible goods can be calculated using the weighted average method or with the " first entered, first exited "method; or "last entry, first exit"; if the value thus obtained differs appreciably from the current costs at the end of the year, the difference must be indicated, by category of goods, in the explanatory notes "(art. 2426, no. 10, of the Italian Civil Code).

The company holds equity investments, recorded under financial fixed assets, as they are destined to remain permanently in assets:

- Name and location:
MALTIGNANO ENERGY SRL
VIA DELL'ARTIGIANATO IV TRAV 5
63076 MONTEPRANDONE AP
Social Capital 100.000
Share held directly 100,000 %
Share held indirectly 8,300 %
Total share held 100,000 %
Valore di bilancio 355.800

- Name and location:
CAMPUS PESARO ENERGY SRL UNIPERSONALE
VIA DELL'ARTIGIANATO IV TRAV 5
63076 MONTEPRANDONE AP
Social Capital 10.000
Share held directly direttamente 100,000 %
Share held indirectly 0,000 %
Total share held 100,000 %
Value on balance sheet 20.000

Tutte le Società sono direttamente controllate da STI SRL; sono tutte società di scopo per la realizzazione e gestione di Impianti Fotovoltaici con Comuni e Province.

Rimanenze

	Raw, ancillary and consumable materials	Work in progress and semi-finished products	Advances	Total inventories
Start value of the year	385.912	855.856	48.020	1.289.788
Variation during the year	35.103	96.380	-	131.483
End of year value	421.015	952.236	48.020	1.421.271

Current assets: Receivables*Changes in receivables entered under current assets*

	Receivables from customers entered under current assets	Receivables from subsidiaries entered under current assets	Tax credits entered under current assets	Deferred tax assets recorded under current assets	Receivables from others entered under current assets	Total credits entered under current assets
Start value of the year	1.957.138	681.940	12.072	1.111	868.513	3.520.774
Variation during the year	(193.958)	(24.830)	42.016	-	402.434	225.662
End of year value	1.763.180	657.110	54.088	1.111	1.270.947	3.746.436
Bad rate within the year	1.763.180	-	44.906		766.947	2.575.033
Poor share beyond the year	-	657.110	9.182		504.000	1.170.292

The final balance of **receivables due within the following year** is made up of the algebraic sum of the following accounting items:

Receivables from customer	€	1.039.919,97
Cash order subject to clearance	€	154.725,86
Customer account for prepaid expenses	€	5.404,35
Invoice to be issued	€	559.656,22
Tasca prepaid card	€	4.223,48
Inland Revenue with advance payment TFR	€	222,56
Other tax credits	€	35.510,10
Inps repayments account	€	1.240,00
Dipendenti c/prestiti	€	1.500,00
Deposit to Suppliers	€	338.326,39
Suppliers w / advance expenses	€	-1.297,67
Credits for Deposits	€	23.928,86
Credits v / factor	€	393.732,36
Differents credits	€	5,49
Tax credit for VAT	€	9.173,67
Inail c/contributions	€	6.739,06
Credit notes to be issued	€	-749,81
Debiti towards pension fund	€	2.772,65
	€	2.575.033,54

The final balance of receivables due beyond the next financial year is represented by the residual receivable due from the Tax Authorities for the request for reimbursement of Ires for Irap which became deductible measured on personnel costs for the period 2008/2011, equal to € 6,482.24, as well as "Receivables from parent companies" for € 657,109.62, "Invoices to be issued on the Laterina photovoltaic system" for € 504,000.00 and Receivables from others for € 2,700,00 for a total of € 1.170.291,86

Current assets: Changes in cash and cash equivalents

	Bank and postal deposits	Checks	Money and other cash on hand	Total cash and cash equivalents
Start value of the year	4.126	6.865	4.216	15.207
Variation during the year	32.375	-	2.815	35.190
End of year value	36.501	6.865	7.031	50.397

The final balance of cash and cash equivalents consists of the sum of the following items:

Banca del Piceno	€	23.883,33
Banca Monte dei Paschi di Siena	€	5.747,37
Banca Intesa c/c USD	€	525,97
BPT saving deposit booklet	€	100,14
Banca Intesa	€	5.752,01
Bcc di Milano	€	490,70
Interest account banks to be credited	€	1,60
Bank checks	€	6.865,00
Monei in cash box	€	7.031,00
	€	50.397,12

Prepayments and accrued income

Deferred income is made up of costs already recognized in the future mainly to lease payments, financial charges and interest on suppliers.

	Accrued income	Prepayments	Total accrued income and prepayments
Start value of the year	18.668	150.497	169.165
Variation during the year	9.903	229.847	239.750
End of year value	28.571	380.344	408.915

Variazioni voci di patrimonio netto

	Capital	Legal reserve	Statutory reserve	Other reserve	Total other reserve	Profit (loss) for the year	Total equity
Start value of the year	1.335.000	25.479	325.344	14.131	14.131	12.716	1.712.670
Destinazione del risultato dell'Previous exercise							
Altre variazioni							
Incrementi	-	636	12.080	-	-	-	12.716

Decreases	-	-	-	-	-	12.716	12.716
End of year value	1.335.000	26.115	337.424	14.131	14.131	13.372	1.726.042

Origine possibilità di utilizzo e distribuibilità voci di patrimonio netto

	Importo	Possibilità di utilizzazione	Quota disponibile
Capital	1.335.000	B	1.335.000
Legal reserve	26.115	B	26.115
Statutory reserves	337.424	A-B-C	337.424
Other reserve			
Various other reserve	14.131	A-B-C	14.131
Total Other reserve	14.131		14.131
Totale	1.712.670		1.712.670
Non distributable quota			1.712.670

Information on provisions for risks and charges

The provision fund represents the actual debt of the Company to employees at the end of the year at that date, net of advances paid.

Employee severance indemnity

Information on the termination of employment

	Employee severance indemnity
Start value of the year	141.622
Changes in the year	
Provision in the year	27.885
Use in the exercise	28.518
Total variations	(633)
End of year value	140.989

Debts

Variations and maturity of debts

	Payables to shareholders for loans	Due to banks	Debts to other lenders	Acconti	Trade payables	Payables to subsidiaries	Debts for tax	Payables to social security institutions	Other debts	Total debts
Start value of the year	89.052	1.173.912	652	661.002	1.232.080	82.263	708.270	90.390	56.211	4.093.832
Variation during the year	497.440	(625.011)	341.812	49.948	(40.038)	302	56.288	22.997	8.993	312.731
End of year value	586.492	548.901	342.464	710.950	1.192.042	82.565	764.558	113.387	65.204	4.406.563

Bad rate within the year	-	369.612	342.464	710.950	1.137.967	82.565	341.607	113.387	65.204	3.163.756
Poor share beyond the year	586.492	179.289	-	-	54.075	-	422.951	-	-	1.242.807

The final balance of payables due within the following year is made up of the algebraic sum of the following items:

Tax authorities withholding taxes	€	-5.410,54
Inland Revenue with tax credit	€	-14.445,77
Credit notes to be received	€	- 50,00
Banca Popolare di Milano	€	30.071,99
Banca Reale c/c	€	14.977,60
Banca del Piceno c/Anticipo Fatt.	€	28.046,12
Intesa c/Finimport	€	4.505,06
Banca c/Serv. Inter.	€	7.820,46
Intesa c/Anticipo fatt.	€	224.224,43
Banca Reale c/ant. Sbf	€	30.418,88
Banca c/interessi pass. Da addebitare	€	29.547,38
Debts v/Factor	€	340.612,51
Other financial debts	€	1.851,11
Customers with advances	€	676.536,99
Customers c / down payments	€	34.413,26
Payables to suppliers	€	1.122.795,37
Invoices to be received	€	15.221,61
Payables to subsidiaries	€	82.565,21
Debts for IRES tax	€	39.935,00
Debts for tax on termination indemnity	€	881,58
Debts for income tax on the employees	€	156.614,80
Debts for income tax on the collaorators	€	68.251,72
Debts for income tax on the self employed	€	15.562,91
Debts for IRAP Tax	€	61.777,20
Debts for additional regional tax	€	11.626,27
Debts for additional municipal tax	€	5.999,06
Tax tebts	€	815,00
Inps employees contribution.	€	64.534,71
Inps self employed contribution	€	15.684,37
Enasarco commercial agent contribution	€	770,97
Other payables to social security institutions	€	32.397,21
Payables to workers for salaries	€	60.633,52
Union withholdings	€	5,43
Different debts	€	4.565,14
	€	3.163.755,56

The receivables and advances to the tax authorities are offset against the Debts for tax, using the same technique that uses the Unique tax return model approved by the Inland Revenue.

The following loans are entered under payables due beyond the following year:

- Unsecured loan no. 105254 contract on 21/12/2015 with Banca del Piceno Credito Cooperativo formerly Banca Picena Truentina of € 150,000.00 for a period of 60 months, residual capital at 31/12/2019 € 27,536;
- Financing n. 0FC1044437369 contract on 10/31/2019 with Banca Intesa Sanpaolo S.p.a. € 100,000.00 with a duration of 18 months, residual capital at 31/12/2019 € 89,094;
- Financing n. 0IC1044439793 contract on 10/31/2019 with Banca Intesa Sanpaolo S.p.a. of € 60,000.00 lasting 36 months, residual capital at 31/12/2019 € 56,829.

Il pagamento delle rate risulta regolare.

Ratei e Deferred income

La voce **Accrued liabilities** è costituita da quote di costi maturati nell'esercizio la cui manifestazione finanziaria si è verificata nel successivo esercizio, e sono rappresentate principalmente da retribuzioni, oneri sociali e oneri finanziari.

	Accrued liabilities	Deferred income	Total accruals and Deferred income
Start value of the year	78.079	1.488	79.567
Variation during the year	28.400	-	28.400
End of year value	106.479	1.488	107.967

Notes to the income statement

Costs and revenues were accounted for on an accruals basis regardless of the collection and payment date, net of returns, discounts, rebates and bonuses.

Revenues relating to the provision of services are recognized in the financial statements when the service is actually performed.

Value of production

To summarize the economic performance of the year we specify the following:

	Current exercise	Previous exercise	Variation
Revenues from sales and services	2.648.494	2.636.466	12.028
Changes in inventories of work in progress, semi-finished and finished products	96.380	40.350	56.030

Changes in contract work in progress

Increases in fixed assets for internal works

Other income	12.050	35.597	-23.547
Total	2.756.924	2.712.413	44.511

Explanatory Notes Other Information

Summary table of the financial statements of the company that carries on business direction and coordination Information pursuant to 2497 - bis C.C.

In compliance with art. 2497-bis, paragraph 4, it should be noted that the company's business is not submitted to the direction and coordination of companies and entities.

FINANCIAL EXPENSES CHARGED TO THE VALUES ENTERED IN THE STATE'S ASSETS

During the year, no financial charges were charged to any asset item of the balance sheet.

INCOME FROM PARTICIPATIONS.

During the year, the Company did not receive any income from participation.

ENJOYMENT ACTIONS, CONVERTIBLE BONDS AND OTHERS.

There are no dividend rights, bonds convertible into shares, securities or similar values issued by the company.

FINANCING CARRIED OUT BY THE MEMBERS.

During the 2019 financial year, the Company benefited from new loans from shareholders.

TRANSACTIONS WITH RELATED PARTIES (Art.22-bis)

The Company has not directly or indirectly carried out significant new transactions and / or non-market conditions pursuant to art. 2427 no. 22-bis with related parties (directors, auditors, majority shareholders, parent companies, etc.).

However, it should be noted that related party transactions are in progress as a result of the construction of the photovoltaic plants of the subsidiaries carried out in previous years.

CREDITS AND PAYABLES.

The financial statements do not show receivables and payables lasting longer than five years.

CREDITS FOR TRANSACTIONS WITH OBLIGATION FOR THE PURCHASER OF FULL RETROCESSION (Art. 2427 number 6-ter).

The Company has no receivables relating to repurchase agreements.

PAYABLES FOR TRANSACTIONS WITH OBLIGATION FOR THE PURCHASER OF RETROCESSION TERM (Art. 2427 number 6-ter).

The Company has no payables related to repurchase agreements.

Information on significant events which occurred after the end of the financial year**Longer deadline for approval of the financial statements**

For the approval of these financial statements, the greater period of 180 days provided for by article 106 of the decree-law of 17 March 2020, no. 18 (in the Official Gazette - General Series - Extraordinary Edition n. 70 of 17 March 2020), coordinated with the conversion law of 24 April 2020, n. 27 called «Measures to strengthen the National Health Service and economic support for families, workers and companies connected to the epidemiological emergency from COVID-19. Extension of deadlines for the adoption of legislative decrees. »

Significant events occurring after the end of the year (art. 2427 c. 1 n. 22-quater CC): Covid-19 epidemiological emergency

The health emergency resulting from the spread of the "Covid-19" virus, declared a global pandemic on 11 March by the WHO, in Italy as in the rest of the world has had and will have significant consequences also at an economic level. Consequently, it is considered appropriate to provide adequate information in relation to the economic and financial effects that it may have on the performance of our company.

Specifically, our company is one of those suspended by the measures issued by the Prime Minister. It is emphasized that the ongoing health emergency represents "a subsequent fact that does not highlight conditions already existing at the balance sheet date" as at 31.12.2019, having occurred since mid-January 2020 and since all the consequent measures occurred in the 2020 year.

The pandemic, therefore, constitutes a subsequent fact that must not be incorporated in the values of the financial statements as of 31.12.2019, and does not entail the need for derogations from the application of the normal evaluation criteria of the financial statement items which can therefore continue to be evaluated with a view to the normal continuation of the activity.

In addition to the use of social safety nets through the layoffs, the company also activated agile work where possible, in addition, with the aim of safeguarding the health and safety of workers, it proceeded to adapt the workplace to the various regulations introduced for the containment of the Covid-19 epidemiological emergency.

Notes to the final part

It is reiterated that the evaluation criteria set out here comply with civil law. This supplementary note, as well as the entire financial statements of which it is an integral part, truthfully and correctly represents the company's financial position and the economic result of the year.

The exposure of the values required by art. 2435 bis of the civil code was prepared in accordance with the principle of clarity.

It should be noted that the profit for the year 2019 amounted to €. 13,372 is the result of a careful corporate development policy based on efficient management of human and financial resources and aimed at consolidating the company in its reference market by creating new and important profit prospects.

With regard to the operating profit of €. 13.372, it is proposed to assign it entirely to Statutory reserves.

Based on the indications that have been provided, we invite you to approve the financial statements for the year ended 31.12.2018 and the aforementioned proposal for the allocation of profits.

Obviously, we remain available to provide the clarifications and information that may be necessary at the meeting.

Monteprandone lì 29.05.2020

The President of the Board of Directors

The electronic document in XBRL format containing the Balance Sheet and the Income Statement complies with the corresponding original documents filed with the company.

Declaration of Conformity**DECLARATION OF CONFORMITY**

The undersigned Luigi Gagliardi born in Ascoli Piceno on 06.12.63, enrolled in the order of Chartered Accountants and Accounting Experts of Ascoli Piceno, in charge of the deposit, pursuant to art. 31 paragraph 2-quinquies of Law 340/2000 declares that this document complies with the original filed with the company.

DECLARATION OF STAMP DUTY ALLOWED ON ENTRY

Stamp duty paid virtually through the Ascoli Piceno Chamber of Commerce authorization prot. No. 12519 of 11.12.1978 and subsequent additions issued by the Regional Directorate of the Revenue Office of Ascoli Piceno.