



(Translation from the Italian original which remains the definitive version)

# **Alkemy S.p.A.**

## 2024 Annual Financial Report and Consolidated Sustainability Statement

### **Alkemy Group**

Parent: Alkemy S.p.A.

Registered office in Milan, at Via San Gregorio 34

Share Capital\_ Euro 595,534.32

VAT no.: 05619950966

Milan Company Registration no. 1835268

Company managed and coordinated by Retex  
S.p.A. - a Benefit corporation



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## **Corporate bodies of Alkemy S.p.A.**

### **Board of Directors**

Barnaba Ravanne	Chairman
Duccio Vitali	Chief Executive Officer
Marco Valcamonica	Director
Gerardo Gabrielli	Director
Alessandra Piersimoni	Independent Director
Lisa Vascellari Dal Fiol	Independent Director
Maria Gimigliano	Independent Director
Elvina Finzi	Independent Director
Vincenzo Pompa	Independent director

### **Board of Statutory Auditors**

Gabriele Gualeni	Chairman
Mauro Bontempelli	Standing Auditor
Daniela Bruno	Standing Auditor
Marco Garrone	Alternate Auditor
Maria Luisa Sartori	Alternate Auditor

### **Independent Auditors**

KPMG S.p.A.



## Letter from the Chief Executive Officer

Dear Shareholders,

For Alkemy, 2024 was a year of transition, involving both Group governance and the internal organisation of business activities, with a resulting visible impact even on the financial results for the year.

2024 was also a year where extraordinary factors and events were at play at a macro level, with profound changes occurring in international balances, especially in terms of the conflicts closely affecting Europe. These factors are not directly connected with Alkemy's business but, one again, contributed to the climate of general uncertainty in terms of the future of our Company and our customers.

However, 2024 was also a year in which we embarked on essential processes for the growth of the Company, specifically two projects involving profound internal transformation, with the implementation of a **new organisation** and the launch of the '**One Alkemy**' project to consolidate the two main geographical areas (Italy and Spain).

Indeed, as of January 2024, Alkemy implemented a **new organisation** enabling us to design an offer that meets the requirements of all industries, while allowing all our customers to find the right role for digital technology in their business processes and avoid the risk of relegating this to a strategic tool that is only accessible to senior management.

From a geographical perspective, Alkemy has also started the process of integrating its main markets, Italy and Spain, through the '**One Alkemy**' project, which aims to unite all the Group's people under shared industrial objectives and initiate a process of collaboration that will make people working in Italy and Spain feel they are part of a single team.

After briefly touching on the disruptions and opportunities of 2024, it is important to talk about what the future holds for Alkemy.

In recent years, the very essence of digital transformation has changed, and it has become increasingly important for companies to seize digital opportunities to deliver a strategic shake-up. In this context, Artificial Intelligence will play a decisive role, and ranks high on the agenda of CEOs and C-level executives. However, the broad implementation of AI requires a vast range of skills, which Alkemy has been able to rely on since its founding. It is precisely this experience that will enable the Company to approach this new phase with the right expertise - which was developed in conjunction with the evolution of different technologies - so that AI can also be used to serve every aspect of our customers' businesses. With its portfolio of experience, Alkemy's position in the digital landscape is that of a key potential player in the Italian and Spanish markets, which has been further strengthened since it joined forces with Retex.

Alkemy will continue to pursue a path of value creation for all its stakeholders, keeping true to its values and striving to be an example of a sustainable and value-driven model of doing business.

Lastly, I would like to say thank you in particular to the people of Alkemy, who this year demonstrated once again their passion for their work and their perseverance in embracing change, while remaining faithful to the values that have always characterised Alkemy. I would



also like to thank the customers, who choose us and rely on us as their partner in the complex process of the digital transformation of their businesses; and I want to thank the Group's stakeholders, for the support and trust they have placed in us again this year.

Duccio Vitali,

Chief Executive Officer, Alkemy S.p.A.



## Highlights

Below is the key performance data of the Alkemy Group in 2024:

	Figures in thousands of euros	
	2024	2023
Net revenue (1)	115,336	119,158
Adjusted gross operating profit (EBITDA) (2)	7,922	13,144
Adjusted operating profit (3)	(10,217)	8,116
Profit for the year	(14,732)	3,535
Average number of employees	920	936

	Figures in thousands of euros	
	2024	2023
Italy net revenue	71,232	72,013
Abroad net revenue	44,104	47,145
Net revenue	115,336	119,158

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Net invested capital	58,998	79,489
Net financial debt	(25,841)	(31,773)
Equity	33,157	47,716

- (1) Net revenue is defined as the sum of revenue and other income
- (2) Adjusted gross operating profit is the value determined by deducting the Costs for services, goods and other operating costs and Personnel expense, with the exclusion of non-recurring costs, from revenue.
- (3) Adjusted operating profit is adjusted gross operating profit less amortisation, depreciation, provisions and impairment losses.





## **The Group and its business**

Alkemy S.p.A. (hereinafter also "Alkemy" or the "Parent") is a leading company in the digital transformation segment in Italy, listed on the STAR segment of the Borsa Italiana EURONEXT MILAN market. Alkemy enables the evolution of enterprises' business defining the relevant strategy through the use of technology, data and creativity. The aim is to improve the operations and services supplied by large and medium enterprises, stimulating the evolution of their business model hand-in-hand with technological innovation and consumer habit. Alkemy develops innovative projects throughout the chains of the various segments, such as, for example, telecommunications, media, consumer services, financial services and utilities, combining advanced technologies with innovative design, big data and creative communication.

The Parent's competitive advantage is its capacity to integrate different competences, intervening as a single player in the Customer's processes and operations, supplying multiple services that can impact the whole of the value chain. Indeed, Alkemy manages extensive projects aimed at transforming and evolving its customers' business, assisting them from the definition of the strategy to be pursued through to the relevant implementation and subsequent management.

Alkemy has now entered its thirteenth year, boasting an ever more extensive alchemy of integrated competences in the areas of Consulting, Communication, Performance, Technology, Data & Analytics and Design, which form a professional community numbering over 1000 people offering different experiences and abilities but who are very much united in their values and business culture.

Alkemy is today an international business operating in Italy, Spain, Mexico and the Balkans, established on the basis of a partnership model with customers to enable innovation and growth through digital leverage. Alkemy's aim is, in fact, to construct a long-term relationship with customers, acting not as simple suppliers of services, but rather as an integrated partner to be engaged continuously, in support of programmes of change, transformation and acceleration.

In enabling the innovation process of its customers' business model and, accordingly, their competitiveness in the various industrial segments, Alkemy ultimately seeks to contribute towards the evolution and development of the whole country system.

Alkemy currently has 10 offices: in addition to the Milan headquarters, it also operates in Turin, Rome, Naples, Potenza, Cagliari and Rende (Cosenza), Madrid, Belgrade, Mexico City.

December 2017 saw Alkemy début on the Borsa Italiana AIM Italia market to gather the capital necessary to finance the growth and expansion of the corporate competences, leaving control over the business with the managers and consequently guaranteeing independence and the possibility of perpetrating the vision.

From the time of its listing, in just two years, Alkemy has almost doubled its turnover and in December 2019, it finalised the switch to Borsa Italiana's main market, in the STAR segment

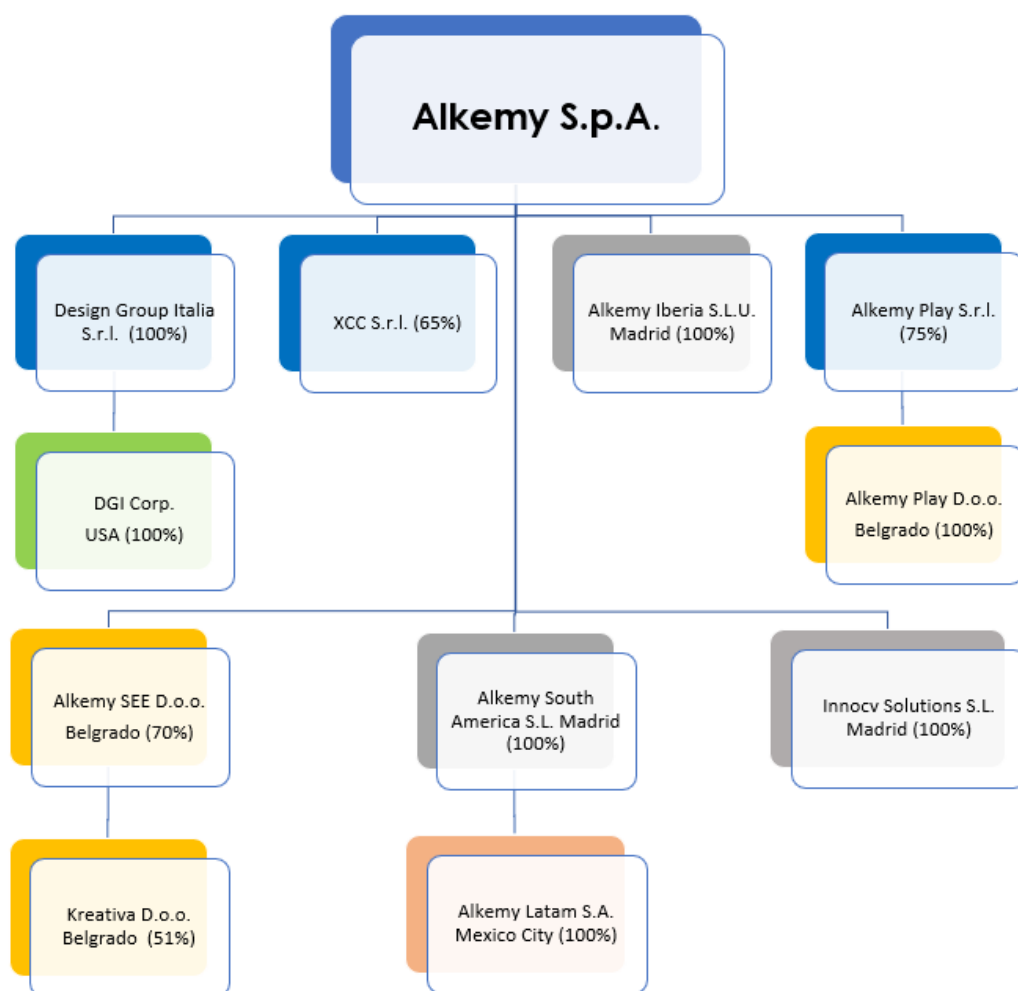


dedicated to medium enterprises that undertake to meet standards of excellence in terms of transparency, corporate governance and liquidity.

## Group structure

In just a few years, Alkemy has successfully gained standing as a leader on the digital transformation market, growing both organically and through external lines with acquisitions.

At 31 December 2024, the Alkemy Group structure is as follows:



**Alkemy Play S.r.l.:** company established in 2017, operating in digital communication services for SMEs. The company controls a legal entity that operates in the development of IT and technological services in Serbia, **Alkemy Play D.o.o.**

**Alkemy SEE D.o.o.:** company based in Belgrade, established in 2016 with capital held 30% by the Chief Executive Officer, a local entrepreneur; it operates in strategic consultancy and digital advisory services. The company holds a 51% stake in **Kreativa D.o.o.**



**Alkemy Iberia S.L.U.:** formerly Ontwice Interactive Service S.L., merged with Alkemy Iberia S.L. in 2022 and taking on its name. The company is based in Madrid and operates in strategic consultancy and digital advisory and is one of Spain's most important digital agencies.

**Alkemy South America S.L.:** company established in 2021, based in Madrid that wholly owns the Mexican company based in Mexico City, **Alkemy Latam S.A.** (formerly Ontwice Interactive Services de Mexico S.A.) operating in local markets in digital services, communication and media. The company merged by incorporation with its subsidiary OIS Marketing Digital S.A. in 2024.

**Experience Cloud Consulting S.r.l. ("XCC"):** company acquired in 2021, specialised in Cloud Computing solutions in CRM, Gold Consulting Partner of Salesforce, qualified to implement and develop integrated, multi-channel digital business solutions, from the CRM Cloud through to Marketing Automation, for B2B, B2C, eCommerce and Retail.

**Design Group Italia ID S.r.l. ("DGI"):** company operating in the field of 'innovation & design'. The company is the sole shareholder of a legal entity operating in the USA: **DGI Corp.**

**Innocv Solution S.L.:** , a company acquired in 2022, based in Madrid, and a market leader in Spain in the digital transformation segment, specifically in tech and data analytics.

## Business units

As of January 2024, the Group has implemented a new organisation in Italy with a commercial structure divided into 5 Industries, whose managers are assigned the full management of all customers belonging to each business area and who are also accountable for project delivery, carried out by the various Competence Centres.

The five Industries are:

- 1) Entertainment & lifestyle;
- 2) Energy & utilities;
- 3) Technology & telco;
- 4) Financial services & institutions;
- 5) Healthcare & pharma.

The Competence Centres, which represent and apply the different disciplines practised within the Group, are as follows:

- > **Consulting:** it analyses, designs and quantitatively assesses (business case and business plan) innovative solutions aiming to transform the customer's business model thanks to the use of the digital and omnichannel leverages, liaising closely with the CEOs and Executive Managers to define innovative, alternative strategies to achieve significant results in the long-term;
- > **Marketing & Media:** with the aim of speeding up on-line performance, it offers Alkemy customers the know-how and most innovative tools to promote its on-line brands and



products. It thus manages all planning and procurement activities for its customers on the main digital media, search engines and social media, determining the investments needed to strengthen and improve consumer perception of the brands and products and speeding up sales on proprietary and third party e-commerce channels, thereby overcoming conventional marketing approaches;

- > **Tech:** this is Alkemy's technological soul and it is specialised in the design, development and operation of technologies for the digital evolution of the B2B and B2C channels, front-end solutions, CRM, CMS, Portals and Apps. The business unit consolidates and strengthens Alkemy's mission, reinforcing technological competences and the capacity to oversee one of the areas enjoying greatest growth and development: that of Digital Transformation;
- > **Data & Analytics:** it offers concrete support to businesses in order to improve their business performance through the analysis of data available (both that of CRM or of other internal systems, and data coming from all actions on the digital world) and the implementation of analytics models. The techniques used for data analysis range from traditional statistical analysis through to Advanced Analytics & Machine Learning, Real Time Next Best Action, Digital Customer Intelligence, Campaign Plan Optimisation, Data Environment Design, Implementation and Management;
- > **Brand Experience:** it plans, designs and realises the enterprises' brand experience, in a fully integrated manner, putting the end consumer right at the heart through digital and physical touchpoints and more "traditional" forms of communication, with the ultimate aim of generating value both for the customer itself and the end consumer. Developing and transforming the touchpoints into a unique experience, which communicates consistently a strong, innovative, distinctive brand, Alkemy offers its services as an essential partner; it assists the customer in preparing and structuring brand strategies and creativity, advertising campaigns, products or services for commercial businesses and, in general, communication with consumers; including through the management of the corporate digitisation process using a BPO (Business Process Outsourcing) model for the digital processes.

The Competence Centre Brand Experience has integrated the activities of DGI, a leader in **Product, Service & Space Design**: on a 'design thinking' basis, the company is dedicated to the design of services, physical and digital products that affect everyday life and physical spaces/environments in which people and brands can interact and share meaningful experiences; it operates in an omni-channel logic, with a focus on value creation through experiential innovation. Analysing customers' businesses, including their processes, culture and resources, it aims to foster additional commercial opportunities and innovate the end customer experience.

This 'client-driven' organisation confirms Alkemy's growing focus on customers' needs, with the aim of further developing the portfolio of companies served with an increase in the average



size and duration of projects, through the widespread proposal of the Group's entire commercial offer, further characterised and tailored to the specificities of each Industry. This approach will be applied for the supply of all national companies, with expected improvements in terms of margin growth from 2025 onwards.

## **Report on Operations**

### **FY 2024 performance**

Throughout 2024, the overall macroeconomic environment continued to be characterised by considerable uncertainty, mainly because of the continuation of geopolitical tensions, with the two conflicts in Ukraine and the Middle East, which negatively impacted the general business expectations of domestic and European companies. As a result of the reduction in inflation during the year, there was a gradual fall in interest rates (which continued in the first quarter of 2025). However, these positive developments had only a limited effect on the performance of the European economy, which grew by only 0.7% in 2024, with Italian GDP expected to grow at the same rate.

Against this complex and lacklustre backdrop, as detailed below, the Alkemy Group's results were not positive as they fell significantly short of expectations.

The Alkemy Group ended the 2024 financial year with a 3.2% decrease in revenue and income compared to 2023 and a significant decrease in margins, which resulted in an adjusted consolidated EBITDA of 7.9 million euros (13.1 million euros in 2023).

The decrease in the Group's profitability is mainly attributable to the Parent Company, whose sales largely involved services with lower added value than in 2023, principally due to the significant reduction in the Consulting area, concentrated with a specific strategic customer; in addition, the Mexican subsidiary had to renegotiate contractual terms with its main customer during the third quarter, which resulted in less favourable financial conditions, albeit with the guarantee of the continuation of the working relationship over the coming years.

In 2024, there was a positive generation of operating cash flow of 10.6 million euros (9.2 million euros in 2023), with a significant improvement in the Group's Net Financial Position from -31.8 million to -25.8 million euros.

Finally, it should be noted that at the end of 2024, the average number of Group employees was 920, a decrease of -1.7% from 936 at 31 December 2023.

### **Non-recurring events**



In 2024, the Alkemy Group recorded non-recurring expenses related to events and transactions that, by their nature, do not occur continuously in the ordinary course of business, and which are disclosed in virtue of their value being significant. The effects of these expenses are summarised below:

<b>Non-recurring expenses</b>	Figures in thousands of euros	
	<b>2024</b>	<b>2023</b>
Services	528	39
Personnel expense	2,198	1,187
	<b>2,726</b>	<b>1,226</b>

Non-recurring expenses for the financial year 2024 include, in particular:

- 1,806 thousand euros relating to costs for the early implementation of the effects of the 2024-2026 Long-Term Incentive Plan, as a consequence of the presentation of the Takeover Bid for the Company's shares in compliance with the Plan regulation (see note 4). Please refer to paragraph 'Significant events during the year';
- 528 thousand euros relating to costs for legal, administrative and advisory services, in particular those related to the aforementioned Takeover Bid (see Note 3);
- 209 thousand euros relating to restructuring costs (see Note 4);
- 135 thousand euros relating to an extraordinary fee paid to a director of the Parent (see Note 4);
- 48 thousand euro relating to other personnel expenses (see Note 4).

We report that in 2024 goodwill was impaired at a consolidated level by 12,106 thousand euros, following the impairment test on the Italy CGU (see Note 13 to the consolidated financial statements).

The separate financial statements of Alkemy S.p.A. include (i) the effects of the 15,018 thousand euros impairment of goodwill and (ii) the effects of the impairment of the equity investments held in Alkemy Iberia S.L.U. and Alkemy Play S.r.l. (of 591 thousand euros and 902 thousand euros respectively), both of which were carried out following the results of the respective impairment tests (see Notes 15 and 17 to the Company's financial statements).

It should also be noted that during the year, a total of 1,539 thousand euros was recognised at the consolidated level for the impairment of doubtful trade receivables and other assets (see Notes 19 and 22). In the Company's financial statements, this amount totalled 1,137 thousand and included, aside from that which is stated above, credit losses on trade receivables due from Alkemy Play S.r.l., in the amount of 523 thousand euros, which were recognised in anticipation of the coverage of past (2020) and future (2024) losses generated by the company.



### Reclassified income statement

The Group's reclassified income statement for 2024, compared with the figures of 2023, is as follows (4):

	Figures in thousands of euros	
	2024	2023
<b>Net revenue</b>	<b>115,336</b>	<b>119,158</b>
Services, goods and other operating costs	(53,552)	(52,527)
Personnel expense	(53,862)	(53,487)
<b>Adjusted gross operating profit (EBITDA)</b>	<b>7,922</b>	<b>13,144</b>
Amortisation, depreciation and impairment losses	(18,139)	(5,028)
<b>Adjusted operating profit</b>	<b>(10,217)</b>	<b>8,116</b>
Net Financial income (expense)	(2,027)	(2,051)
Non-recurring expense	(2,726)	(1,226)
<b>Pre-tax profit (loss)</b>	<b>(14,970)</b>	<b>4,839</b>
Income taxes	238	(1,304)
<b>Profit (loss) for the year</b>	<b>(14,732)</b>	<b>3,535</b>
Other comprehensive income recognised in equity	(84)	183
<b>Comprehensive income for the year</b>	<b>(14,816)</b>	<b>3,718</b>
Profit for the year attributable to non-controlling interests	27	72
Profit for the year attributable to the owners of the parent	(14,843)	3,646

The Group's consolidated economic position for 2024 shows total net revenue of 115,336 thousand euros, as compared with 119,158 thousand euros during the previous year, with an overall decrease compared to the previous financial year of -3,822 thousand euros (-3.2%). Of this decrease, -781 thousand euros was attributable to the Italy segment and -3,041 thousand euros to the abroad segment.

Revenue recorded in Italy, which accounts for 61.8% of consolidated revenue (60.4% in 2023), totals 71,232 thousand euros (72,013 thousand euros in the previous year), -1.1%).

Abroad, revenues amount to 44,104 thousand euros, compared with the 47,145 thousand euros in 2023 (-6.5%).

The overall decrease of 3,041 euros thousand in net revenues from foreign companies is mainly the result of the combined effect of (i) the increase in revenues from Innocv Solution S.L. (+1,835 thousand euros compared to last year) and (ii) the decrease in revenues of Alkemy Iberia S.L.U., the Mexican companies and Alkemy See D.o.o. [compared to 2023, respectively, by -

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- (4) Costs for services, goods and other operating costs as well as personnel expense, are stated net of non-recurring items.  
For the definition of Net revenue, Adjusted EBITDA and Adjusted operating profit, please refer to the footnotes in the "Highlights" section.



4,030 thousand euros, -623 thousand euros (almost entirely attributable to exchange rate trends) and -272 thousand euros].

Operating costs (net of non-recurring items) went from 106,015 thousand euros in 2023 to 107,414 thousand euros in 2024, an increase of 1,400 thousand euros (+1.3%). Specifically:

- Costs for services, goods and other operating expenses net of non-recurring items, which amounted to 53,552 thousand euros in 2024 (52,527 thousand euros in 2023), increased by 2% compared to the previous year, mainly as a result of the different type of services rendered to customers;
- Personnel expense net of non-recurring items, amounting to 53,862 thousand euros in 2024, was substantially in line with the same period of the previous year (53,487 thousand euros in 2023, +0.7%).

The incidence of operating costs on revenue, net of non-recurring expenses, increased to 93.1% (89% at 31 December 2023).

The effects of the above resulted in an adjusted gross operating profit (EBITDA) of 7,922 thousand euros, down 39.7% from the adjusted EBITDA of 2023 (13,144 thousand euros). The adjusted gross operating profit (EBITDA) margin (5) for 2024 came to 6.9% (11% at the end of 2023).

Note that the unfavourable euro-Mexican peso exchange rate has resulted in a decrease in adjusted gross operating profit (EBITDA) of 56 thousand euros, calculated at equal rates with respect to the previous year.

Amortisation/depreciation comes to 18,139 thousand euros (5,028 thousand euros in 2023) and refers to:

- 12,106 thousand euros for the above-mentioned impairment of goodwill related to the Italy CGU, following the impairment test;
- 4,484 thousand euros in amortisation/depreciation (4,189 thousand euros in 2023);
- 1,222 thousand euros for credit losses on trade receivables (613 thousand euros in 2023);
- 317 thousand euros for credit losses on current assets, considered doubtful (173 thousand euros in 2023);
- 10 thousand euros for the provision for other risks (53 thousand euros in 2023).

Adjusted operating profit before financial income and expenses and non-recurring expenses, amounted to -10,217 thousand euros (8,116 thousand euros in 2023), mainly as a result of the aforementioned higher impairment losses in the year (-13,655 thousand euros), the decrease

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(5) The adjusted gross operating profit margin is calculated by comparing the adjusted gross operating profit to total net revenue





in revenue (-3,822 thousand euros), and higher operating expenses (-1,400 thousand euros) compared to the previous year.

Net financial expense comes to 2,027 thousand euros and is essentially in line with the previous year (2,051 thousand euros).

Non-recurring expense comes to 2,726 thousand euros (1,226 thousand euros at the end of the previous year) and mostly refers to non-recurring personnel expense (2,198 thousand euros). This amount is mainly related for 1,806 thousand euros to costs for the early implementation of the effects of the 2024-2026 Long-Term Incentive Plan, as a consequence of the presentation of the Tender Offer on the company's shares (better described in the following paragraphs) and in compliance with the Plan regulation.

The pre-tax loss was -14,970 thousand euros (pre-tax profit of +4,839 thousand in 2023), mainly as a result of the aforementioned reduction in the adjusted operating profit and higher non-recurring expenses compared to the previous year.

The loss for the year totals -14,732 thousand euros, as compared with a profit of +3,535 thousand euros in 2023.

#### **Reclassified statement of financial position**

Below is the Group's reclassified statement of financial position at 31 December 2024, compared with that at 31 December 2023:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
<b>Non-current assets</b>	<b>56,388</b>	<b>67,526</b>
Current assets	44,018	50,678
Current liabilities	(34,242)	(32,113)
<b>Net working capital</b>	<b>9,776</b>	<b>18,565</b>
Post-employment benefits	(7,125)	(6,477)
Provision for risks, charges and deferred tax liabilities	(41)	(125)
<b>Net invested capital</b>	<b>58,998</b>	<b>79,489</b>
<b>Equity</b>	<b>33,157</b>	<b>47,716</b>
Non-current financial debt	20,513	25,956
Current financial debt	5,328	5,817
<b>Net financial debt</b>	<b>25,841</b>	<b>31,773</b>
<b>Total sources of finance</b>	<b>58,998</b>	<b>79,489</b>

The reclassified statement of financial position data at 31 December 2024 indicates net invested capital of 58,998 thousand euros, compared with 79,489 thousand euros at 31 December 2023, which consists of:



- 56,388 thousand euros in non-current assets (67,526 thousand euros at 31 December 2023) of which 42,766 thousand euros for goodwill and 5,406 thousand euros for right-of-use assets (at the end of the previous year, they respectively came to 54,871 thousand euros and 6,274 thousand euros);
- 9,776 thousand euros for net working capital (18,565 thousand euros at 31 December 2023);
- 7,125 thousand euros for post-employment benefits (6,477 thousand euros at 31 December 2023);
- 41 thousand euros relating to the provisions for risks, charges and deferred tax liabilities, to compared with Euro 125 thousand at 31 December 2023.

The change in net working capital totalling -8,789 thousand euros compared to the previous year, related to:

- -6,660 thousand euros due to the decrease in current assets, mainly related to the decrease in trade receivables of -5,990 thousand euros and tax assets of -628 thousand euros;
- +2,129 thousand euros due to the increase in current liabilities, as a result of the combined effect of (i) the increase in trade payables and other current liabilities (+1,758 thousand euros and +1,387 thousand euros, respectively) and (ii) the decrease in tax liabilities of -1,015 thousand euros.

Equity of 33,157 thousand euros decreased by 14,559 thousand euros on 31 December 2023, mainly due to the overall effect of:

- the loss for the year (-14,816 thousand euros);
- the fair value gains on put option liabilities (+298 thousand euros);

The net financial debt is 25,841 thousand euros (net financial debt of 31,773 thousand euros at 31 December 2023) and its change with respect to the previous year end is detailed in the next paragraph.

### **Main financial figures**

The table below details the net financial debt at 31 December 2024 compared with that at 31 December 2023:



	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Bank deposits	10,683	12,025
Cash on hand	1	4
<b>Cash and cash equivalents</b>	<b>10,684</b>	<b>12,029</b>
<b>Current financial assets</b>	<b>-</b>	<b>86</b>
Bank loans and borrowings	(9,469)	(10,314)
Put option and earn-out liabilities	(7,198)	(9,553)
Loans and borrowings from other financial backers	(306)	(1,693)
Lease liabilities – IFRS 16	(3,540)	(4,396)
<b>Non-current financial liabilities</b>	<b>(20,513)</b>	<b>(25,956)</b>
Bank loans and borrowings	(11,187)	(11,532)
Put option and earn-out liabilities	(2,623)	(4,202)
Loans and borrowings from other financial backers	(118)	(88)
Lease liabilities – IFRS 16	(2,084)	(2,110)
<b>Current financial liabilities</b>	<b>(16,012)</b>	<b>(17,932)</b>
<b>Net financial debt</b>	<b>(25,841)</b>	<b>(31,773)</b>

The Group's net financial debt at 31 December 2024 is 25,841 thousand euros (net financial debt of 31,773 thousand euros at 31 December 2023), with an improvement of 5,932 thousand euros in the year. This change, detailed and explained in the Statement of Cash Flows given over the next few pages, is mainly the result of:

- +3,934 thousand euro due to the decrease in put option and earn-out liabilities , mainly due to the exercise of the put option on 14% of XCC S.r.l. (620 thousand euros) and the payment of the first tranche of earn-outs provided for in favour of the former shareholders of Innocv Solutions S.L. (3,595 thousand euros);
- +882 thousand euros due to the decrease in lease liabilities, mainly due to the effect of the payment of lease instalments of the year, only partially offset by the signing of new contracts and the extension of existing contracts;
- +2,547 thousand euros due to the decrease in bank loans and borrowings and loans and borrowings from other financial backers, mainly due to the combined effect (i) of the repayment of instalments envisaged by the bank loan repayment plans (+8,164 thousand euros), and (iii) -5,680 thousand euros for new loans;
- -1,345 thousand euros due to the decrease in cash and cash equivalents.

Two of the loans in place, equal to 6,276 thousand euros at 31 December 2024 require compliance with financial covenants, as detailed in note 26 to the consolidated financial statements and in note 27 to the separate financial statements, to which reference should be made.



### **Significant events during the year**

In addition to that which has already been indicated in the section "FY 2024 performance" and "Non-recurring events" it is deemed useful to provide information on the following events that occurred during the year.

Alkemy S.p.A.'s separate financial statements at 31 December 2023, which were approved by the Company's Board of Directors on 27 March 2023, were submitted to the Shareholders' Meeting on 29 April 2024. The Shareholders resolved to approve them and to carry forward the profit for the year.

During the aforementioned Board of Directors' meeting of 28 March, Mr Paolo Cederle was appointed General Manager of Alkemy S.p.A.; he is a senior manager of high standing and extensive experience, including at an international level, in various large groups. On 29 April he was vested with the appropriate powers for the management of all the Italian and Spanish companies, to support the implementation of the new organisation active from the current financial year and the development of the Group's business.

On 3 June, Retex S.p.A. a Benefit corporation (a subsidiary of Fondo Strategico Italiano SGR) announced, by means of a notice published pursuant to Article 102, paragraph 1, of Legislative Decree. 24 February 1998, No. 58, a voluntary, all-inclusive tender offer (henceforth the "Takeover Bid") for a total of 5,685,460 shares of Alkemy S.p.A., representing 100% of the Company's share capital, at the price of 12 euros per share. The promotion of the Takeover Bid was completed by Retex S.p.A. on 24 June with the filing of the Offer Document with Consob, which was approved on 24 July. Acceptance of the Bid began on 19 August and ended on 10 October, following some extensions, with Retex S.p.A. acquiring a total of 56.57% of the Company's share capital.

On 14 June, the provisions of the agreement with the previous shareholders of Innocv Solutions S.L. were implemented with the payment of the first earn-out tranche.

On 18 June, the purchase of a further 14% of XCC S.r.l.'s share capital from minority shareholders was formalised, bringing the company's stake to 65%.

The liquidity required for both transactions was raised through the signing of a medium- to long-term loan with Unicredit, in the amount of 4.5 million euros, to be repaid in five years (with 12 months grace period) in quarterly instalments at a variable rate equal to the Euribor reference rate plus a spread of 1.35%. To hedge against the risk of future increases in interest rates, the Company entered into a derivative instrument ("collar") with Unicredit, constructed in a manner consistent with the repayment terms of said loan.

On 8 August this year, the Board of Directors of Alkemy S.p.A. approved the 'Issuer's Statement', drafted pursuant to Article 103, paragraphs 3 and 3-bis, of Legislative Decree No. 58 of 24 February 1998 (the 'TUF') and Article 39 of CONSOB Regulation No. 11971 of 14 May 1999 (the 'Issuers' Regulation'). This press release reported the Board of Directors' reasoned assessment of the Takeover Bid and the inadequacy, from a financial point of view, of the proposed



consideration for each share included in the Bid (12.00 euros).

On 9 September of this year, the Board of Directors of Alkemy S.p.A. supplemented the above-mentioned "Issuer's Statement", prepared at the request of Consob, which had been received on 4 September.

On 30 November 2024, the merger between the Mexican companies OIS Marketing Digital S.A. and OIS de Mexico S.A. took place, with the latter's name changing to Alkemy Latam S.A..

On 3 December 2012, an Ordinary Shareholders' Meeting of Alkemy S.p.A. was convened in order to revoke the current Board of Directors and thus appoint new board members, to remain in office until the approval of the financial statements as at 31 December 2026.

As of 5 December 2024, the Company is managed and coordinated by Retex S.p.A. - a Benefit corporation.

### **Evolution of demand and performance of the markets on which the Group operates**

In Italy, where most of the Group's operations take place, the digital market is less mature than the rest of the continent. Looking at the European Union average, the levels of basic digital skills are 'very low', with Italy in 19th place out of 27 European countries in the Digital Decade 2030 indicators with a situation that remains inconclusive, as good performance in digital public services, digital infrastructures and basic digitisation of SMEs, despite a shortfall with other countries in areas such as the dissemination of basic digital skills and the adoption of advanced technologies by businesses.

This scenario is also confirmed by our three-year study measuring the degree of digital maturity of the main companies listed on the Milan Stock Exchange. Indeed, in 2024, only 28% of companies can still claim to be 'fully digital', although this represents a slight improvement on the 2021 study, when 26% of companies were fully digital. In recent years, however, there has been a significant increase in both the awareness by senior management of major companies of the inevitability of digital transformation and institutional focus on the need to adopt measures aimed at narrowing some major gaps in digital competences. In 2020, Italy launched its very first National Digital Competences Strategy and a related Operating Plan that lists more than 100 specific actions and sets ambitious targets for 2025. The Italian recovery and resilience plan is the most extensive of the whole of the EU, for a total value of approximately 191.5 billion euros, of which 9% (approximately 18 billion euros) is allocated to the digital transition.

While we need to wait until next year to see the first results from these public investments, the situation we have been experiencing since the pandemic and the AI boom points to a significant acceleration in behavioural changes for Italians who, with no particular distinction between different age groups, income levels, social classes and geographic areas, rapidly adapted to the new contexts and different working (and non-working) scenarios as they arose,



by adopting digital tools in what has now become an irreversible trend. Clear examples of this are the widespread use of the internet, which in 2024 will reach 87.7% of the population (it was 86.1% in 2023), the extensive adoption of remote working (96% of large organisations today have consolidated such practices), the use of communication platforms both at work and in education, the increase in the use of home banking, the spread of social networks (over 43 million Italians were active daily users in 2024, with this figure remaining stable compared to 2023), the growth of digital advertising expenditure, including on search engines and social media, which will exceed 6 billion dollars in 2024 (+9.6% compared to 2023) and the spread of GenAI tools (53% of large companies have purchased licences for their employees to use tools such as ChatGPT or Microsoft Copilot).

The growth rate set to characterise Italy over the next few years could be even more significant precisely thanks increased investments towards the digital transition and the AI boom. This will make it possible to reduce some of the shortfall with other European countries and expand the potential market associated with Alkemy's business activities. Indeed, although Italy is still lagging on this front, the rapid rise of artificial intelligence (59% of Italian companies have a project underway, compared to the European average of 69% according to the Artificial Intelligence observatory of Milan's Politecnico), and the investments in digitalisation financed by the PNRR (the Italian National Resilience and Recovery Plan), all sectors of the economy have been forced to embrace digital tools and channels, while transforming their business models in response to consumer expectations and changes in purchasing behaviour.

Alkemy's national target market, Digital Transformation, was worth more than 7 billion euros in 2024, with year-on-year growth rates of 8% (2023-2027). The main market drivers include, with an expected double-digit CAGR 2023-2027, the Data and Tech areas (+14% and +11% respectively), which encompass and enable new emerging technologies: in 2012 the digital world, now artificial intelligence. Market data refer to the specific sector in which the Group operates, i.e. that of Digital Transformation services for the Marketing&Sales chain (e.g. the Tech area includes only the market for the development, maintenance and implementation of e-commerce, CRM, websites). With lower expected growth (6%), but significant sizing, we then find the Brand and Design segment, which alone exceeds 65% of the market value.

As regards the export markets covered by the Group, instead, the estimated figures are as follows:

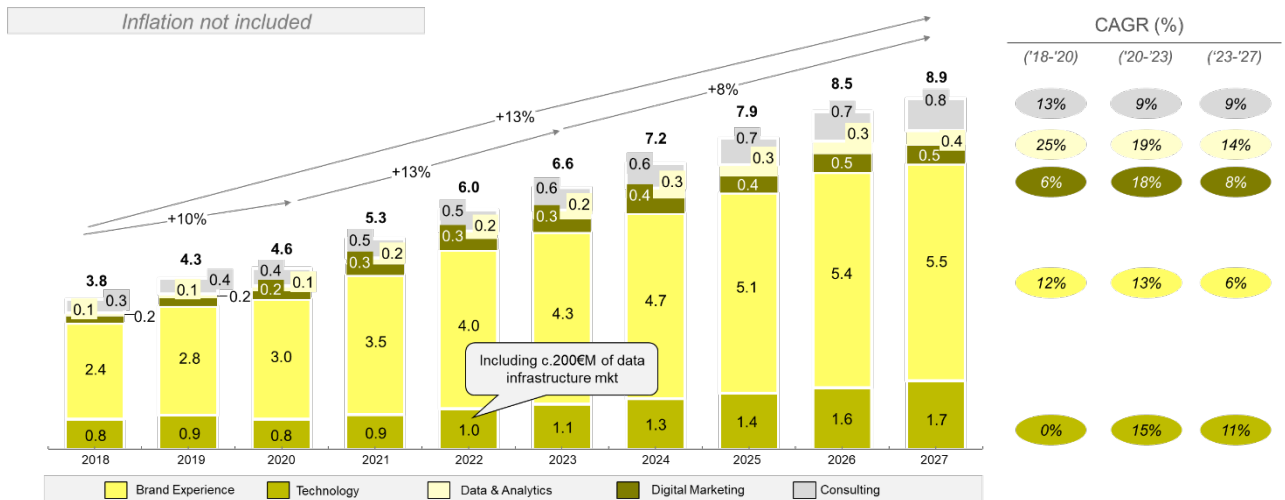
- the Balkans (Slovenia, Croatia, Bosnia-Herzegovina, Serbia, Montenegro, Albania, Macedonia): 0.5 billion euros in 2022, with annual growth expected for the 2023-2027 period of 9.0%;
- Iberian peninsula: 5.0 billion euros in 2022, with annual growth of 10.5% expected for the 2023-2027 period. However, growth is expected to be more significant as a result of the consolidation of the offer of the Spanish-based InnoCV, which was acquired in 2022,



- Mexico: 3.1 billion euros in 2022, with annual growth expected for the 2023-2027 period of 12.5%.

Supplementing the Italian market with that of foreign countries, the compound annual growth rate of the potential comprehensive market is forecast to be in the order of 10% over the next two years.

Alkemy reference markets (2018A-2027F, €B)



(Sources: Gartner 2024 Forecast Analysis Consulting Services Worldwide; Gartner 2024 Forecast Analysis Data and Analytics Worldwide; Gartner Global Digital Marketing Spending Market 2024-2028; IDC Worldwide and US Customer Experience Services Forecast 2024-2028; Gartner 2024 Forecast Analysis Data and Analytics Worldwide).

## Competitors

In terms of the B2B digital services offer, the Italian market has a limited number of large players in terms of turnover, characterised by supply models that are very much hinged on technological and marketing execution.

Some important foreign consultancy companies have approached the Italian market, operating through the acquisition of certain minor digital agencies and the hiring of specific professionals; they are therefore the operators that are closest to offering the extensive range of services boasted by Alkemy.

The export market is still very fragmented insofar as there are countries with a low level of digital maturity, very similar to the recent past seen in Italy (the Balkans, the Iberian peninsula, Latin America), whilst elsewhere, such as in Anglo-Saxon countries, digital is already well consolidated and properly mature.



More specifically, on the more advanced, digitally more evolved markets, the lead players have consolidated their market positions, aggregating small independent players and thereby anticipating the same process implemented by Alkemy.

Indeed, Alkemy is the only player that is 'natively' integrated and that operates by synergistically combining different competences, whereas other players are either focused on only a few ingredients or maintain a strong legacy with respect to a specific competence (e.g. Accenture with Tech). This peculiarity makes Alkemy the ideal partner to accompany companies in their Digital Transformation, a true 'chemical transformation', which cannot be carried out with only one competence (e.g. technology), but which requires the combination of many elements ranging from strategy to technology, from data to creativity which, when combined together, accomplish the alchemy of transformation.

The Parent believes that the competitive scenario in Italy is basically overseen by three types of players: peers (independent mid-size players and cross-competence), large tech or media groups (such as Deloitte, Accenture, Engineering or Publicis, WPP) and specialists (small-size and vertical players on a specific competence).

At the macro level:

- the **large Tech/System Integrator Groups** are consolidating. These players have a primarily technological background and a large offer portfolio, in addition to significant capacity to implement strategies and operative processes thanks to their size. They are also enriching their creative skills through the acquisition of communication agencies. These operators include, when focusing specifically on the digital segment, Accenture Interactive, Deloitte Digital and the Reply division assigned to this activity. Also falling within this segment are the **big Media Centres** such as Publicis or WPP, whose size in Italy is currently smaller than that of the big technology players and whose strength remains their large transactional volumes with specific reference to the Digital Marketing market;
- **Specialists**, on the opposite side of the spectrum, are on average smaller players recognised in the market for their specific competence (e.g: Webranking for digital marketing, Caffaina among communication agencies) though, in a competitive market, they are exposed to the risk of being consolidated by larger groups (this is the case, for instance, of Simple Agency, acquired by Dentsu as early as 2013);
- **Peers**, including **Data driven companies**, are independent mid-size players mainly oriented towards strategy or execution only (in Europe, they include Jakala, the Spanish Making Science and the French Artefact). Lastly, potential peers include **Traditional consulting** companies, which have a strong position in traditional strategy and process consultancy services and which are evolving their business model,



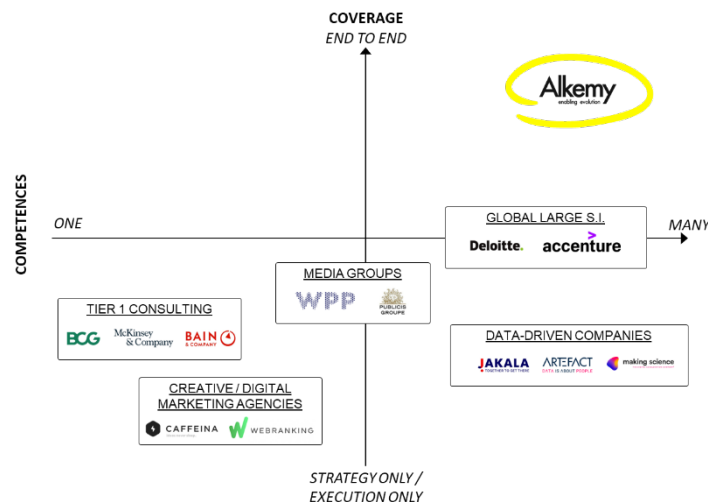


organically or through acquisitions and partnerships, so as to be able to offer execution services on digital (e.g. BCG Platinon).

On the export markets covered by the Group (the Balkans, the Iberian peninsula and Mexico), the competitive scenario does not differ significantly from that of Italy, except for a lesser maturity of the offer integration process that the main players are developing in the wake of the more evolved markets.

Alkemy fits into this context as an independent business with a complete cutting-edge offer portfolio as regards digital services, which can cover end-to-end services conducive to Digital Transformation, coupled with a strategic approach that makes it possible to dialogue mainly with chief executive officers of the customer businesses, making it comparable with the digital specialisation structures of the above major multinational enterprises, which, therefore, its management believes, are the operators most similar to the Parent and its main competitors. Other comparable independent players on the European scene are the aforementioned Making Science and Artefact, as well as the Scandinavian company Knowit.

Due to the large number of integrated services offered, it is the opinion of the Parent's management that the Alkemy Group holds a unique competitive position in particular in Italy but also in the export markets covered.



(Source: internal study)

### Alkemy on the stock market

Alkemy S.p.A.'s shares were listed on the AIM Italia (Alternative Investment Market) from 05 December 2017 to 16 December 2019. As from 17 December 2019, Alkemy's shares have been listed in the STAR segment of the Borsa Italiana Euronext Milan.



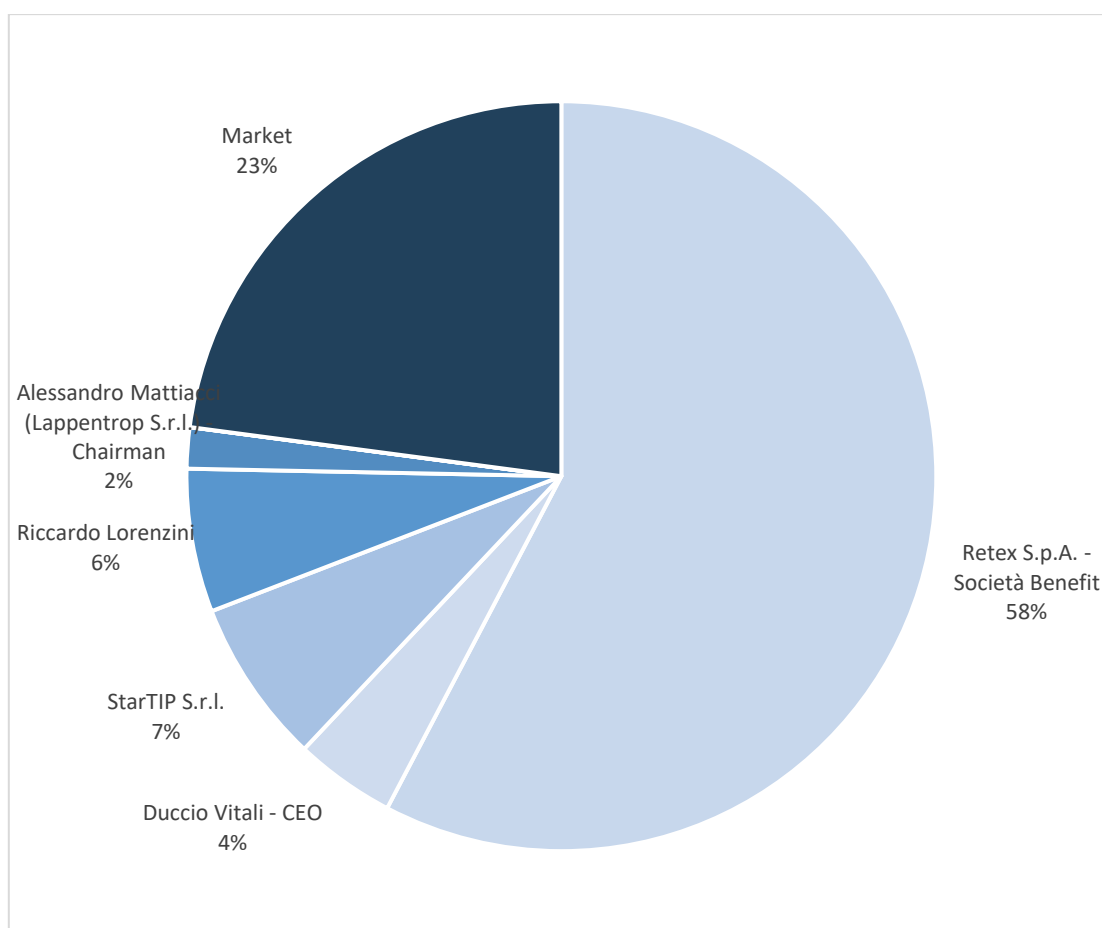
The STAR segment of Borsa Italiana is dedicated to medium enterprises with capitalisation of between 40 million and 1 billion euros, which undertake to respect requirements of excellence in terms of:

- considerable transparency and solid communicative vocation;
- high levels of liquidity (at least 35% float);
- Corporate Governance (the set of rules governing company management) in line with international standards.

The Company's share capital is represented by 5,685,460 ordinary shares, conferring, at 31 December 2024, a total of 6,802,246 voting rights and, specifically:

(i) 4,568,674 ordinary non-loyalty shares, conferring 4,568,674 voting rights (ii) 1,116,786 ordinary loyalty shares, conferring 2,233,572 voting rights.

Ownership structure (significant shareholdings) at 31.12.2024



Alkemy share

Alphanumeric code: ALK



ISIN stock market code: IT0005314635

REUTERS ALK.MI code

BLOOMBERG ALK.IM code

Specialist: Intesa Sanpaolo S.p.A.

Admission price: €11.75

Price at 31.12.2024: €11.60

Capitalisation at the date of admission: €63,489,127.50

Capitalisation at 31.12.2024: €65,951,339.22

#### Alkemy share performance

Throughout 2024 Alkemy share performance was strongly influenced by the governance dynamics in the second half of the year, following the Takeover Bid announced by Retex S.p.A. - a Benefit corporation on 3 June 2024 at a unit price of 12.00 euro per share.

During the first half of the year, the average share price was 10.75 euros per share, with a high recorded close to the announcement of the final results for the 2023 financial year (12.70 per share) and a low recorded after the announcement of the results for the first quarter of the 2024 financial year (8.90 per share). The downward trend recorded in the second quarter of 2024 was then interrupted by the above-mentioned announcement by Retex. From 3 June until the end of the offer period, including the re-opening period, i.e. until 10 October 2024, shares traded at an average price of 12.10 euros.

At the end of the offer period, the price then dropped slightly to an average of 11.80 euros per share.



A total of 2.571 million Alkemy shares were traded in 2024, a 66% increase on the 1.544 million shares exchanged in 2023. The value of exchanges in 2024 came to 29.843 million euros, up 77% on the 2023 value of 16.852 million euros, as a result of the Takeover Bid in the second half of the financial year.

The graph below shows the performance of the Alkemy share and the turnover of trades from the date of admission to trading to 31 December 2024 and the daily turnover of trades.



#### Analyst Coverage



- Intesa Sanpaolo, IPO Report November 2017 (Joint Global Coordinator)  
Research Analyst: Gabriele Berti  
INITIAL COVERAGE: 6 February 2018

#### Valuation and consensus

- Intesa Sanpaolo: bases the valuation of the Alkemy share on the DCF model and peer analysis.  
The target price is 16.50 euros with an BUY recommendation dating back to November 2023 (previously target price of 18.00 euros with a BUY recommendation).

#### **Description of the main risks and uncertainties to which the Group is exposed**

In a context characterised by market instability and the rapid evolution of business and regulatory dynamics, a careful and effective management of risks and opportunities is essential in order to support an informed decision-making process that is consistent with the strategic objectives and guarantee business sustainability and the creation of value in the medium/long-term.

In going about its business, the Group is exposed to risks and uncertainties deriving from exogenous factors connected with the general or specific macroeconomic context of the operating segments in which it operates, as well as risks deriving from strategic choices and internal operating risks.

Such risks have been systematically identified and mitigated through the monitoring and timely oversight of risks as they arose.

Risk management is centralised in the Group, although individual managers are responsible for the identification, monitoring and mitigation of such, also in order to better measure the impact of each risk on business operations, reducing the onset and/or limiting the effects depending on the trigger. Under the scope of business risks, below are the principles governing the Group in application of Art. 2428 of the Italian Civil Code.

#### Risk connected with competitiveness

Reference is made to the information given in the paragraph entitled "Competitors" of this document.

#### Risks connected with demand/the macroeconomic cycle

The performance of the segment in which the Group operates is correlated with the performance of the general economic framework and, therefore, any negative outlook, inflation or recession periods may consequently reduce demand for the products and services supplied.

#### Reputational risk and risk arising from inadequate prevention of corruption incidents



In order to address the risk (i) to its reputation due to inadequate management of relations with the Public Administration due to the absence of a structured process and (ii) arising from inadequate prevention of corruption, including inadequate training for disseminating the Group's policies and procedures on anti-corruption, Alkemy S.p.A. has adopted Model 231 pursuant to Legislative Decree 231/2001 to prevent unlawful conduct and set up a Supervisory Board. In addition, a Code of Ethics was issued to complement the organisation and control model, by promoting values of morality and economic efficiency both within and outside the company. In 2023, Alkemy S.p.A. also adopted its Anti-Corruption Policy, later extended to the Group, which defines guidelines to avoid and reject any actual or potential form or practice of corruption. Finally, with the implementation of a risk mapping process, the most exposed activities are monitored and managed through integrated protocols.

#### Risk of penalties due to non-compliance with data protection rules in human resources management

To address the risk of penalties due to non-compliance with data protection regulations in human resources management, Alkemy S.p.A. has adopted several data protection policies, such as the Data Regulation Policy, the Internal Regulation Policy and the Privacy Policy, to ensure security in the Group's processes and activities. The principles of confidentiality and privacy are laid down in the Code of Ethics, which provides employees and co-workers with a list of information subject to confidentiality constraints.

#### Risk of loss of attractiveness and operational inefficiency due to inadequately defined staff training plans and reputational risk for the Group in the event of incidents of discrimination

To address the risks (i) of a loss of attractiveness and operational inefficiency, with associated quality issues, due to inadequate staff training plans and (ii) for the reputation of the Group in the event of incidents of discrimination connected also to the inadequate management of DE&I practices (such as equal pay issues), each year, between November and December, Alkemy S.p.A. employees complete a self-assessment on their achievements and performance. Furthermore, training is essential for the development of its staff. In 2023 the Group increased its investment in training, offering an extensive training catalogue that is accessible to all employees. No further investments were deemed necessary in this regard in 2024.

#### Risk of cyber attacks

To manage the risk of cyber attacks (cyber risk) by hackers, despite only handling customer data during services, without being the data owner, the Group adopted GDPR measures and appointed a Data Protection Officer in 2018 and a Chief Information Officer in 2020 to improve IT management and security. Furthermore, in 2022 it revised the backup system and implemented an antivirus system with remote control, which was also extended to the Mexican companies and Design Group Italy in 2023. It also adopted several data protection policies



and obtained ISO 27001 certification in 2023. Finally, the principles of confidentiality are laid down in the Code of Ethics.

#### Risk of customer dependency

The Group offers its services mainly to medium and large-sized companies operating in diversified sectors and in different geographical areas. A limited part of the Group's revenues is concentrated on a relatively small number of customers, any losses of which might thus affect the Group's business and financial position. South American customers account for over 80% of the Mexican subsidiary's revenues.

#### Climate risks

In relation to climate risks, in particular connected with climate change, the Group conducted a preliminary internal assessment in order to identify their extent and pervasiveness at both actual and forecast level. Possible impacts on estimates, changes in the useful life of assets, and potential impairment of trade receivables and other assets were analysed. It is noted that in view of the business model and the analyses performed, the Group has no significant exposure to environmental risks in particular connected with climate change.

#### Russia-Ukraine military conflict

The Group does not operate directly in the countries involved in the Russia-Ukraine conflict. However, in this context, various types of risk become important, in particular those connected with:

- the development of the business of the Group's direct customers in these countries;
- macroeconomic and financial factors, such as the volatility of the price of energy commodities, volatility of the prices of raw materials general, volatility envisaged on the global financial markets, in exchange rates and in interest rates;
- cyber crime, e.g. direct attacks against the assets of companies operating *in situ* or in neighbouring countries, or the intensification of such with a potential impact on the interruption of service and critical infrastructures.

The Group has equipped itself with processes and procedures that support the identification, management and monitoring of events with potential significant impacts on resources and the business. These processes seek to maximise a timely and effective response.

#### Risk connected with financial operations

Under the scope of its operations, the Group is exposed to financial risks connected with:

- credit risk;
- liquidity risk;
- market risk and, specifically, interest rate and currency risks.



### Credit risk

With reference to the risk of potential losses deriving from failure by the various counterparties with which it operates to fulfil the commitments made, the Group has established a suitable loss allowance based on the type of its customers and statistical assessments. The particular concentration of the business on high credit standing customers, the number of such and the segment diversification guarantee another substantial lowering of the credit risk.

### Liquidity risk

The Group's financial management is characterised by procedures aimed at regulating the collection and payment duties, controlling and avoiding any critical liquidity positions.

During the year, the Group met its financial requirements using own funds and bank overdrafts and loans. For further details, please refer to the section on "Financial Management" below.

As regards trade payables and other liabilities, the cash flows expected from the related contracts are within 12 months.

### Market risk

The market risk to which the Group is exposed consists of the risk of changes to interest rates and the currency risk.

### Interest rate risk

The Group is exposed to the risk of changes in interest rates in connection with the variable rate indexed medium- and long-term loans.

It should be noted that there are cap options (at a fixed price, already paid) and two collar options in place, in relation to certain medium-term loans contracted starting in 2020, to hedge the risk of future increases in interest rates.

### Currency risk

The Group's operations in currencies other than the euro, as well as the development strategies on the international markets, expose the Group to the currency risk.

The monitoring and management of this risk is left to the administrative management of Alkemy S.p.A..

The Group is therefore exposed to the currency risk, i.e. the risk that changes in the exchange rates of certain currencies with respect to the consolidation currency impact both the Alkemy Group profit (loss) and its net financial debt and equity.

The Group is also exposed to a limited currency risk generated by commercial and financial transactions implemented by the individual companies in currencies other than the functional currency of the company performing the transaction.

This exposure is monitored, but at the reporting date, the Alkemy Group policy is not to hedge





said currency risk insofar as there are no significant transactions implemented in currencies other than the euro between Group companies, except for the annual payment of dividends resolved by the Mexican companies. A significant fluctuation of Mexican pesos or the other currencies in which the Group operates may in any case negatively impact the Group's financial position and financial performance, proportionally to the impact of the business carried out by said companies, with respect to the general business pursued by the Group as a whole.

### **Financial management**

The Alkemy Group's financial management is characterised by procedures aimed at regulating the collection and payment duties, controlling and avoiding any critical liquidity positions.

Throughout 2024, the Group met its current financial needs and partly those tied to corporate finance transactions by means of use of Own Funds and loans, as well as through the use of short-term bank facilities. In any case, the Group has suitable bank facilities, aimed at managing any short-term financial needs. Even for 2025, forecasts point to the use of credit lines and financing to meet expected obligations, including on the basis of resolutions and approvals at the time of drafting this financial report. For more details on the assessments made by the directors on the presumption that the business will continue as a going concern, including in relation to this aspect, please refer to the section 'Basis of preparation and going concern.

As regards the management of corporate finance transactions, the Group's policy adopted to date was to make priority use of Own Funds, if such should be surplus to current requirements and, only secondarily, of medium-term bank loans and borrowings (with 6-12 months of pre-amortisation) for the remainder. The reasoning behind this choice is, on the one hand, the desire not to have these transactions interfere with the Group's ordinary operations, and, on the other, to maintain a suitable period of time for the growth, integration and consolidation of investments made and, therefore, to be able to repay the liability mainly with future income and cash flows the latter generated.

In accordance with Art. 2428, point 6-bis of the Italian Civil Code, it is acknowledged that the Group does not use financial instruments (derivatives and others) except for the mentioned put options over the non-controlling investments in subsidiaries and 4 cap options and 2 collar options to hedge the risk of a rise in interest rates for the majority of the medium-term loans agreed starting 2020.

The Group is also marginally exposed to the currency risk on assets expressed in a currency other than the euro, mainly relating to the companies in Serbia and Mexico.

Finally, the very nature of the services provided means that the Group is subject to moderate credit risk, insofar as debtors are mainly large, highly-solvent private companies.



## Investments

In 2024, the Group invested in property, plant and equipment and intangible assets for a total amount of 3,012 thousand euros (2,028 thousand euros in 2023), as follows:

- o property, plant and equipment for 655 thousand euros (541 thousand euros in 2023), mainly relating to hardware purchases for internal use;
- o intangible assets, for 2,357 thousand euros (1,487 thousand euros in 2023), mainly relating to the purchase of software and internal implementation of solutions, tools and platforms connected with data, CRM and AI aimed at increasing the commercial business of the Group's companies.

## Financial performance of the Parent Alkemy S.p.A.

Below is the key data on the Parent's operations in 2024 (6):

	Figures in thousands of euros	
	2024	2023
Net revenue	60,053	60,491
Adjusted gross operating profit (EBITDA)	1,078	6,698
Adjusted operating profit	(17,918)	3,740
Profit for the year	(18,758)	4,425
Average number of employees	449	448

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Net invested capital	50,922	73,753
Net financial debt	(24,311)	(28,287)
Equity	26,611	45,466

## Reclassified income statement

The reclassified income statement of the Parent has undergone the following changes with respect to that of the previous year :

(6) For the definition of Net revenue, Adjusted EBITDA and Adjusted operating profit, please refer to the footnotes in the "Highlights" section.



Figures in thousands of euros		
	2024	2023
<b>Net revenue</b>	<b>60,053</b>	<b>60,491</b>
Services, goods and other operating costs	(29,378)	(25,355)
Personnel expense	(29,597)	(28,438)
<b>Adjusted gross operating profit</b>	<b>1,078</b>	<b>6,698</b>
Amortisation, depreciation and impairment losses	(18,996)	(2,958)
<b>Adjusted operating profit</b>	<b>(17,918)</b>	<b>3,740</b>
Gain (loss) on equity investments	649	1,691
Net gains (losses) on options	1,120	1,657
Net Financial income (losses)	(1,311)	(1,280)
Non-recurring expense	(2,417)	(953)
<b>Pre-tax profit</b>	<b>(19,877)</b>	<b>4,855</b>
Income taxes	1,119	(431)
<b>Profit for the year</b>	<b>(18,758)</b>	<b>4,425</b>
Other comprehensive income recognised in equity	(47)	116
<b>Comprehensive income for the year</b>	<b>(18,805)</b>	<b>4,541</b>

Revenue in 2024 totalled 60,053 thousand euros, substantially in line with the previous year (-0.7%).

Operating costs, represented by costs for services, goods and other costs and for labour (net of non-recurring expenses) total 58,975 thousand euros, up 5,182 thousand euros on the previous year (+9.6%). In particular, the 2024 personnel expense was 29,597 thousand euros, up 1,159 thousand euros on the previous year (+4.1%), in connection with the increase in average salaries

The Costs for services, goods and other operating costs (net of non-recurring expenses) total 29,378 thousand euros, up 4,023 thousand euros on the previous year (+15.9%).

Adjusted gross operating profit was positive for 1,078 thousand euros (6,698 thousand euros in 2023), down 5,620 thousand euros. This reduction is closely related to the increase in operating costs, as a result of the different mix of sales made by the Company, which had a negative impact on margins.

Depreciation, amortisation and impairment losses amounted to 18,996 thousand euros. This item includes:

- the aforementioned impairment of goodwill (15,018 thousand euros), that was made following the results of the impairment test. Please refer to that which has already been



mentioned in the section 'Non-Recurring Events' and to Note 15 of the Alkemy S.p.A. Financial Statements;

- the loss allowance (1,137 thousand euros) of which (i) 523 thousand was allocated to cover past and expected future losses of the subsidiary Alkemy Play S.r.l., (ii) 365 thousand was allocated for potential future losses also related to specific amounts for which there are ongoing disputes at the reporting date, and (iii) 249 thousand was allocated against potential future credit losses related to public grants;
- depreciation of property, plant and equipment (466 thousand euros) and amortisation of intangible assets (813 thousand euros) for a total of 1,279 thousand euros (in line with the previous year);
- depreciation of right-use assets for offices, cars and hardware, for 1,551 thousand euros (+7% on 2023);
- the allocation to the provision for risks and charges in the amount of 10 thousand euros.

Net gains on equity investments came to 649 thousand euros (1,691 thousand euros at 31 December 2023) and refer to:

- -1,493 thousand euros for the losses on the equity investments held in Alkemy Iberia S.L.U and Alkemy Play S.r.l. (by -591 thousand and 902 thousand euros, respectively). Please refer to that which has already been mentioned in the section 'Non-Recurring Events' and to Note 17 of the Alkemy S.p.A. Financial Statements;
- +2,142 thousand euros for dividends resolved by Alkemy South America S.L. and Alkemy Iberia S.L.U., in the amount of 1,168 thousand euros and 974 thousand euros, respectively.

Net gains on options came to 1,120 thousand euros (1,657 thousand euros in 2023) and were mainly due to fair value gains on on put and call options over the residual non-controlling interests in XCC S.r.l. and Alkemy Play S.r.l.. (1,589 thousand euros) and to the effective use in 2024 of the derivatives representing the rights to acquire 14% of the residual shares in the subsidiary XCC S.r.l. from the non-controlling investors, as envisaged in the related investment contracts (-246 thousand euros).

Non-recurring income was recognised in the financial year for a total value of 2,417 thousand euros (953 thousand euros in 2023) and were mainly related to non-recurring personnel expense (2,030 thousand). This amount is mainly related for 1,806 thousand euros to costs for the early implementation of the effects of the 2024-2026 Long-Term Incentive Plan, as a consequence of the presentation of the above-mentioned Takeover Bid for the company's shares in compliance with the Plan regulation.

The Company therefore recorded a pre-tax loss of -19,877 thousand euros (profit of 4,855 thousand euros in 2023), which net of tax (loss of 1,119 thousand euros as compared with a loss of 431 thousand in 2023) gave rise to a net loss of 18,758 thousand euros, as compared with the profit of 4,425 thousand euros of the previous year. A more detailed analysis of the items is



given in the information provided in the notes.

### Reclassified statement of financial position

The reclassified Statement of financial position of the Company at 31 December 2024, compared with that of the previous year is as follows:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
<b>Non-current assets</b>	<b>50,614</b>	<b>66,502</b>
Current assets	30,801	31,775
Current liabilities	(24,711)	(19,323)
<b>Net working capital</b>	<b>6,090</b>	<b>12,452</b>
Post-employment benefits	(5,759)	(5,154)
Provision for risks, charges and deferred tax liabilities	(22)	(46)
<b>Net invested capital</b>	<b>50,922</b>	<b>73,753</b>
<b>Equity</b>	<b>26,611</b>	<b>45,466</b>
Non-current financial debt	17,658	18,851
Current financial debt	6,653	9,436
<b>Net financial debt</b>	<b>24,311</b>	<b>28,287</b>
<b>Total sources of finance</b>	<b>50,922</b>	<b>73,753</b>

Non-current assets increased to 50,614 thousand euros from 66,502 thousand euros, with the change in 2024 mainly attributable to:

- -15,018 thousand euros for the aforementioned impairment of goodwill;
- -1,493 thousand euros for the aforementioned losses on the equity investments held in Alkemy Iberia S.L.U. and Alkemy Play S.r.l.;
- -1,009 thousand euros for the decrease in right-of-use assets, mainly related to the depreciation for the year;
- +996 thousand euros for the increase in Deferred tax assets;
- +828 thousand euros for the overall increase of equity investments in subsidiaries, as a result of the combination of the purchase of 14% of XCC S.r.l. (+620 thousand euros) and the waiver of part of the receivables due from Alkemy Play S.r.l., to cover losses in 2023 (+207 thousand euros);

Net working capital amounted to 6,090 thousand euros (12,452 thousand as of 31 December 2023) and its change compared to the previous year (6,362 thousand euros), related to:

- -5,388 thousand euros for the increase in current liabilities, following the increase in trade payables (+2,436 thousand euros) and other current liabilities (3,153 thousand



euros);

- -974 thousand euros for the decrease in current assets, mainly related to the decrease in trade receivables of -3,338 thousand euros, partially offset by the increase in current financial assets of +1,587 thousand and other current assets and tax assets of +777 thousand euros;

The reduction in equity during the year (-18,855 thousand euros) is mainly attributable to the loss for the year.

Net financial debt went from 28,287 thousand euros in 2023 to 24,311 thousand euros, improving by 3,976 thousand, as better specified in the next paragraph and the statement of cash flows.

It is also specified that the net financial position reported in the notes to the separate financial statements has been calculated according to the provisions of the latest ESMA guidelines, and that differ from the net financial position previously described and detailed below, as it does not consider long-term financial receivables relative to loans to subsidiaries.

### **Main financial figures**

The Parent's net financial debt at 31 December 2024 is 24,311 thousand euros and includes:

- the balance of cash and cash equivalents for 6,245 thousand euros;
- intragroup loans, granted to the subsidiaries for 1,532 thousand euros
- current bank loans and borrowings, including invoice discounting, for a total of 20,118 thousand euros, obtained from various banks, detailed in the notes, of which 9,186 thousand euros non-current and 10,932 thousand euros current;
- non-current earn-out liabilities to former non-controlling investors of Innocv Solutions S.L. for 7,198 thousand euros;
- lease liabilities for a total of 3,812 thousand euros, of which 2,354 thousand euros non-current and 1,458 thousand euros current;
- liabilities for the intragroup loan in place, granted by the subsidiary Alkemy South America S.L. for 960 thousand euros.

The table below details the net financial debt at 31/12/2024 compared with that of the previous year.



	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Bank deposits	6,245	6,075
Cash on hand	-	1
<b>Cash and cash equivalents</b>	<b>6,245</b>	<b>6,076</b>
<b>Financial assets</b>	<b>1,532</b>	<b>1,382</b>
Bank loans and borrowings	(9,186)	(10,024)
Earn-out liabilities	(7,198)	(6,802)
Lease liabilities from application of IFRS 16	(2,354)	(3,407)
<b>Non-current financial liabilities</b>	<b>(18,738)</b>	<b>(20,233)</b>
Bank loans and borrowings	(10,932)	(9,425)
Earn-out liabilities	-	(3,526)
Loans and borrowings from other financial backers	(960)	(1,160)
Lease liabilities from application of IFRS 16	(1,458)	(1,401)
<b>Current financial liabilities</b>	<b>(13,350)</b>	<b>(15,512)</b>
<b>Net financial debt</b>	<b>(24,311)</b>	<b>(28,287)</b>

### Reconciliation of profit (loss) for the year and equity of the Parent and the Group

The statement below reconciles the profit (loss) for the year and equity of the Parent with that from the Consolidated Financial Statements:

	Figures in thousands of euros	
	Equity at 31 Dec. 2024	Profit (loss) for 2024
<b>Alkemy S.p.A. (Parent)</b>	<b>26,611</b>	<b>(18,758)</b>
Contribution made by consolidated equity investments	10,892	3,165
Derecognition of carrying amount of equity investments	(40,671)	1,501
Derecognition of dividends distributed to the parent	(76)	(3,316)
Goodwill	39,661	2,912
Elimination of derivatives and options on non controlling interests	(3,999)	(1,457)
Other	738	1,221
Result and equity attributable to non-controlling interests	(500)	(27)
<b>Consolidated Financial Statements of the Alkemy Group</b>	<b>32,657</b>	<b>(14,759)</b>

### Corporate governance

The Corporate Governance system adopted by Alkemy is compliant with the indications contained in the Borsa Italiana S.p.A. "Corporate Governance Code of Italian listed companies".

In compliance with regulatory obligations, the Report on the corporate governance system is



prepared every year, offering a general description of the system adopted by the Group and gives details on the ownership structures and adhesion to the Corporate Governance Code, including the main governance practices applied and the characteristics of the internal control and risk management system.

The FY 2024 "Annual Corporate Governance Report", approved by the Board of Directors, will be made available to Shareholders in accordance with the law. The Report will also be available on the Company's website ([www.alkemy.com](http://www.alkemy.com) "Corporate Governance – Annual Reports" section).

The Report also contains the information envisaged by Art. 123-bis of the Consolidated Law on Finance, including that on ownership structures and compliance with the code of conduct to which the Company adheres.

It is also specified that the information pursuant to paragraphs 1 and 2 of Art. 123-bis of Italian Legislative Decree no. 58/1998 is given in the separate "Annual Corporate Governance Report", which, for certain information on remuneration, refers to the "Remuneration Report" prepared in accordance with Art. 123-ter of Italian Legislative Decree no. 58/1998. Both reports, approved by the Board of Directors, are published by the deadlines envisaged on the Company's website.

### **Remuneration Report**

The Remuneration Report, which was prepared pursuant to Art. 123-ter of the Consolidated Finance Law, is available on the Company's website at [www.alkemy.com](http://www.alkemy.com), in the Corporate Governance section.

### **Research and development**

During the year, the Group did not start research and development (R&D) activities.

### **Treasury shares**

The meeting of the Shareholders of Alkemy S.p.A. held on 29 April 2024 resolved to repurchase and dispose of ordinary shares in the Parent for up to eighteen months, in order to: (i) use the treasury shares as an investment, for an efficient use of the cash and cash equivalents generated by the Parent's core business and (ii) be able to use the treasury shares to assign to the beneficiaries of potential incentive plans resolved by the competent corporate bodies in the favour of Parent employees and directors; and (iii) allow for the use of the treasury shares under the scope of transactions linked to the core business, i.e. projects consistent with the growth and expansion lines the Parent intends to pursue in connection with which the share exchange opportunities shall take concrete form with the main aim of perfecting the corporate integration with potential strategic partners.





During the year, the Company therefore acquired a total of 3,500 treasury shares (0.1% of the Company's share capital), for a total outlay of 43 thousand euros.

These purchases were made in compliance with current legislation, in particular with the provisions of Art. 132 of Legislative Decree no. 58 of 24 February 1998 and Art. 144-bis of the Regulation approved by Consob Resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented, with the operating procedures established by the Regulation of markets organised and managed by Borsa Italiana S.p.A.

The Company also assigned and transferred 152,757 shares, valued at 1,818 thousand euros, to the Chairman, the Chief Executive Officer, a Director of the Parent Company and certain executives, in execution of the 'Long-Term Incentive Plan', in relation to the shares accrued by them on the 2020-2023 results and not yet paid.

As at 31 December 2024, the Company held 58 treasury shares, equal to 0.001% of the share capital (149,315 as at 31 December 2023, or 2.63% of the share capital), for a countervalue of 1 thousand euros.

The Parent's equity includes a specific undistributable reserve of an equal amount.

### **Events after the reporting period**

On 23 January 2025, an Extraordinary Shareholders' Meeting was convened and resolved to increase the share capital by 30 April 2025, for a maximum amount of 10,783.40 euros, by allocating the corresponding amount drawn from retained earnings to capital, and by issuing a maximum of 107,834 new ordinary shares of the Company, with no indication of par value. These new shares are to be allocated free of charge to employees of the Alkemy group who are beneficiaries of the 'Long Term Incentive Plan 2024-2026' approved by the Shareholders' Meeting on 27 April 2023.

On 22 February 2025, some sale and purchase agreements were signed between Retex S.p.A. and certain minority shareholders of the Company for a total of 1,435,895 Alkemy shares, representing approximately 25.26% of the currently issued share capital. The execution of the Sale and Purchase Agreement is unconditional and will be executed on 31 March 2025 for a consideration of 12 euros per share. The shareholding in Alkemy jointly held by Retex S.p.A. and Mr Duccio Vitali will exceed the 90 per cent threshold set out in Art. 108(2) of the Legislative Decree. 58/1998.

On 26 February 2025, the Company's Board of Directors approved the merger project with DGI S.r.l.. The transaction is due to take effect on 1 August 2025.

In March 2025, Unicredit S.p.A. disbursed a medium/long-term bank loan for a term of 36 months, for a nominal amount of 4,000 thousand euros, to support working capital. Repayment



is on a straight-line basis once a quarter. The interest rate applied is the 3M Euribor, increased by a spread of 1.80 points. At the time of the loan disbursement, an up-front fee of 20 thousand euros was withheld;

In March 2025, Finlombarda S.p.A. also approved the disbursement of a medium/long-term bank loan for a term of 60 months, for a nominal amount of 3,000 thousand euros, to support working capital. Repayment is on a straight-line basis once a quarter. The interest rate applied will be the 3M Euribor, increased by a spread of between 1.30 and 1.80 basis points, which is yet to be confirmed. At disbursement, an up-front fee was withheld of 0.5% (15 thousand euros);

### **Outlook**

In 2025, operations will continue to be influenced mainly by external factors, some of which were already present during the past financial year (the war in Ukraine, the Israeli-Palestinian conflict, inflation and interest rates), with further potential impacts arising from the foreign and economic policy of the new President of the United States. This general uncertainty has a significant impact on company expectations, which are not always positive as a result of widespread market concerns. At present, there do not appear to be significant impacts the Alkemy Group's customers, but the potential repercussions of future impacts on the purchase of services offered by the Group based on the US's tariffs policy and the EU's response cannot be forecasted at this stage.

The Group's expectations for 2025 are for a moderate resumption of organic growth, in terms of revenue and especially margins, despite the fact that the results achieved in 2024 were below expectations. In particular, these expectations are supported by the current state of progress for orders, the new sales organisation, which was fully adopted last year and reinforced with the hiring of new senior managers, as well as the consolidation of the 'OneAlkemy' project, the positive effects of which will be visible from the second half of this year.

### **Coverage of the loss for the year**

We believe we have thus duly informed you on the Company's performance and propose you cover the loss for 2024 loss recorded by Alkemy S.p.A. of 18,758,051 euros, through the use of retained earnings and/or other reserves.

### **Consolidated Sustainability Statement**



## **ESRS 2**

### **General basis for preparation of sustainability statements - BP-1**

The Consolidated Sustainability Statement (hereinafter also referred to as 'Statement' or 'Sustainability Statement') of the Alkemy Group (hereinafter also referred to as 'Group') is prepared in accordance with Legislative Decree no. 125/2024 with reference to the 2024 financial year (1 January to 31 December 2024), in line with the Annual Financial Report and according to the process described in the "ESG Governance & Sustainability Statement Process Procedure".

The reporting boundary corresponds to that detailed in the Annual Financial Report. The information in the document covers direct and indirect business relationships included in the Group's upstream and downstream value chain (comprising identified Impacts, Risks and Opportunities, hereinafter also referred to as IROs). Information on policies, actions, targets and metrics related to the value chain are presented in the appropriate sections of the Sustainability Statement. Finally, the option of omitting specific information corresponding to intellectual property, know-how or innovation results was not used.

### **Disclosures in relation to specific circumstances - BP-2**

Disclosures in relation to specific circumstances are given below.

#### **Time horizons**

The short, medium and long-term time horizons used in the Consolidated Sustainability Statement are defined in line with the provisions set out in ESRS 1. Short, medium and long term time horizons are understood as one year, up to five years and over five years respectively.

#### **Sources of estimations**

In order to ensure a correct representation of performance and guarantee the reliability of the data, the use of estimates was avoided as far as possible but where these are used, they are based on the best information available and are duly reported in specific sections. The main estimations used concern the calculation of Group emissions, with reference to Scope 1, solely for the component of emissions generated by stationary sources (office heating), Scope 2 with reference only to the energy consumption of the Group's Serbian headquarters, and certain Scope 3 categories. More details can be found in section E1 of this document.

#### **Changes in preparation and reporting errors in prior periods**

Sustainability reporting has been significantly expanded to comply with CSRD and ESRS requirements for the first time in 2024. The Group made use of the option not to publish comparative data with the previous year.

#### **Incorporation by reference**

No information is incorporated by reference to other documents.



### **Phase-in provisions**

The Group makes use of the phase-ins for the first year in accordance with Appendix C of ESRS 1 and the Statement does not include information required by other regulations.

Use of phase-ins for all entities included in the Disclosure:

- Disclosure Requirement SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2; SBM-3; para. 48)
- Disclosure requirement E1-9 - Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (ESRS E1; E1-9)
- Disclosure requirement S1-7 - Characteristics of non-employee workers in the undertaking's own workforce (ESRS S1; S1-7)
- Disclosure requirement S1-8 - Collective bargaining coverage and social dialogue (ESRS S1; S1-8 para. 60(c))
- Disclosure requirement S1-11 - Social protection (ESRS S1; S1-11)
- Disclosure requirement S1-12 - Percentage of employees with disabilities (ESRS S1; S1-12)
- Disclosure requirement S1-13 - Training and skill development (ESRS S1; S1-13)
- Disclosure requirement S1-14 - Health and safety (ESRS S1; S1-14 para. 88(d, e), 89)
- Disclosure requirement S1-15 - Work-life balance (ESRS S1; S1-15)

### **The role of the administrative, management and supervisory bodies - GOV-1**

Alkemy S.p.A. has adopted a traditional type of governance system. The Shareholders' Meeting, the body in charge of expressing the shareholders' intentions, therefore appoints both the Board of Directors and the Board of Statutory Auditors.

The Board of Directors is the body in charge of managing the corporate business; it has the power and duty to direct and manage the company with the aim of pursuing its sustainable success, in application of Principle I of the Corporate Governance Code. The Board of Directors is also exclusively responsible for, among other things, approving and monitoring the adequacy of the general organisational, administrative and accounting structure of the Company and its strategically important subsidiaries, with particular reference to the Internal Control and Risk Management System and the management of conflicts of interest.

The Board of Directors of Alkemy S.p.A. was appointed by the Shareholders' Meeting on 3 December 2024 and will remain in office for three financial years, i.e. until the date of the shareholders' meeting called to approve the Financial Statements as at and for the year ending at 31 December 2026.

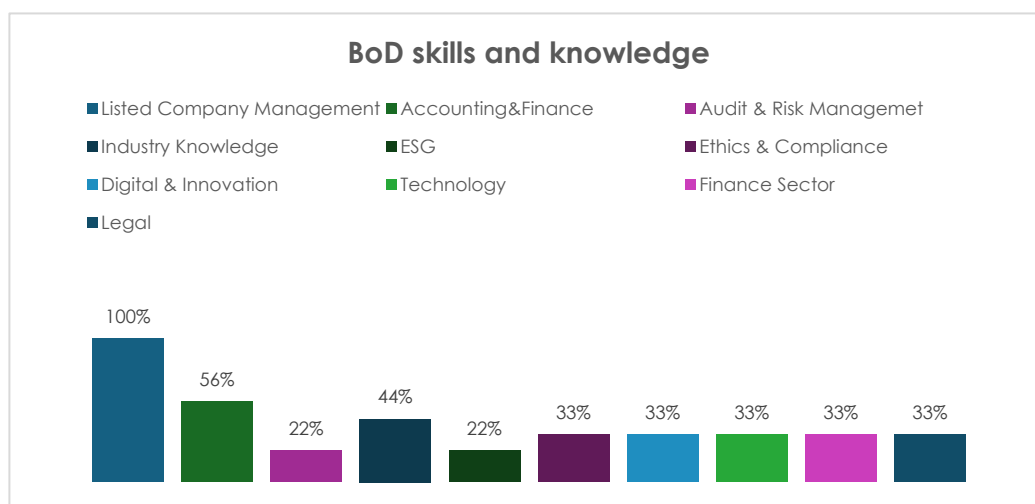
The Group's Board of Directors is formed of 9 members, of whom 44% are women and 56% are men. In addition, one director holds executive positions while 55% are independent members. Although the Chief Executive Officer has been delegated as employer, there is no specific employee representation within the Board of Directors.



Alkemy does not currently have policies of dialogue or consultation between the Board of Directors and with workers, and there are no plans for workers to participate in Board proceedings.

In addition, the members of the Board of Directors have many years of experience in various business areas - including as Board members and Statutory Auditors for listed and unlisted companies - which has enabled them to develop both technical and legal skills. The composition of the Board of Directors ensures a proper response to the needs of the market and the governance of the listed Group, including the presence of skills and knowledge in sustainability and business conduct.

Details of the skills for each member are shown in the following chart.



To date, the Board of Directors does not receive ESG training, relying instead on the specific expertise in this area of the Chairman, who serves as Chairman of the ESG Committee at FSI SGR S.p.A., and an independent board member, who attended PwC's ESG Academy. It is understood that, during meetings of the Control, Risks and Sustainability Committee and the Board of Directors that cover topics or require resolutions in sustainability-related areas, the head of the Sustainability department offers specific insights into these topics for all directors involved, and remains available for consultation for any further requests on these topics.

#### **Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies - GOV 2**

With regard to the management of sustainability issues, in July 2022, the Board established the **Sustainability Department** to which it delegated the exercise of its steering function in the definition of ESG policies as well as the overseeing of the integration of ESG factors into management strategies. Starting next year, the Group will endeavour to create a governance structure for overseeing ESG issues, controlling the Group's impacts, risks and opportunities, implementing relevant internal procedures and an adequate system of control, while



monitoring and verifying KPIs and ESG targets. Neither the timing and procedures for discussing topics related to impacts, risks and opportunities, nor the results and effectiveness of policies, actions, metrics and targets adopted to address these have been formalised through procedures or an Internal Control System for ESG topics to date; the Board is only involved in this regard for the purpose of approving the Sustainability Statement.

Moreover, in compliance with the recommendations on corporate governance given in the Code of Corporate Governance, the Company's Board of Directors has established and approved the internal operating procedures of the following committees:

- Remuneration Committee: with duties regarding remuneration, in compliance with the provisions of application criterion of the Code of Corporate Governance;
- Control, Risks and Sustainability Committee: which assists the Board of Directors in sustainability assessments and decisions, as well as in monitoring Alkemy's impacts, risks and opportunities.
- Related Party Transactions Committee: the committee responsible for reviewing Related Party Transactions pursuant to the Group's 'Related Party Transaction Procedure'.

The Control, Risks and Sustainability Committee supports the Board of Directors in assessments and decisions regarding the internal control and risk management system, aside from the approval of periodic financial reports. In particular, the Committee verifies that the periodic financial and sustainability information correctly represents the Group's business model and strategies, as well as the impact of its activities and performance levels. Where necessary, the Committee entrusts the Internal Audit Department with the task of auditing specific operating areas, simultaneously notifying the chairman of the control body;

In terms of sustainability, the Control, Risks and Sustainability Committee proposes sustainability policies to the Board of Directors with the aim of creating value over time for shareholders and other stakeholders, in accordance with principles of sustainable development. Furthermore, it formulates proposals on sustainability guidelines, objectives and processes, as well as on the Sustainability Statement. Currently, the Group does not consider it necessary to provide for formal methods of coordination between the various parties involved in the internal control and risk management system, since they operate with a spirit of mutual collaboration even in the case of reports and critical concerns. However, the meetings of the Committee are duly minuted and are attended by the Chairman of the Board of Statutory Auditors (or another Statutory Auditor designated thereby). Meetings may also be attended by the Chief Executive Officer and/or the Director in charge of the internal control system. At present, no frequency has been identified for the sharing of information on impacts, risks and opportunities, the results and effectiveness of the policies, actions, metrics and targets adopted to address these;



however, these aspects are expected to be assessed annually during the approval of the Report on Operations, including the annual Sustainability Statement.

Several years ago, the Group started an integration process for the supervision, control and management of ESG impacts and risks within the normal course of business. This process is supported by tools and practices that enable the administrative, management and supervisory bodies to take account of impacts, risks and opportunities in controlling the Group's strategy, its decisions on important transactions, and its risk management process.

Regarding impacts, Alkemy constantly monitors sustainability matters through the preparation of the Sustainability Statement, which is approved by the Board of Directors. The monitoring previously took place through the Non-Financial Statements.

These documents allow Alkemy to monitor and control ESG impacts and align corporate strategies with material sustainability matters. In addition, the Materiality Process, which is updated annually, starts with the identification and assessment of impacts and provides a basis for supporting decision-making.

Regarding risks, the Group has a Risk Assessment Document that incorporates ESG risks. This document helps to identify, assess and mitigate risks associated with business operations, integrating them into the overall risk management process.

As far as opportunities are concerned, this is the first year in which Alkemy has started reporting with the implementation of the Double Materiality process. The Group has started the process of integrating opportunities into its business management process. This commitment reflects Alkemy's willingness to seize sustainability-related opportunities to create long-term value while contributing to sustainable development.

In summary, the Sustainability Statement and the Double Materiality Analysis provide a solid basis for balancing sustainability needs with corporate objectives. Furthermore, the Risk Assessment Document ensures that ESG risks are managed in an integrated manner to support strategic decisions<sup>5</sup>.

### **Integration of sustainability-related performance in incentive schemes - GOV-3**

The Alkemy Group recognises the importance of integrating sustainability criteria into its remuneration policies, in order to promote responsible, long-term oriented management. Specifically, the criterion for defining each economic package is based on professional specialisation, the organisational role held and the key responsibilities of the role. The remuneration of Directors and Key Management Personnel consists of a fixed and variable component. The fixed component is set at a competitive level for the market and rewards individuals for the responsibilities assigned to them, their experience and distinctive skills. The annual variable component for Executive Directors is defined based on maximum limits and

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<sup>5</sup> For a list of the impacts, risks and opportunities addressed by the Alkemy Group's administrative, management and supervisory bodies during the year, please refer to section **SBM-3**.



aimed at remunerating expected short-term performance, while for Key Management Personnel it is aimed at rewarding the achievement of corporate and individual objectives (MBO).

Performance is evaluated against business and individual targets, with a medium-term variable component to ensure the achievement of sustainable results over time. Executive Directors and Key Management Personnel may be beneficiaries of incentive plans based on financial instruments, which link the payment of variable remuneration components to predetermined, measurable performance objectives associated with the creation of shareholder value in the medium to long term. In June 2024, following the presentation of the Voluntary Complete Takeover Bid for the Alkemy shares by Retex S.p.A. - a Benefit corporation, the 2024-2026 Long-Term Incentive Plan (LTIP) was accelerated and its beneficiaries were then granted share packages corresponding to the achievement of 100% of the Plan's multi-year targets. No further multi-year share plan is currently planned.

It is worth mentioning that the aforementioned LTIP stipulated that 5% of the shares would be linked to ESG KPIs.

In particular, for sustainability-related performance metrics, it was set forth that part of the directors' remuneration would be linked to the achievement of specific sustainability targets (KPIs). However, the KPIs in the LTI Plan did not include specific targets related to the achievement of the Group's GHG emission reduction targets.

Finally, the guidelines and policies of the reward system are defined by the Board of Directors, consistently with the 2024-2026 Business Plan. The incentive is disbursed after approval of the reference annual financial statements and the amounts due may vary proportionally to the result achieved, up to the maximum value of the incentive envisaged by the MBO.

#### **Statement on due diligence - GOV - 4**

The Group has started the activities to define and formalise guidelines with the aim of integrating the Due Diligence process into its business model. One of the first steps it has taken concerns the start of the Double Materiality process and the development of an Internal Control System.

Below is a table containing the main elements of the Due Diligence process and the relevant reference paragraph.





Key elements of the Due Diligence Process	Paragraphs of the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	<b>ESRS 2:</b> GOV-2; SMB-3; IRO-1; IRO2
b) Engaging with affected stakeholders in all key steps of the due diligence	<b>ESRS 2:</b> SBM-2; IRO-1
c) Identifying and assessing adverse impacts	<b>ESRS 2:</b> IRO-1
d) ) Taking action to address negative impacts	<b>ESRS 2:</b> SBM-3
e) Tracking the effectiveness of these efforts and communicating	<b>ESRS 2:</b> GOV-2; SBM-3

#### **Risk management and internal controls over sustainability reporting - GOV - 5**

In 2024, the Alkemy Group initiated a project to define an Internal Control and Risk Management System for Sustainability Reporting (Internal Control over Sustainability Reporting 'ICSR'), with the aim of strengthening and consolidating existing reporting practices. This system, which is to be developed in response to the requirements of the European Sustainability Reporting Standards (ESRS), is a set of internal procedures and tools that have been adopted to achieve the Group's objectives of reliability, accuracy and timeliness of information, as well as the correct use of sustainability standards for the purposes of the Consolidated Sustainability Statement.

The system, which will be developed in accordance with the COSO Framework SCIGR - the benchmark against which each component of the Group's Internal Control System is established, maintained and assessed - will operate in accordance with applicable regulations and corporate governance principles, and will be integrated into the Group's risk governance and internal control system.

With regard to the ICSR through the Manager in charge of financial reporting, the Group is designing a control system that will be made up of the following main components:

- a process to identify the main risks related to the Sustainability Reporting Process and Disclosure Requirements from the perspective of the Internal Control System, as well as controls for monitoring these, as represented in control matrices (Risk and Control Matrix);
- a corporate procedure for the preparation and dissemination of the Sustainability Statement;
- a structured reporting process to the Board of Directors and the Shareholders' Meeting, including through the Control, Risks and Sustainability Committee, to ensure, inter alia,



adequate disclosures on the results of monitoring activities performed on relevant corporate procedures;

- an external certification process, based on the reports and declarations of the Manager in charge of financial reporting pursuant to Article 154-bis, paragraph 5-ter of Legislative Decree 58/1998;
- an ongoing process of training in the area of sustainability reporting for 'Sustainability Coordinators' (CSBs), i.e., individuals formally identified within each organisational structure as facilitators for activities related to the maintenance, development and monitoring of the Group's sustainability reporting and control model.

The Group's ICSR will be validated and implemented for the 2025 Sustainability Statement and will be subject to an ongoing process of updating and maintenance to ensure that the preparation of the Sustainability Statement is adequate and consistent over time, including after any changes to the Group's business, organisation and processes.

Through the analysis of data streams related to the identified disclosure obligations, the Group has determined the type of risks and relevant control points for their mitigation, while defining their nature, frequency and the persons responsible for their execution.

As part of the process of preparing, approving and publishing the Sustainability Statement, an analysis is made of the risks associated with a failure to achieve the control objectives, in order to ensure a representation that is compliant with the regulations and principles governing its preparation, while minimising the likelihood and impact of any critical issues. The ICSR is, in fact, based on a thorough assessment of the risk of error in reporting, which was developed on the basis of qualitative and quantitative criteria. Specifically, starting from the material sustainability issues identified through the Double Materiality Analysis - which is coordinated annually by the Sustainability Department with the support of the Manager in charge of financial reporting – materiality thresholds were defined with respect to the rating scales, in order to identify the degree of priority for mapping/updating DR (Disclosure Requirements) on the basis of the potential impact of the information. The aspects considered include:

- the materiality of the topics in relation to the objectives/aspects reported in the Group's Sustainability Plan and the KPIs reported in the Sustainability Statement;
- additional elements identified as essential by management.

The main potential reporting risks identified include inaccurate and incomplete data collection, errors in the calculation of indicators and non-alignment with ESRS requirements.

For the identified risks, the Risk Control Matrix will define mitigation strategies and related controls. The future conduct of periodic testing activities aimed at verifying the adequacy of the design and the effectiveness of the controls in place for mitigating and reducing the identified risks will enable the evaluation of the structure of the controls, the identification of any gaps and proposed remedial actions to ensure adequate control over critical areas.



The findings of the risk assessment and internal controls will be integrated into business processes through a process of regular monitoring and verification of the functioning of key controls. This process will include cooperation with corporate bodies, such as the Board of Directors and the Control, Risks and Sustainability Committee.

The Manager in charge of financial reporting liaises and cooperates with the Group's administrative, management and supervisory bodies and organisational structures to ensure the correct and effective performance of his/her duties.

Therefore, with the support of the Sustainability Department, by means of a report to be prepared at least once per year, the Manager in charge of financial reporting informs the Board of Directors and the Control, Risks and Sustainability Committee, as well as the Board of Statutory Auditors, on the performance of the activity he/she is responsible for, highlighting any critical issues that emerged during the period and the actions taken or planned to overcome these, after liaising with the Chief Executive Officer; furthermore, he/she informs the Chief Executive Officer of facts the criticality or seriousness of which, may require urgent decisions to be taken by the Board of Directors. This reporting mechanism allows for the monitoring of the effectiveness of the Internal Control System and ensures that the administrative, management and supervisory bodies have timely and accurate information. Moreover, it ensures compliance with regulations and corporate governance principles, while also supporting alignment with sustainability goals and providing a solid basis for integrated risk management and transparent reporting.

### **Strategy, business model and value chain - SBM-1**

The Alkemy Group is a leader in digital transformation in its two main markets, Italy and Spain; it enables the evolution of its customers' businesses by defining their strategy through the use of technology, data and creativity. Alkemy develops innovative projects throughout the chains of the various segments, such as telecommunications, media, consumer services, financial services and utilities, combining advanced technologies with innovative design, big data and creative communication. Furthermore, none of the Group's business lines feature products that are banned in certain countries, thus guaranteeing an offer that has no geographical restrictions and which is compliant with the regulations in force in the relevant markets

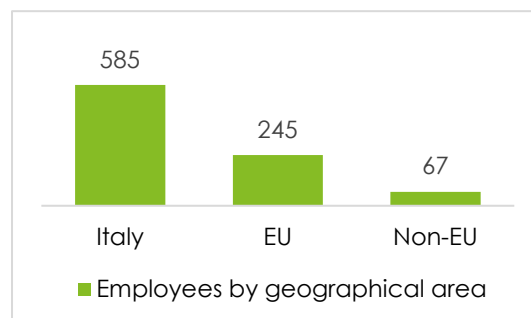
The Group's strength lies in its ability to combine different competencies, while operating as a single point of contact in customer processes and operations. In this way, it can offer a range of services covering the entire value chain<sup>6</sup>. Its model is based on strategic collaboration with customers, aimed at fostering innovation and growth by exploiting the potential of digital technology.

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<sup>6</sup> For more details on the data used, methodology and data processing, please refer to section **IRO-1**.



Alkemy is an international group with a workforce of 897 employees operating in Italy, Spain, Mexico, the USA and the Balkans. It currently has 11 offices: Milan, Turin, Rome, Naples, Potenza, Cagliari and Rende (Cosenza), Madrid, Belgrade, Mexico City and New York. For the breakdown of total revenue according to IFRS 8, please refer to the section 'Segment Reporting' in the Annual Financial Report.

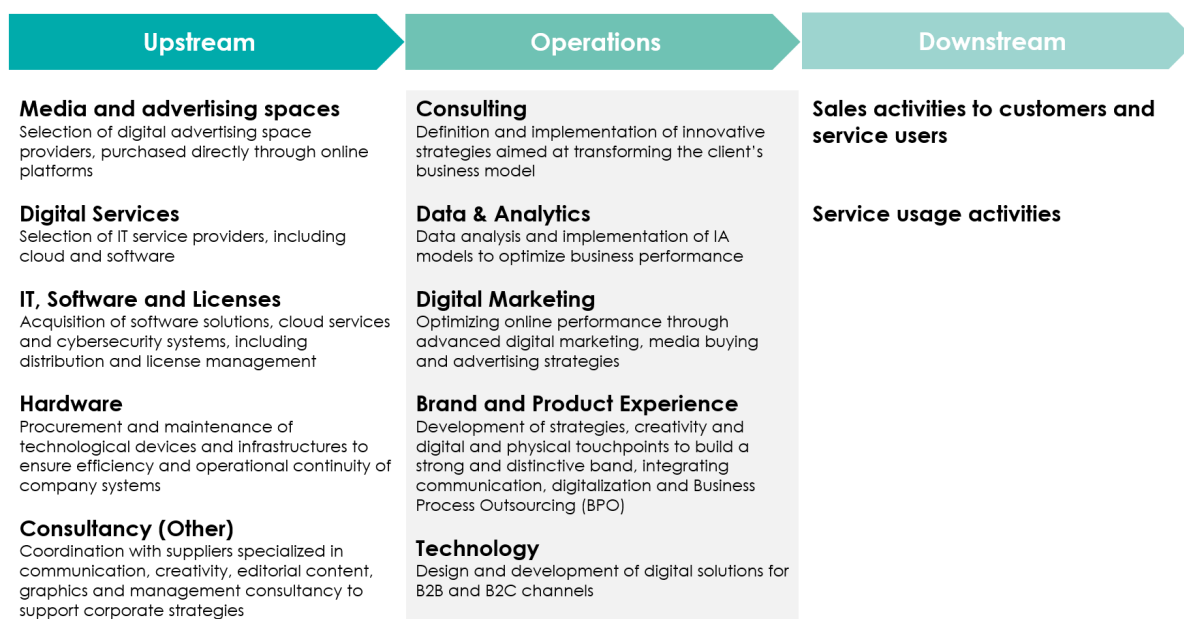


As a business operating in the field of digital transformation, material IROs are mainly connected to own operations relating to the workforce. In addition, the upstream value chain includes crucial equipment and services which the Group relies on to improve operations and services to large and medium-sized companies.

Indeed, some of the main upstream **business relations**<sup>7</sup> concern providers of media, advertising space and IT services. During the 2024 financial year, there was no change in the main customers and target markets.

With the important contribution of its workforce, Alkemy has developed several **activities** and **business areas** to manage projects aimed at transforming and evolving its customers' businesses.

Finally, in the downstream value chain, the Group has a **customer-driven** management system which confirms its increasing focus on its customers' needs, with the aim of developing a portfolio that is increasingly characterised and customised according to the specific features of each Industry.



<sup>7</sup> For more details on **types of suppliers** refer to section **G1-2**.



## Business units

As of January 2024, the Group has implemented a new organisation in Italy with a commercial structure divided into 5 Industries, whose managers are assigned the full management of all customers belonging to each business area and who are also accountable for project delivery, carried out by the various Competence Centres.

The Competence Centres, which represent and apply the different disciplines practised within the Group, are as follows:

- > **Consulting:** it analyses, designs and quantitatively assesses (business case and business plan) innovative solutions aiming to transform the customer's business model thanks to the use of the digital and omnichannel leverages, liaising closely with the CEOs and Executive Managers to define innovative, alternative strategies to achieve significant results in the long-term;
- > **Marketing & Media:** with the aim of speeding up on-line performance, it offers Alkemy customers the know-how and most innovative tools to promote its on-line brands and products. It thus manages all planning and procurement activities for its customers on the main digital media, search engines and social media, determining the investments needed to strengthen and improve consumer perception of the brands and products and speeding up sales on proprietary and third party e-commerce channels, thereby overcoming conventional marketing approaches;
- > **Tech:** this is Alkemy's technological soul and it is specialised in the design, development and operation of technologies for the digital evolution of the B2B and B2C channels, front-end solutions, CRM, CMS, Portals, Apps, etc. The business unit consolidates and strengthens Alkemy's mission, reinforcing technological competences and the capacity to oversee one of the areas enjoying greatest growth and development: that of Digital Transformation;
- > **Data & Analytics:** it offers concrete support to businesses in order to improve their business performance through the analysis of data available (both that of CRM or of other internal systems, and data coming from all actions on the digital world) and the implementation of analytics models. The techniques used for data analysis range from traditional statistical analysis through to Advanced Analytics & Machine Learning, Real Time Next Best Action, Digital Customer Intelligence, Campaign Plan Optimisation, Data Environment Design, Implementation and Management;
- > **Brand Experience:** it plans, designs and realises the enterprises' brand experience, in a fully integrated manner, putting the end consumer right at the heart through digital and physical touchpoints and more "traditional" forms of communication, with the ultimate aim of generating value both for the customer itself and the end consumer. Developing and transforming the touchpoints into a unique experience, which communicates consistently a strong, innovative, distinctive brand, Alkemy offers its services as an essential partner; it assists the customer in preparing and structuring brand strategies and creativity, advertising campaigns, products or services for



commercial businesses and, in general, communication with consumers; including through the management of the corporate digitisation process using a BPO (Business Process Outsourcing) model for the digital processes.

The Competence Centre Brand Experience has integrated the activities of DGI, a leader in **Product, Service & Space Design**: on a 'design thinking' basis, the company is dedicated to the design of services, physical and digital products that affect everyday life and physical spaces/environments in which people and brands can interact and share meaningful experiences; it operates in an omni-channel logic, with a focus on value creation through experiential innovation. Analysing customers' businesses, including their processes, culture and resources, it aims to foster additional commercial opportunities and innovate the end customer experience.

This 'customer-driven' organisation confirms Alkemy's growing focus on customers' needs, with the aim of further developing the portfolio of companies served with an increase in the average size and duration of projects, through the widespread proposal of the Group's entire commercial offer, further characterised and tailored to the specificities of each Industry. This approach will be applied for the supply of all national companies, with expected improvements in terms of margin growth from 2025 onwards.

#### **The main sectors**

The Alkemy Group's main **market** is the Italian market, and it also serves Foreign markets, primarily Spain, followed, in order of volume of business, by Latin America and the Balkans (Slovenia, Croatia, Bosnia-Herzegovina, Serbia, Montenegro, Albania, Macedonia). The main markets are served through 11 subsidiaries (in addition to the Parent Alkemy S.p.A.) present directly in four different countries.

In terms of **customers** and **users of services**, as mentioned above, as of January 2024, the Group has implemented a new organisation in Italy with a commercial structure divided into 5 Industries, whose managers are assigned the full management of all customers belonging to each business area and who are also accountable for project delivery, to be carried out by the various Competence Centres.

We also report that the Group has no plans to identify sustainability targets for significant groups of products and services, customer categories, geographic areas and stakeholder relations. Similarly, the Group has no plans to conduct an assessment of its current significant products and services in relation to its sustainability objectives, or to identify elements of the corporate strategy that relate to or influence sustainability issues, except with regard to material assessments for sustainability reporting purposes.

The five Industries are:

1. Entertainment & life style;
2. Energy & utilities;



3. Technology & telco;
4. Financial services & institutions;
5. Healthcare & pharma.

### **Interests and views of stakeholders - SBM-2**

As part of the preparatory activities for the definition of material issues<sup>8</sup>, Alkemy conducted an internal and external context analysis to understand the business environment. In this process, for 2024 the inclusion of the Top Management category was considered in the IROs evaluation process. Based on the information which emerged from this analysis and documentation, Alkemy can identify dependencies and resources, business relations and geographical presence (with reference to its own operations, upstream and downstream value chain) and can map the impacted stakeholders.

The Group has identified the following internal and external stakeholders:

#### Internal Stakeholders

- Top management;
- Employees

#### External Stakeholders

- Shareholders and the financial community;
- Schools, Universities and Research Centres (*Local Communities*);
- Suppliers;
- Customers;
- Media;
- Institutions and Public Administration.

In view of the dynamic nature of the sector in which it operates, Alkemy deems it essential to develop and maintain forms of dialogue and continuous interaction with its stakeholders, in order to identify and anticipate emerging trends, adapting its offer promptly where necessary. To this end, the Group establishes a constant and constructive dialogue with all its identified stakeholders.

Specifically, the main engagement opportunities for each of its identified stakeholders are outlined below:

- Top Management: regular meetings, internal events and initiatives, corporate welfare initiatives, performance appraisal interviews and involvement in the 2024 Double Materiality process;
- Shareholders and the financial community: Shareholders' meeting, quarterly meetings and conference calls with analysts and investors, roadshows and dedicated events in both physical and virtual formats, institutional website and dedicated e-mail box;

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<sup>8</sup> For more details refer to **SBM-3** and **IRO-1**.



- Employees: monthly newsletters, quarterly plenary meeting held by the CEO after publication of periodic results with a Q&A session and involvement in the 2024 Double Materiality process;
- Schools, Universities and Research Centres: participation in recruiting events, as well as collaborative initiatives on topics related to the Group's areas of expertise and involvement in the 2024 Double Materiality process;;
- Suppliers: ongoing engagement by the offices directly involved with suppliers and by the procurement department and involvement in the 2024 Double Materiality process;;
- Customers: daily activities and relationships by the Go-to-Market and Delivery departments;
- Media: management and continuous updating of content shared through social media pages and press relations through the dissemination of press releases and relevant information on Group activities and initiatives;
- Institutions and PA: participation in relevant events and initiatives, continuous dialogue in compliance with the regulations governing the Group's interaction as an Issuer.

Stakeholder engagement allows the Group to determine common subject matters and specific concerns. Any topics are integrated into the corporate decision-making process, ensuring that the strategies and actions taken reflect the needs and expectations of stakeholders.

Based on the assessments of impacts, risks and opportunities, material issues for the Alkemy Group and its stakeholders were defined and approved by the Board of Directors on 20 March 2025.





## Material impacts, risks and opportunities and their interaction with strategy and business model - SBM-3

The Short-List of material impacts, risks and opportunities for the Alkemy Group will be presented below.

Type	Description	Characteristics	Time Horizon	Identification along the Value Chain	Management procedure
E1 - Climate Change					
Impact	Contribution to climate change through direct and indirect GHG emissions related to its operations (Scope 1 and 2)	Negative, Actual	Medium	Own Operations	<p>Alkemy is actively committed to environmental sustainability topics, supported by the <b>Green Office &amp; Mobility Policy</b> (which has been extended to the entire Group), that emphasises the importance of a conscious use of energy resources and raising employee awareness of environmental impacts, while promoting initiatives for sustainable daily actions.</p> <p>In addition, the <b>Sustainability Plan</b> (which has been extended to the entire Group), includes specific Group targets for the reduction of environmental impacts through, amongst other measures, the replacement of the car fleet and the use of renewable energy.</p> <p>These objectives aim to further strengthen Alkemy's commitment to sustainability and ensure an integrated and conscious approach to managing the Group's resources and activities.</p> <p>In long-term plans, consideration has been given to increases in activities resulting from increased digitisation of future technologies. The scenario analysis conducted took into account only the mapping and</p>
Impact	Generation of indirect climate-changing emissions produced as a result of upstream and downstream activities in its Value Chain (Scope 3)	Negative, Actual	Medium	Whole Value Chain	
Impact	Generation of emissions caused by the use of fossil fuels in the Group's vehicles	Negative, Actual	Medium	Whole Value Chain	
Impact	Excessive consumption of energy from renewable and non-renewable sources, with	Negative, Actual	Short-Medium	Whole Value Chain	



	resulting negative environmental impacts and reduction of the energy stock				assessment of climate-related (physical and transitional) risks.
Opportunities	Increased focus on digital transformation to reduce environmental impact can bring economic benefits to the Group		Medium-Long	Own Operations	
G1 - Business conduct					
Impact	Relations based on transparency and cooperation with stakeholders, with direct impacts on the continuous improvement of ESG performance	Positive, Actual	Medium	Own Operations	Alkemy has implemented specific safeguards to ensure the compliance and effectiveness of its operations. These tools are key to maintaining high standards of quality, ethics and transparency, and ensuring that all operations are conducted in line with the Group's values and objectives.
Impact	Negative impact on whistleblowers resulting from inadequate handling of their reports	Negative, Potential	Short	Whole Value Chain	In accordance with Legislative Decree 24/2023, transposing the EU Whistleblowing Directive, Alkemy has set up an anonymous whistleblowing channel for the reporting of illegal activities or fraud. This is available on a platform that was also extended to DGI and Xcc. A parallel channel was set up by Alkemy Iberia. This system is also designed to guarantee anonymity and protect



					whistleblowers from retaliation. Finally, there are plans to extend the whistleblowing system to all Group companies.
Impact	Cases of corruption along the value chain causing misallocation of resources and revenues, environmental damage and human rights abuses	Negative, Potential (Impact on Human Rights)	Short	Whole Value Chain	<p>Alkemy S.p.A. has adopted <b>Model 231</b> pursuant to Italian Legislative Decree no. 231/2001 to prevent unlawful conduct and set up a <b>Supervisory Board</b>. In addition, a <b>Code of Ethics</b> was issued to complement the organisation and control model, by promoting values of morality and economic efficiency both within and outside the business. In 2023, Alkemy S.p.A. also adopted its <b>Anti-Corruption Policy</b>, later extended to the Group, which defines guidelines to avoid and reject any actual or potential form or practice of corruption. Finally, with the implementation of a <b>risk mapping</b> process, the most exposed activities are monitored and managed through integrated <b>protocols</b>.</p>
Risks	Reputational risk due to inadequate management of relations with the public administration due to the absence of a structured process		Medium	Own Operations	
Risks	Reputational risk arising from inadequate corruption prevention, including inadequate training to disseminate the Group's anti-corruption policies and procedures		Medium	Whole Value Chain	



S1 - Own workforce					
Impact	Job creation and development of recruited resources through competitive remuneration packages, job opportunities and career paths	Positive, Actual	Short	Own Operations & Downstream	As underscored by its <b>Code of Ethics</b> , the Group offers equal opportunities to all, drawing no distinction according to ethnic origin, religion, opinions, nationality, gender, physical conditions, age and social conditions, thus guaranteeing a fair, non-discriminatory treatment based on criteria of merit and values of equality, tolerance and mutual respect. Alkemy S.p.A. has adopted a <b>policy for gender equality</b> and established a <b>steering committee</b> for gender equality. The document, together with its monitoring structure, was submitted for <b>UNI PdR 125</b> certification, which Alkemy S.p.A. obtained for the first time in December 2023. Moreover, with the identification of the strategic plan, a commitment was made to respect and pursue the goals of the UN 2030 Agenda so that also Alkemy can certify its contribution by making the working environment in which it operates increasingly gender-balanced.
Opportunities	Increased staff retention and attraction resulting from fair working conditions (e.g. adequate salaries, implementation of welfare policies)		Short-Medium	Own Operations	
Opportunities	Improved attractiveness and retention through the creation of gender-equal opportunities and remuneration packages		Short-Medium	Own Operations	



Risks	Risk of incurring penalties due to non-compliance with data protection rules in human resources management		Medium	Own Operations	Alkemy S.p.A. has introduced various data protection policies, like the <b>Data Regulation Policy</b> , the <b>Internal Regulation Policy</b> and the <b>Privacy Policy</b> to guarantee security in the Group's processes and activities. The principles of confidentiality and privacy are laid down in the <b>Code of Ethics</b> , which provides employees and co-workers with a list of information subject to confidentiality constraints.
Impact	Negative impact on employees due to inadequate management of relations with trade unions in terms of violation of freedom of association, the right to social dialogue and inability to engage with employees through listening and responding to their needs, who may as a result feel dissatisfied and unrepresented	Negative, Potential	Short	Own Operations	As set out in the <b>Human Rights Policy</b> that was adopted by the Group in 2023 and extended to all Group companies in 2025, the Group upholds employees' right to freedom of association and trade union membership and promotes an inclusive and respectful working environment. Alkemy S.p.A. has relations with trade unions to protect workers' rights and improve working conditions, by fostering open dialogue and cooperation for the well-being and satisfaction of employees.
Impact	Implementation of initiatives aiming to assure a balance	Positive, Actual	Short	Own Operations	As set out in the <b>Human Rights Policy</b> that was adopted by the Group in 2023 and extended to all Group companies in 2025, the Group is



	between professional and working lives, enabling greater employee well-being				committed to ensuring an optimal balance between the professional and personal lives of its employees, by promoting policies and practices that support the well-being and satisfaction of all employees.
Opportunities	Increased attractiveness for qualified employees through work-life balance practices		Short-Medium	Own Operations	
Impact	Improvement of worker skills through training and professional development, also linked to personalised assessment and growth objectives	Positive, Actual	Short	Own Operations	Every year, between November and December, employees of Alkemy S.p.A. complete a self-assessment on their achievements and performance. Furthermore, training is essential for the development of its staff. In 2023 the Group increased its investment in training, offering an extensive training catalogue that is accessible to all employees. No further investments were deemed necessary in this regard in 2024.
Opportunities	Increased attractiveness and retention through corporate strategies aimed at skills development		Short-Medium	Own Operations	
Risks	Risk of loss of attractiveness and operational inefficiency, with associated quality		Medium	Own Operations	



	problems, due to inadequately defined staff training plans				
Risks	Reputational risk for the Group in the event of discriminatory incidents, including those related to inadequate management of DE&I practices (such as equal pay issues)		Medium	Own Operations	
Impact	Increasing knowledge and awareness of mental wellbeing issues by employees	Positive, Actual	Short	Own Operations	Alkemy S.p.A. strengthened its commitment to wellness and inclusion by renewing its partnership with UNOBRAVO, later replaced by Fitprime for the same activities, through which it organised webinars on mental health issues and in-depth courses on topics such as parenting and stress management.
Impact	Promotion of activities aimed at the inclusion of people with disabilities in the corporate environment	Positive, Actual	Short	Own Operations	Through the <b>Diversity &amp; Inclusion</b> policy (extended to the Group), the Group's Italian companies promote activities that favour the inclusion of people with disabilities and ensure a fair and accessible working environment.
<b>S2 - Workers in the value chain</b>					
Impact	Contribution to the improvement of the social ESG performance of	Positive Potential	Short	Whole Value Chain	Alkemy S.p.A. manages the impact by improving the social ESG performance of suppliers through ESG audits in the supply chain, in compliance with the <b>Code of Ethics</b>



	suppliers in the communities where they operate through ESG audits in the supply chain				and the <b>Supplier Code of Conduct</b> , which promote equality, inclusion and social responsibility.
Impact	Strengthening relationships with key partners and players in the industry and value chain, by listening and responding to their needs	Positive Potential I	Short	Upstream	Through a <b>whistleblowing system</b> , Alkemy's Italian and Spanish companies offer employees, suppliers and stakeholders a safe and anonymous channel for reporting human rights violations.
Impact	Improving diversity, equity and inclusion practices along the value chain	Positive Potential I	Short	Whole Value Chain	Alkemy promotes diversity, equity and inclusion along the value chain, in line with its <b>Diversity &amp; Inclusion</b> policy (extended to all Italian companies), the <b>Code of Ethics</b> of Alkemy S.p.A. and the <b>Supplier Code of Conduct</b> (also extended to all Group companies), which guarantee equality, respect for human rights and social responsibility.
Impact	Improving the skills of workers along the value chain through training and professional development activities	Positive Potential I	Short	Upstream	Currently, the Alkemy Group has not yet launched dedicated Policies Actions and Targets (PATs) in this area.
S3 - Affected communities					





Impact	Implementation of projects aimed at protecting the health and safety of the most vulnerable persons and those in difficult situations	Positive, Actual	Short	Downstream	The Group is strongly committed to projects that protect the health and safety of vulnerable persons and communities. Through targeted initiatives and partnerships with local authorities and organisations, Alkemy promotes sustainable and responsible practices aimed at improving collective well-being.
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#### S4 - Consumers and end-users

Impact	Security breaches regarding customer privacy and the loss of customer data from its management system	Negative Potential	Short	Downstream	The topic of Customer Centricity is extremely important for the Group as it is the main tool used to market and promote Alkemy's business, by helping to build a positive reputation amongst customers. The Group <b>measures customer satisfaction</b> with internal and external methods and performance-based remuneration models, to reduce customer risk and empower employees. In addition, it uses <b>annual surveys</b> to assess customer satisfaction and recommendability. In addition, the Group Academy offers <b>training courses</b> on customer centricity, which further emphasise the importance of this topic.  Alkemy develops innovative and integrated technological solutions to meet customers' needs.
Impact	Creation of new technological solutions that enhance user experience by providing customised services and innovative solutions	Positive, Actual	Short	Downstream	
Impact	Creation of a secure, high quality IT service in compliance with the various contexts (customer's needs and current legislation) with	Positive Actual	Short	Downstream	



	positive impacts of users				
Opportunities	Reputational improvement through the provision of services that meet the needs of all potential users		Short	Own Operations & Downstream	
Risks	Risk of cyber attacks (cyber risk) by hackers		Short	Own Operations & Downstream	<p>Whilst the Group only handles customer data during services, without being the data owner, the Group has adopted <b>GDPR</b> measures and appointed a <b>Data Protection Officer</b> in 2018 and a <b>Chief Information Officer</b> in 2020 to improve IT management and security. Furthermore, in 2022 it revised the <b>backup system</b> and implemented an <b>antivirus</b> system with remote control, which was also extended to the Mexican companies and Design Group Italy in 2023. It also adopted various data protection <b>policies</b> and obtained <b>ISO 27001</b> certification in 2023. Finally, the principles of confidentiality are laid down in the Code of Ethics.</p>

Compared to the previous year, the process of defining material topics has changed considerably. There has been a shift from materiality analysis based on assessing only the impacts generated by the organisation to the concept of Double Materiality<sup>9</sup> which considers two dimensions in the assessment (impacts and financial). This new approach provides a comprehensive and integrated view of material issues, thus improving the Group's ability to identify and manage challenges and opportunities affecting its business and stakeholders.

<sup>9</sup> For further details on the process please refer to section **IRO-1**.



Specifically, aside from the introduction of reporting on risks and opportunities (which did not apply for previous years' materiality assessments), the material impacts from previous year were retained, with some rewording<sup>10</sup>. In addition, the mapping was developed with the inclusion of further impacts.

## **Description of the processes to identify and assess material impacts, risks and opportunities - IRO-1**

Since 2019, the Group has published a Non-Financial Statement every year, with the aim of informing the Group stakeholders about its performance in terms of its technical-economic, social and environmental responsibilities.

For the 2024 Sustainability Statement, as required by the European Sustainability Reporting Standards (ESRS), the Group applied the Double Materiality Assessment process, through which an entity identifies relevant information on sustainability impacts, risks and opportunities (IROs) to support strategic decisions and identify material sustainability topics and information to include in sustainability statements.

The Double Materiality Assessment adopted by the Alkemy Group, which will be updated annually, complies with the ESRS, as required by the EU Sustainability Reporting Directive (CSRD). The Group developed a methodology for assessing Double Materiality in compliance with the ESRS and EFRAG Guideline - IG1.

The Group considered the following for the Double Materiality assessment:

- impacted stakeholders;
- time horizons (short, medium and long term, as defined in *ESRS 1, section 6.4 Definition of short, medium and long term for reporting purposes*);
- the value chain (the Group focuses its analysis on the geographical areas and business relationships where IROs are considered likely to arise).

Alkemy's Double Materiality assessment therefore covers two dimensions:

- ❖ **Materiality of impact** (*inside-out*): a sustainability topic is material in terms of its impact when it has actual or potential, positive or negative impacts on people or the environment in the short, medium, or long term. Impacts may be related both to an undertaking's own activities and to the upstream and downstream value chain, including through its products and services, as well as through its business relations.
- ❖ **Financial materiality** (*outside-in*): a sustainability issue is material from a financial perspective when it causes or is likely to cause material financial effects on the undertaking, its performance and financial position.

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<sup>10</sup> For impacts that were found to be material in the 2023 materiality process, please refer to the **2023 Consolidated Non-Financial Statement**.



Impacts on people or the environment, together with strategic changes and investments, can generate risks and opportunities. Material risks and opportunities arise mainly from impacts and dependencies.

Based on the EFRAG Guidance - IG1, the Group structured its Double Materiality process into four fundamental steps:

1. **Understanding the context and the impacted stakeholders**, by analysing activities, business relationships along its upstream and downstream value chain, and the legal and regulatory environment relevant to the undertaking;
2. **Identification of actual and potential IROs** related to sustainability issues, through the analysis of the list of topics related to ESRS 1 AR 16, the previous Materiality Analysis, the Group Value Chain, any other entity-specific issues and benchmark analysis. However, the Group did not consider it necessary to include further business-specific topics;
3. **Assessment and determination of material IROs** according to impact materiality and financial materiality;
4. **Reporting** (according to ESRS 2 IRO-1, ESRS 2 SBM-3 and ESRS 2 IRO-2).

The following paragraphs describe the methodological approach adopted by Alkemy in the Double Materiality assessment for each of the above-mentioned phases.

### Understanding the context

The Group conducted an analysis of the internal and external context and, on the basis of the information that emerged, identified dependencies, resources, business relations, relevant geographic areas (with reference to its own operations, upstream and downstream value chain) and mapped impacted stakeholders.

The understanding of the Group's context focused on both an **internal analysis** (business model, business strategy, business activities and other available documentation) and **external analysis** (benchmark analysis on the main competitors and peers in the industry and consultation of authoritative document sources such as the *World Economic Forum*, *MSCI ESG Industry Materiality Map* and *UN Impact Radar*).

### Alkemy Group Stakeholders

According to the ESRS and EFRAG guidance, there are **two main categories** of external stakeholders:

1. **Impacted stakeholders:** individuals or groups of individuals whose interests are affected or could be affected - positively or negatively - by Alkemy's activities and direct and indirect business relations throughout its value chain.
2. **Users of sustainability reporting:** main users of financial reporting and other users of sustainability reporting, including business partners, trade unions and social partners,



civil society and non-governmental organisations, governments, analysts and academics.

In view of the two categories of stakeholders mentioned above, Alkemy has classified its stakeholders as follows:

*Impacted Stakeholders for the Group:*

- Schools, Universities and Research Centres (*Local Communities*)
- Suppliers
- Customers

*Stakeholder users for the Group:*

- Shareholders and the financial community:
- Media
- Institutions and Public Administration

On the basis of the stakeholders identified, it was thus possible to define means of engagement.

Among the **internal stakeholders**, the Group opted for the engagement of top management and employees.

Specifically, for top management, the CEO and CFO were engaged through a focus group to hear their opinions and assess the two dimensions (impact and financial).

For the employees, a representative sample was selected and only the impact dimension was assessed.

For **external stakeholders**, the Group engaged the category of suppliers and Schools, Universities and Research Centres (through the engagement of an academic) for whom one-to-one meetings were organised to assess the impact dimension.

### **Identification of actual and potential IROs related to sustainability topics**

In order to identify the impacts, risks and opportunities to consider for the Double Materiality assessment, Alkemy prepared an initial long list of IROs.

The list was defined by analysing the following **sources**:

- "topic", "sub-topic" and "sub-sub-topic" referred to in AR 16 of ESRS 1.
- internal documents such as previous Materiality Analyses, existing reports/assessments (e.g. the Risk Assessment Document) and the benchmark analysis performed on the Group's competitors and peers.  
external publications (e.g. World Economic Forum, MSCI ESG Industry Materiality Map, UN Impact Radar).

Aside from a complete mapping of IROs, an analysis was carried out of the Group's entire **value chain**, as described above. Not all risks and opportunities are strictly related to Alkemy's activities or impacts, as some risks or opportunities may be due to the environment in which it



operates and dependencies on natural, human and social resources. For this reason, it is crucial to identify the actors in the upstream and downstream value chain<sup>11</sup>.

In particular, three main perspectives of analysis were identified:

- the 'Upstream' perspective, including business relations with suppliers (upstream value chain).
- the 'Own Operations' perspective, which includes internal Group processes.
- the 'Downstream' perspective, which includes the downstream value chain. This perspective focuses on the Group's role in offering services.

The analysis in the **upstream** section considers the Group's main supplier categories, broken down by type of product/service rendered, such as technology procurement, software and hardware supply, and management of the necessary IT resources.

In addition, three key drivers were analysed for each of the Group's Regions (Italy, Mexico, Spain and Serbia): the allocated expenditure as at 31.12.2024, the type of expenditure and the geographical area.

Finally, on the basis of the geographical area of the mapped suppliers, certain parameters, such as Environment, Water Stress, Human Rights and the engagement of state-owned or publicly controlled suppliers, were assessed.

The activities related to the Group's **internal processes** have been classified by business unit. Finally, through the **downstream** analysis, the Group's business relations were identified by identifying the main industries and the turnovers generated with each of these.

Once the long-list of actual and potential IROs, as well as the respective time horizons, had been identified, this information was shared by the Sustainability Department with the CEO and CFO in order to validate and check the complete mapping and consistency with other internal tools such as, for example, ERM.

### **Assessment and determination of material IROs**

The aim of the IRO assessment is to identify material sustainability topics for the Group, i.e. environmental, social and governance aspects that are priorities for the sustainable development of its business.

#### **Impact Materiality**

To assess the impact materiality, Alkemy considers **severity** characterised by three distinct ratings (with numerical ratings from 1 to 5): scale, scope and irremediable character (for negative impacts only).

When assessing actual impacts, Alkemy considers gross impacts (i.e., net of any mitigation actions); this is to provide stakeholders with information that allows them to distinguish between

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<sup>11</sup> For more details on value chain actors, please refer to section **SBM-1**.



an impact and the measures taken to manage this (i.e., policies, actions and objectives). When assessing potential impacts, Alkemy also considers the effect of mitigation or other measures designed to prevent the occurrence of such impacts in the future.

In addition, a **likelihood** rating (with a numerical rating from 1 to 5) was required for potential positive and/or negative impacts. In this case, the applied methodology assigns a score of 5 for actual negative or positive impacts, to emphasise that impacts have already occurred. Finally, in the case of (actual or potential) negative impacts on human rights, a multiplier of 1.5 was applied.

### **Financial Materiality**

For financial materiality, Alkemy considers the **magnitude** and **likelihood** of risks and opportunities (with numerical rating from 1 to 5), which may arise from both its own operations and the value chain operations and which could have financial effects.

For the assessment of risks and opportunities, the Group used the methodology already in use within the Risk Assessment Document (updated August 2023).

Specifically, the magnitude of the financial effects arising from risks or opportunities is assessed on the basis of the areas in which the risk occurs and the quantification of the resulting damage to the Group, both in quantitative and qualitative terms.

In this respect, the following criteria were taken into account:

- Financial, on profit or loss (P&L): assessment of a negative event, linked to a given risk, in terms of its impact on P&L;
- Reputational: assessment of the effects of a negative event, linked to a given risk, on brand reputation or image in terms of a related deterioration;
- On the market: assessment of the effect of a risk in terms of negative impact on the achievement of strategic and/or market objectives.
- Damage or severity: assesses the effect of a risk in terms of work-related injuries.

The quantification of the magnitude for each risk is therefore to be understood as a summary of the assessments made according to the applicable economic and/or qualitative criteria, with reference to the most significant criterion.

### **Materiality thresholds**

In accordance with section 3.3 of ESRS 1, paragraph 42, Alkemy has established appropriate quantitative and/or qualitative thresholds to determine the materiality of sustainability issues. In determining these thresholds, the Group considers ongoing due diligence or other risk management processes (e.g. Risk Assessment Document) to guide the setting of thresholds and assess whether impacts are material for disclosure purposes.

The materiality threshold for assessing impact materiality was defined as greater than/equal to 10, while for financial materiality it is greater than/equal to 5. The financial materiality threshold is lower than it is for the impact materiality because the residual risk was assessed. In addition,



the Indifference Threshold (set of risks with a rating requiring constant monitoring/management by the Group) used in the Risk Assessment Document was applied.

**Data consolidation**

A topic will be considered material in terms of the Double Materiality assessment if it is material from the perspective of impact materiality, financial materiality or both perspectives.





## Disclosure requirements in ESRS covered by the sustainability statement - IRO-2

The disclosure requirements that the Group has fulfilled in the preparation of the Sustainability Statement, including the disclosures required by other EU legislation listed in Appendix B of Annex II of the CSRD, are set out below.

Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
<b>ESRS 2 - General Disclosures</b>		
<b>ESRS 2 BP-1 General basis for preparation of sustainability statements</b>		<a href="#">General basis for preparation of sustainability statements- BP-1</a>
<b>ESRS 2 BP-2 Disclosures in relation to specific circumstances</b>		<a href="#">Disclosures in relation to specific circumstances - BP-2</a>
<b>ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies</b>		<a href="#">The role of the administrative, management and supervisory bodies - GOV-1</a>
ESRS 2 GOV-1 Gender diversity in the board, paragraph 21(d)	SFDR: Annex I, Table 1, Indicator No. 13  <b>Regulation on benchmarks:</b> Commission Delegated Regulation (EU) 2020/1816 (5), Annex II	
ESRS 2 GOV-1 Percentage of independent board members, paragraph 21(e)	<b>Regulation on benchmarks:</b> Commission Delegated Regulation (EU) 2020/1816 <sup>16</sup> , Annex II	
<b>ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative,</b>		<a href="#">Information provided to and sustainability matters addressed by the undertaking's</a>

<sup>12</sup> Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1).

<sup>13</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).

<sup>14</sup> Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

<sup>15</sup> Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulation (EC) No 401/2009 and Regulation (EU) 2018/1999 ("European Climate Regulation") (OJ L 243, 9.7.2021, p. 1).

<sup>16</sup> Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark index statement of how the environmental, social and governance factors are reflected in each benchmark index provided and published (OJ L 406, 3.12.2020, p. 1)..



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
management and supervisory bodies		<a href="#">administrative, management and supervisory bodies - GOV-2</a>
ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes		<a href="#">Integration of sustainability-related performance in incentive schemes- GOV-3</a>
ESRS 2 GOV-4 Statement on due diligence		<a href="#">Statement of due diligence - GOV-4.</a>
ESRS 2 GOV-4 Statement on due diligence, para. 30	SFDR: Annex I, Table 3, Indicator No. 10	
ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting		<a href="#">Risk management and internal controls over sustainability reporting - GOV-5</a>
ESRS 2 SBM-1 Strategy, business model and value chain		<a href="#">Strategy, business model and value chain - SBM-1</a>
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, para. 40(d)(i)	<p>SFDR: Annex I, Table 1, Indicator No. 4</p> <p><b>Third Pillar:</b> Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453<sup>17</sup>, Table 1 - Qualitative Information on Environmental Risk and Table 2 - Qualitative Information on Social Risk</p> <p><b>Regulation on benchmarks:</b> Commission Delegated Regulation (EU) 2020/1816, Annex II</p>	Non-material as Alkemy does not operate in these sectors
ESRS 2 SBM-1 Involvement in activities related to chemical production, para. 40(d)(ii)	SFDR: Annex I, Table 2, Indicator No. 9	Non-material as Alkemy does not operate in these sectors

<sup>17</sup> Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down by Implementing Regulation (EU) 2021/637 as regards disclosure on environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1)



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12:13;14;15</sup>	Location in Sustainability Statement
	<b>Regulation on benchmarks:</b> Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, para. 40(d)(iii)	<b>SFDR:</b> Annex I, Table 1, Indicator No. 14  <b>Regulation on benchmarks:</b> Article 12(1) of Delegated Regulation (EU) 2020/1818 <sup>18</sup> and Annex II of Delegated Regulation (EU) 2020/1816	Non-material as Alkemy does not operate in these sectors
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, para. 40(d)(iv)	<b>Benchmark regulation:</b> Article 12(1) of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816	Non-material as Alkemy does not operate in these sectors
<b>ESRS 2 SBM-2 Interests and views of stakeholders</b>		<a href="#">Interests and views of stakeholders - SBM-2</a>
<b>ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model</b>		<a href="#">Material impacts, risks and opportunities and their interaction with strategy and business model - SBM-3.</a> For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make use of the phase-in regarding the anticipated financial effects (ESRS2 SBM-3, 48f).
<b>ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities</b>		<a href="#">Description of the processes to identify and assess material impacts, risks and opportunities - IRO-1</a>

<sup>18</sup> Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and US Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
<b>ESRS 2 IRO-2 Disclosure requirements of ESRS covered by the undertaking's sustainability statement</b>		<a href="#">Disclosure requirements of ESRS covered by the undertaking's sustainability statement - IRO-2</a>
<b>MDR - Minimum Disclosure Requirements</b>		<a href="#">Minimum Disclosure Requirements - MDR.</a>
<b>ESRS E1 - Climate Change</b>		
<b>ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes</b>		<a href="#">Integration of sustainability-related performance in incentive schemes- GOV-3</a>
<b>ESRS E1-1 Transition plan for climate change mitigation</b>		<a href="#">Transition plan for climate change mitigation- E1-1</a>
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	<b>EU climate legislation:</b> Article 2(1) of Regulation (EU) 2021/1119	
ESRS E1-1 Undertakings excluded from Paris-aligned benchmarks, paragraph 16(g)	<b>Third Pillar:</b> Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity  <b>Regulation on benchmarks:</b> Article 12(1)(d) to (g) and (2) of Delegated Regulation (EU) 2020/1818	
<b>ESRS 2 SBM-3 E1 Material impacts, risks and opportunities and their interaction with strategy and business model</b>		<a href="#">Material impacts, risks and opportunities and their interaction with strategy and business model - SBM-3 E1</a>
<b>ESRS 2 IRO-1 E1 Description of the processes to identify and assess material impacts, risks and opportunities</b>		<a href="#">Disclosure requirements of ESRS covered by the undertaking's sustainability statement - IRO-2</a>



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
<b>ESRS E1-2 Policies related to climate change mitigation and adaptation</b>		<a href="#">Climate change mitigation and adaptation policies- E1-2</a>
<b>ESRS E1-3 Actions and resources in relation to climate change policies</b>		<a href="#">Actions and resources in relation to climate change policies - E1-3</a>
<b>ESRS E1-4 Targets related to climate change mitigation and adaptation</b>		<a href="#">Targets related to climate change mitigation and adaptation - E1-4</a>
ESRS E1-4 GHG emission reduction targets, paragraph 34	<p><b>SFDR:</b> Annex I, Table 2, Indicator No. 4</p> <p><b>Third Pillar:</b> Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Indicators of potential climate change transition risk: alignment metrics</p> <p><b>Regulation on benchmarks:</b> Article 6 of Delegated Regulation (EU) 2020/1818</p>	
<b>ESRS E1-5 Energy consumption and mix</b>		<a href="#">Energy consumption and mix - E1-5</a>
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	<b>SFDR:</b> Annex I, Table 1, Indicator No. 5 and Annex I, Table 2, Indicator No. 5	
ESRS E1-5 Energy consumption and mix, paragraph 37	<b>SFDR:</b> Annex I, Table 1, Indicator No. 5	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	<b>SFDR:</b> Annex I, Table 1, Indicator No. 6	



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
ESRS E1-6 Gross scopes 1, 2, 3 and total GHG emissions		
ESRS E1-6 Gross scopes 1, 2, 3 and total GHG emissions, para. 44	<p><b>SFDR:</b> Annex I, Table 1, Indicators 1 and 2</p> <p><b>Third Pillar:</b> Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity</p> <p><b>Regulation on benchmarks:</b> Articles 5(1), 6 and 8(1) of Delegated Regulation (EU) 2020/1818</p>	<a href="#">Gross scopes 1, 2, 3 and total GHG emissions - E1-6</a>
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	<p><b>SFDR:</b> Annex I, Table 1, Indicator No. 3</p> <p><b>Third Pillar:</b> Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Indicators of potential climate change transition risk: alignment metrics</p> <p><b>Regulation on benchmarks:</b> Article 8(1) of Delegated Regulation (EU) 2020/1818</p>	
ESRS E1-7 GHG removals and GHG mitigation projects		



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
<b>financed through carbon credits</b>		
ESRS E1-7 GHG removals and GHG mitigation projects financed through carbon credits, paragraph 56	<b>EU climate legislation:</b> Article 2(1) of Regulation (EU) 2021/1119	<a href="#">GHG removals and GHG mitigation projects financed through carbon credits - E1-7</a>
<b>ESRS E1-8 Internal carbon pricing</b>		<a href="#">Internal carbon pricing - E1-8.</a>
<b>ESRS E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities</b>		
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	<b>Regulation on benchmarks:</b> Annex II of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a)	<b>Third Pillar:</b> Article 449a of Regulation (EU) No 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book - Indicators of potential climate change physical risk: exposures subject to physical risk	
ESRS E1-9 Location of significant assets at material physical risk, paragraph 66(c)		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67(c)	<b>Third Pillar:</b> Article 449a of Regulation (EU) No 575/2013; point 34 of the Implementing Regulation (EU) 2022/2453 of the Commission; Template 2: Banking book - Indicators of potential climate change transition risk: loans secured by real estate - Energy efficiency of collateral	

For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make use of the phase-in.



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	<b>Third Pillar:</b> Annex II to Delegated Regulation (EU) 2020/1818	
<b>ESRS E2 - Pollution</b>		
<b>ESRS 2 IRO-1 E2 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities</b>		Non-material following the double materiality process.
<b>ESRS E2-1 Policies related to pollution</b>		
<b>ESRS E2-2 Actions and resources related to pollution</b>		
<b>ESRS E2-3 Targets related to pollution</b>		
<b>ESRS E2-4 Pollution of air, water and soil</b>		
ESRS E2-4 Amount of each pollutant listed in Annex II of E-PRTR (European Pollutant Release and Transfer Register) emitted to air, water and soil, para. 28	<b>SFDR:</b> Annex I, Table 1, indicator No 8; Annex I, Table 2, indicator No 2; Annex 1, Table 2, indicator No 1; Annex I, Table 2, indicator No 3	
<b>ESRS E2-5 Substances of concern and substances of very high concern</b>		
<b>ESRS E2-6 Anticipated financial effects from pollution-related, risks and opportunities</b>		
<b>ESRS E3– Water and marine resources</b>		
<b>ESRS 2 IRO-1 E3 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities</b>		Non-material following the double materiality process.
<b>ESRS E3-1 Policies related to water and marine resources</b>		





Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
ESRS E3-1 Water and marine resources, paragraph 9	SFDR: Annex I, Table 2, Indicator No. 7	
ESRS E3-1 Dedicated policy, paragraph 13	SFDR: Annex I, Table 2, Indicator No. 8	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	SFDR: Annex I, Table 2, Indicator No. 12	
ESRS E3-2 Actions and resources related to water and marine resources		
ESRS E3-3 Targets related to water and marine resources		
ESRS E3-4 Water consumption		
ESRS E3-4 Total water recycled and reused, para. 28(c)	SFDR: Annex I, Table 2, Indicator No. 6.2	
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, para. 29	SFDR: Annex I, Table 2, Indicator No. 6.1	
ESRS E3-5 Anticipated financial effects from material water and marine resources-related impacts, risks and opportunities		
ESRS E4 - Biodiversity and ecosystems		
ESRS E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model		Non-material following the double materiality process.
ESRS 2 SBM-3 E4 Material impacts, risks and opportunities and their interaction with strategy and business model		
ESRS 2 IRO-1 E4 Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems		
ESRS 2 IRO-1 E4 paragraph 16(a)(i)	SFDR: Annex I, Table 1, Indicator No. 7	



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
ESRS 2 IRO-1 E4 paragraph 16 (b)	SFDR: Annex I, Table 2, Indicator No. 10	
ESRS 2 IRO-1 E4 paragraph 16(c)	SFDR: Annex I, Table 2, Indicator No. 14	
ESRS E4-2 Policies related to biodiversity and ecosystems		
ESRS E4-2 Sustainable land / agriculture practices or policies, para. 24(b)	SFDR: Annex I, Table 2, Indicator No. 11	
ESRS E4-2 Sustainable oceans / seas practices or policies, para. 24(c)	SFDR: Annex I, Table 2, Indicator No. 12	
ESRS E4-2 Policies to address deforestation, para. 24(d)	SFDR: Annex I, Table 2, Indicator No. 15	
ESRS E4-3 Actions and resources related to biodiversity and ecosystems		
ESRS E4-4 Targets related to biodiversity and ecosystems		
E4-5 - Impact metrics related to biodiversity and ecosystems change		
E4-6 - Anticipated financial effects of material biodiversity and ecosystem-related risks and opportunities		
ESRS E5 - Circular Economy		
ESRS 2 IRO-1 E5 Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and the circular economy		Non-material following the double materiality process.
ESRS E5-1 Policies related to resource use and circular economy		
ESRS E5-2 Actions and resources in relation to		



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
resource use and circular economy		
ESRS E5-3 Targets related to resource use and circular economy		
ESRS E5-4 Resource inflows		
ESRS E5-5 Resource outflows		
ESRS E5-5 Non-recycled waste, paragraph 37(d)	SFDR: Annex I, Table 2, Indicator No. 13	
ESRS E5-5 Hazardous waste and radioactive waste, para. 39	SFDR: Annex I, Table 1, Indicator No. 9	
ESRS E5-6 Anticipated financial effects from material resource use and circular economy-related risks and opportunities		
ESRS S1- Own workforce		
ESRS 2 SBM-2 S1 Interests and views of stakeholders		<a href="#">Interests and views of stakeholders - SBM-2</a>
ESRS 2 SBM-3 S1 Material impacts, risks and opportunities and their interaction with strategy and business model		<a href="#">Material impacts, risks and opportunities and their interaction with strategy and business model -SBM-3</a>
ESRS 2 SBM-3 S1 Risk of incidents of forced labour, para. 14(f)	SFDR: Annex I, Table 3, Indicator No. 13	
ESRS 2 SBM-3 S1 Risk of incidents of child labour, para. 14(g)	SFDR: Annex I, Table 3, Indicator No. 12	
ESRS S1-1 Policies related to own workforce		<a href="#">Policies related to own workforce - S1-1.</a>
ESRS S1-1 Human rights policy commitments, para. 20	SFDR: Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, para. 21	Regulation on benchmarks: Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 Processes and measures for preventing	SFDR: Annex I, Table 3, Indicator No. 11	



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
trafficking in human beings, para. 22		
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	SFDR: Annex I, Table 3, Indicator No. 1	
<b>ESRS S1-2 Processes for engaging with own workers and workers' representatives about impacts</b>		<a href="#">Processes for engaging with own workers and workers' representatives about impacts - S1-2.</a>
<b>ESRS S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns</b>		<a href="#">Processes to remediate negative impacts and channels for own workers to raise concerns - S1-3</a>
ESRS S1-3 Grievance or complaints handling mechanisms, para. 32(c)	SFDR: Annex I, Table 3, Indicator No. 5	
<b>ESRS S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions</b>		<a href="#">Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions - S1-4</a>
<b>ESRS S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</b>		<a href="#">Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities - S1-5</a>
<b>ESRS S1-6 Characteristics of the undertaking's employees</b>		<a href="#">Characteristics of the undertaking's employees - S1-6.</a>
<b>ESRS S1-7 Characteristics of non-employee workers in the undertaking's own workforce</b>		<a href="#">Characteristics of non-employee workers in the undertaking's own workforce - S1-7.</a> For the 2024 tax year, the first year of the ESRS-compliant



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
		Sustainability Statement, Alkemy has decided to make use of the phase-in.
<b>ESRS S1-8 Collective bargaining coverage and social dialogue</b>		<a href="#">Collective bargaining coverage and social dialogue - S1-8</a> For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make use of the phase-in regarding its own employees in non-EEA countries (ESRS S1-8, 60c).
<b>ESRS S1-9 Diversity metrics</b>		<a href="#">Diversity metrics - S1-9</a>
<b>ESRS S1-10 Adequate wages</b>		<a href="#">Adequate wages - S1-10.</a>
<b>ESRS S1-11 Social Protection</b>		For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make use of the phase-in.
<b>ESRS S1-12 Persons with disabilities</b>		For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make use of the phase-in.
<b>ESRS S1-13 Training and skills development metrics</b>		For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make use of the phase-in.
<b>ESRS S1-14 Health and safety metrics</b>		<a href="#">Health and safety metrics - S1-14</a>
ESRS S1-14 Number of fatalities and number and rate of work-related injuries, para 88 (b) and (c)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 2  <b>Regulation on benchmarks:</b> Commission Delegated	For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
	Regulation (EU) 2020/1816, Annex II	use of the phase-in with regard to datapoints on cases of work-related ill health and the number of days lost due to work-related ill health, injuries and fatalities and non-employee workers (ESRS S1-14, 88 d, e, 89).
ESRS S1-14 Number of days lost due to work-related injuries, accidents, fatalities or illnesses, para 88 (e)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 3	
<b>ESRS S1-15 Work-life balance metrics</b>		For the 2024 tax year, the first year of the ESRS-compliant Sustainability Statement, Alkemy has decided to make use of the phase-in.
<b>ESRS S1-16 Remuneration metrics (pay gap and total remuneration)</b>		<a href="#">Remuneration metrics (pay gap and total remuneration) - S1-16</a>
ESRS S1-16 Unadjusted gender pay gap, para. 97(a)	<b>SFDR:</b> Annex I, Table 1, Indicator No. 12  <b>Regulation on benchmarks:</b> Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio, para. 97(b)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 8	
<b>ESRS S1-17 Incidents, complaints and severe human rights impacts</b>		<a href="#">Incidents, complaints and severe human rights impacts - S1-17</a>
ESRS S1-17 Incidents of discrimination, para. 103(a)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 7	
ESRS S1-17 Failure to comply with the UN Guiding Principles on Business and Human Rights and OECD paragraph 104(a)	<b>SFDR:</b> Annex I, Table 1, Indicator No 10 and Annex I, Table 3, Indicator No 14  <b>Regulation on benchmarks:</b> Annex II of Delegated Regulation (EU) 2020/1816 and	



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
	Article 12(1) of Delegated Regulation (EU) 2020/1818	
<b>ESRS S2 - Workers in the value chain</b>		
<b>ESRS 2 SBM-2 S2 Interests and views of stakeholders</b>		<a href="#">Interests and views of stakeholders - SBM-2</a>
<b>ESRS 2 SBM-3 S2 Material impacts, risks and opportunities and their interaction with strategy and business model</b>		<a href="#">Material impacts, risks and opportunities and their interaction with strategy and business model -SBM-3</a>
ESRS 2 SBM-3 S2 Significant risk of child labour or forced labour in the value chain, para. 11(b)	<b>SFDR:</b> Annex I, Table 3, Indicators Nos. 12 and 13	
<b>ESRS S2-1 Policies related to value chain workers</b>		<a href="#">Policies related to value chain workers - S2-1.</a>
ESRS S2-1 Human rights policy commitments, paragraph 17	<b>SFDR:</b> Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11	
ESRS S2-1 Policies related to value chain workers, para. 18	<b>SFDR:</b> Annex I, Table 3, Indicators Nos. 11 and 4	
ESRS S2-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and OECD, paragraph 19	<b>SFDR:</b> Annex I, Table 1, Indicator No. 10  <b>Regulation on benchmarks:</b> Annex II of Delegated Regulation (EU) 2020/1816 and Article 12 (1), of Delegated Regulation (EU) no. 2020/1818	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, para. 19	<b>Regulation on benchmarks:</b> Commission Delegated Regulation (EU) 2020/1816, Annex II	
<b>ESRS S2-2 Processes for engaging with value chain workers about impacts</b>		<a href="#">Processes for engaging with value chain workers about impacts - S2-2.</a>
<b>ESRS S2-3 Processes to remediate negative impacts</b>		<a href="#">Processes to remediate negative impacts and channels</a>



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
and channels for own workers to raise concerns		<a href="#">for own workers to raise concerns - S2-3</a>
<b>ESRS S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions</b>		<a href="#">Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions- S2-4</a>
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, para. 36	<b>SFDR:</b> Annex I, Table 3, Indicator No. 14	
<b>ESRS S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</b>		<a href="#">Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities- S2-5</a>
<b>ESRS S3 - Affected communities</b>		
<b>ESRS 2 SBM-2 S3 Interests and views of stakeholders</b>		<a href="#">Interests and views of stakeholders - SBM-2</a>
<b>ESRS 2 SBM-3 S3 Material impacts, risks and opportunities and their interaction with strategy and business model</b>		<a href="#">Material impacts, risks and opportunities and their interaction with strategy and business model -SBM-3</a>
<b>ESRS 2 S3-1 Policies related to affected communities</b>		<a href="#">Policies related to affected communities - S3-1</a>
ESRS S3-1 Human rights policy commitments, para. 16	<b>SFDR:</b> Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11	
ESRS S3-1 Failure to comply with the UN guiding principles on Business and Human Rights, ILO principles or and OECD guidelines, paragraph 17	<b>SFDR:</b> Annex I, Table 1, Indicator No. 10  <b>Regulation on benchmarks:</b> Annex II of Delegated Regulation (EU) 2020/1816 and	





Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
	Article 12(1) of Delegated Regulation (EU) 2020/1818	
<b>ESRS S3-2 Processes for engaging with affected communities about impacts</b>		<a href="#">Processes for engaging with affected communities about impacts - S3-2</a>
<b>ESRS S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns</b>		<a href="#">Processes to remediate negative impacts and channels for affected communities to raise concerns - S3-3</a>
<b>ESRS S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions</b>		<a href="#">Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions - S3-4</a>
ESRS S3-4 Human rights issues and incidents , para. 36	<b>SFDR:</b> Annex I, Table 3, Indicator No. 14	
<b>ESRS S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</b>		<a href="#">Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities- S3-5</a>
<b>ESRS S4 - Consumers and end-users</b>		
<b>ESRS 2 SBM-2 S4 Interests and views of stakeholders</b>		<a href="#">Interests and views of stakeholders - SBM-2</a>
<b>ESRS 2 SBM-3 S4 Material impacts, risks and opportunities and their interaction with strategy and business model</b>		<a href="#">Material impacts, risks and opportunities and their interaction with strategy and business model -SBM-3</a>
<b>ESRS S4-1 Policies related to consumers and end-users</b>		<a href="#">Policies related to consumers and end-users - S4-1</a>
ESRS S4-1 Policies related to consumers and end-users, para. 16	<b>SFDR:</b> Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11	
ESRS S4-1 Failure to comply with the UN Guiding Principles on	<b>SFDR:</b> Annex I, Table 1, Indicator No. 10	



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
Business and Human Rights and OECD, paragraph 17	<b>Regulation on benchmarks:</b> Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	
<b>ESRS S4-2 Processes for engaging with consumers and end-users about impacts</b>		<a href="#">Processes for engaging with consumers and end-users about impacts – S4-2</a>
<b>ESRS S4-3 Processes to remediate negative impacts and channels for Processes for engaging with consumers and end-users about impacts to raise concerns</b>		<a href="#">Processes to remediate negative impacts and channels for Processes for engaging with consumers and end-users about impacts to raise concerns- S4-3</a>
<b>ESRS S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions</b>		<a href="#">Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions - S4-4</a>
ESRS S4-4 Human rights issues and incidents , para. 35	<b>SFDR:</b> Annex I, Table 3, Indicator No. 14	
<b>ESRS S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</b>		<a href="#">Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities - S4-5</a>
<b>ESRS G1 - Business conduct</b>		
<b>ESRS 2 GOV-1 G1 The role of the administrative, management and supervisory bodies</b>		<a href="#">The role of the administrative, management and supervisory bodies - GOV-1</a>
<b>ESRS 2 IRO-1 G1 Description of the processes to identify and</b>		<a href="#">Description of the processes to identify and assess material</a>



Disclosure requirement and related datapoint	Obligations under other EU legislation <sup>12;13;14;15</sup>	Location in Sustainability Statement
<b>assess material impacts, risks and opportunities</b>		<a href="#">impacts, risks and opportunities - IRO-1</a>
<b>ESRS G1-1 Corporate culture and business conduct policies</b>		<a href="#">Corporate culture and business conduct policies - G1-1</a>
ESRS G1-1 United Nations Convention against Corruption, paragraph 10(b)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 15	Paragraph 10, concerning animal welfare, was found to be non-material following the double materiality analysis.
ESRS G1-1 Protection of whistleblowers, para. 10(d)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 6	
<b>ESRS G1-2 Management of relationships with suppliers</b>		<a href="#">Management of relationships with suppliers - G1-2.</a>
<b>ESRS G1-3 Prevention and detection of corruption or bribery</b>		<a href="#">Prevention and detection of corruption or bribery- G1-3</a>
<b>ESRS G1-4 Confirmed incidents of corruption or bribery</b>		<a href="#">Confirmed incidents of corruption or bribery - G1-4</a>
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, para. 24(a)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 17  <b>Regulation on benchmarks:</b> Annex II to Delegated Regulation (EU) 2020/1816	
ESRS G1-4 Standards of anti-corruption and anti-bribery, para. 24(b)	<b>SFDR:</b> Annex I, Table 3, Indicator No. 16	
<b>ESRS G1-5 Political influence and lobbying activities</b>		<a href="#">Political influence and lobbying activities- G1-5</a>
<b>ESRS G1-6 Payment Practices</b>		Non-material following the double materiality process.

#### Minimum Disclosure Requirements - MDR

For the discussion of the Minimum Disclosure Requirements (MDR) related to **Policies, Actions** and **Targets**, please refer to the discussion in the specific chapters of **Material Topics**.

With regard to the Minimum Disclosure Requirements (MDR) related to the **metrics**, the required information will only be provided in the presence of a metric defined by the **ESRS**.



## ESRS E1

### Impacts, Risks and Opportunities

E1 - Climate Change	
<b>Impact Materiality</b>	<b>Negative Impact</b> Contribution to climate change through direct and indirect GHG emissions related to the Group's operations (Scope 1 and 2)
	<b>Negative Impact</b> Generation of indirect climate-changing emissions produced as a result of upstream and downstream activities in its Value Chain (Scope 3)
	<b>Negative Impact</b> Generation of emissions caused by the use of fossil fuels in the Group's vehicles
	<b>Negative Impact</b> Excessive consumption of energy from renewable and non-renewable sources, with resulting negative environmental impacts and reduction of the energy stock
<b>Financial Materiality</b>	<b>Opportunities</b> Increased focus on digital transformation to reduce environmental impact can bring benefits to the Group

### Policies, Actions and Objectives

E1 - Climate Change	
<b>Policies</b>	<ul style="list-style-type: none"> <li>• Green Office &amp; Mobility Policy</li> <li>• Expense Note Policy</li> </ul>
<b>Actions</b>	N/A
<b>Targets</b>	<ul style="list-style-type: none"> <li>• Extending the reporting scope of energy consumption and CO2 emissions to Group level</li> <li>• Extension of the Green Office &amp; Mobility Policy to Group level</li> <li>• % renewable energy of total energy consumed of at least 20% for the parent</li> <li>• Obtaining and maintaining ISO 14064 certification for Alkemy S.p.A.</li> </ul>



	<ul style="list-style-type: none"><li>• Achieving 25% of environmentally friendly company cars (hybrid or full electric) for the Group's fleet</li><li>• 100% coverage of Alkemy Group employees with training activities on environmental issues</li></ul>
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### **European Taxonomy (Reg. EU 2020/852 and related Delegated Regulations)**

On 18 June 2020, the European Parliament adopted EU Regulation 2020/852, henceforth referred to as the 'Taxonomy Regulation' or 'Taxonomy', which represents a European response to current climate and environmental challenges. This contributes to the objectives of the European Green Deal by establishing a first classification system for sustainable economic activities, thus aiming to increase transparency and consistency in the classification of these activities and limiting the risk of greenwashing and fragmentation in the relevant markets.

The Regulation establishes criteria for determining the eco-sustainability of an economic activity against six environmental objectives:

- Climate change mitigation (CCM)
- Climate change adaptation (CCA)
- Sustainable use and protection of water and marine resources (WTR),
- Transition to a circular economy (CE),
- Pollution Prevention and Control (PPC),
- Protection and restoration of biodiversity and ecosystems (BIO).

According to this regulation, an economic activity can be considered environmentally sustainable if:

- It contributes substantially to the achievement of one or more environmental and climate objectives;
- It does no significant harm to any of the other environmental objectives.

To be considered environmentally sustainable, economic activities must also be carried out in compliance with the Minimum Safeguards, i.e. the OECD Guidelines, the United Nations Guiding Principles on Business and Human Rights, and the International Declaration of Human Rights.

The Commission adopted the following delegated acts:

- the Climate Delegated Act (2021/2139 EU, June 2021, 2023/2485 EU, June 2023) on climate change mitigation and adaptation targets,
- the Environmental Delegated Act (2023/2486 EU, June 2023), concerning the other four environmental objectives.

Article 8 of EU Regulation 2020/852 defines the disclosure requirement of eco-sustainable activities for companies subject to the publication of a Sustainability Statement under Article 19a of Directive 2013/34/EU. EU Regulation 2021/2178 also specifies the content and presentation of the key performance indicators (KPIs) relating to turnover, CapEx and OpEx,



as well as the methodology required for their measurement and the accompanying contextual information.

In view of this scenario, the Alkemy Group is now called upon to carry out the exercise of identifying environmentally sustainable activities according to the Delegated Acts presented above. To do this the Group initiated an analysis activity involving the following corporate functions:

- Group Finance
- IR & Sustainability
- Office Management

To date, the Company has not formalised any data collection procedures for the purposes of the Taxonomy Regulation. In the coming financial years, the Company will continue to refine and structure the process of identifying and formalising environmentally sustainable activities.

For the calculation of the denominator for the turnover, OPEX and CAPEX KPIs, the Company ensures that amounts are only counted once in each KPI, due to the use of consolidated data for the analysis and the nature of the exercise, which involved a single activity.

The Company has not issued any green bonds or debt securities whose purpose is to finance taxonomy-aligned activities.

## Turnover

The NACE macrosectors and activities listed in the annexes for all the above-mentioned objectives were considered for the eligibility assessment. Given the nature of the activities and the sector, no economic activities have been identified as eligible for climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. In light of this, the Company has concluded that, according to the current state of the law, turnover-generating activities for the Company do not constitute EU Taxonomy-eligible activities. Consequently, the share of eligible turnover is 0% for 2024, and for 2023. The denominator for the KPI Turnover in the EU Taxonomy is Revenue, as indicated in the relevant Note 1 to the Consolidated Financial Statements.

## Capex

For the CAPEX indicator, the eligibility with respect to the Climate Change Mitigation (CCM) target of the activity "**6.5 Transport by motorbikes, passenger cars and light commercial vehicles**" was assessed with respect to electric vehicles and hybrid electric vehicles registered in 2024 within the car fleet.

The Company has not identified any changes in the way the KPI is calculated. For the allocation of the denominator relating to CAPEX, the Company identified capitalised



investments made during the year and confirmed these were included in the related economic activities in the Delegated Climate Act. This ensures that no CAPEX is considered more than once.

The denominator includes increases in property, plant and equipment, right-of-use assets and intangible assets, in accordance with IAS 16 - Property, plant and equipment, IAS 38 - Intangible Assets, and IFRS 16 - Leases, as set forth in Notes 11, 12 and 14 for a 2024 value of Euro 4,494,000 (compared to Euro 1,977 in 2023). The Company saw no significant change in the KPI for capital expenditure.

Based on the assessment conducted, 5% of CAPEX was identified as eligible and 0% as aligned. Furthermore, the Company has no CapEx Plans for EU Taxonomy-aligned assets.

### **Opex**

For the assessment of eligibility with the 6 objectives, the conclusion regarding the Opex indicator remains unchanged from 2023. The Company has not identified any eligible activities for the OpEx KPI.

Consequently, the proportion of operational expenditure that can be considered EU-Taxonomy eligible and aligned is 0% for both 2024 and 2023. The denominator for the OPEX indicator is determined on the basis of the definition in the EU Taxonomy, which covers non-capitalised direct costs related to research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditure related to the day-to-day operation of the business or property, plant and equipment. Non-capitalised direct costs incurred by the Company for 2024 amounted to 1,092 thousand.

Finally, due to insufficient information, it was not possible to proceed with the analysis of the technical screening criteria, including the DNSH criteria and the Minimum Safeguards.



## Turnover Analysis

2024 Financial year	2024			Substantial contribution criteria						"Do no significant harm" criteria									
Economic activities (1)	Code (a) (2)	Turnover (3)	Portion of turnover, 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Portion of turnover that is taxonomy aligned (A.1.) or eligible (A.2.), 2023 (18)	Enabling activities category (19)	Transition activities category (20)
			%	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	%	A	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. A.1 Environmentally-sustainable activities (taxonomy aligned)																			
N/A		0	0%														0%		
Turnover of environmentally-sustainable activities (taxonomy aligned) (A.1)		0	0%														0%		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
A.2. Taxonomy-eligible activities but which are not environmentally-sustainable (not taxonomy-aligned activities) (g)																			
				AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)										
N/A		0	0%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
Turnover of taxonomy-eligible activities but which are not environmentally-sustainable (not taxonomy aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Turnover of taxonomy-eligible activities (A.1+ A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of taxonomy non-eligible activities (B)		111,956,762	100%																
TOTAL		111,956,762	100%																

	Share of turnover/total turnover	
	Aligned with Taxonomy by objective	Eligible for Taxonomy by objective
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-





## Capex Analysis

2024 Financial year	2024			Substantial contribution criteria						DNSH criteria ("do no significant harm") (h)									
Economic activities (1)	Code (a) (2)	CapEx (3)	Share of CapEx, 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Circular economy (14)	Pollution (15)	Biodiversity (16)	Minimum safeguards (17)	Share of CapEx that is aligned (A.1.) or eligible (A.2.) to taxonomy, 2023 (18)	Enabling activities category (19)	Transition activities category (20)
Text		€	%	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	%	A	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1. A.1 Environmentally-sustainable activities (taxonomy aligned)</b>																			
N/A		0	0%														0%		
CapEx of environmentally-sustainable activities (taxonomy aligned) (A.1)		0	0%														0%		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
<b>A.2. Taxonomy eligible activities but which are not environmentally-sustainable (not taxonomy aligned activities) (g)</b>																			
				AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)										
Transport by motorbikes, cars and light commercial vehicles	CCM 6.5	213,291	5%	AM	N/A	N/A	N/A	N/A	N/A								0%		
CapEx of taxonomy-eligible activities but which are not environmentally-sustainable (not taxonomy-aligned activities) (A.2)		213,291	5%	1%	0%	0%	0%	0%	0%								0%		
A. CapEx of taxonomy-eligible activities (A.1+A.2)		213,291	5%	1%	0%	0%	0%	0%	0%								0%		
<b>B. TAXONOMY NON-ELIGIBLE ACTIVITIES</b>																			
CapEx of taxonomy non-eligible activities		4,280,709	95%																
TOTAL		4,494,000	100%																

	Share of CapEx/Total CapEx	
	Aligned with Taxonomy by objective	Eligible for Taxonomy by objective
CCM	0%	5%
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-



## Opex Analysis

2024 Financial year	2024			Substantial contribution criteria						DNSH criteria ("do no significant harm") (h)									
Economic activities (1)	Code (a) (2)	OpEx (3)	Share of OpEx, 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Circular economy (14)	Pollution (15)	Biodiversity (16)	Minimum safeguards (17)	Share of OpEx that is aligned (A.1.) or eligible (A.2.) to taxonomy, year 2023 (18)	Enabling activities category (19)	Transition activities category (20)
Text		€	%	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes; No; N/AM (b)(c)	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	%	A	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. A.1 Environmentally-sustainable activities (taxonomy aligned)																			
N/A		0	0%														0%		
OpEx of environmentally-sustainable activities (taxonomy aligned) (A.1)		0	0%														0%		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
A.2. Taxonomy-eligible activities but which are not environmentally-sustainable (not taxonomy-aligned activities) (g)																			
				AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)										
N/A		0	0%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
OpEx of taxonomy-eligible activities but which are not environmentally-sustainable (taxonomy non-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. OpEx of taxonomy-eligible activities (A.1+A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy non-eligible activities		1,092,332	100%																
TOTAL		1,092,332	100%																

	Share of OpEx/ Total OpEx	
	Aligned with Taxonomy by objective	Eligible for Taxonomy by objective
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

With reference to the disclosure pursuant to Article 8(6) and (7) of Delegated Regulation (EU) 2021/2178, which requires the use of the templates provided in Annex XII for the reporting of nuclear energy and fossil gas activities, no eligible and/or aligned activities were identified in these areas, as follows:

	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	NO



2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
<b>Fossil gas related activities</b>		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

#### **Transition plan for climate change mitigation - E1-1**

The Group does not currently have a Transition Plan as required by the Standard; however, the company will consider implementing a transition plan by the end of the 2024 - 2027 Sustainability Plan horizon.

#### **Material impacts, risks and opportunities and their interaction with strategy and business model - SBM-3 E1**

Climate change has a significant impact on society and businesses, and the increase in the frequency and severity of extreme weather events negatively affects business operations by damaging infrastructure, resulting in economic losses and operational challenges.

In this context, following a scenario analysis of climate risks, the Group carried out a mapping exercise to identify the extent and pervasiveness of these risks. The monitoring activity



conducted included the interaction of the identified risks with the strategy, business model and resilience of the Group's activities in relation to climate change.

Physical and transitional risks impacting own operations were considered in the analysis, as well as upstream risks affecting major suppliers and downstream risks affecting major customers.

Specifically, physical hazards were mapped on the basis of their duration over time (acute and chronic) and were grouped by type of climatic phenomenon (temperature, wind, water and solid mass)<sup>19</sup>.

Transition risks, on the other hand, have been classified according to the nature, speed and scope of the changes, which may generate financial and reputational impacts of varying magnitude<sup>20</sup>.

For the risk indicators, data from the most recent scientific literature and reference models were analysed to identify climate projections and sectoral exposure to the previously identified risks. The risk indicators identified were assessed in the optimistic and pessimistic scenarios for the 2030 and 2050 time horizons. For each risk analysed, an exposure level (High, Medium, Low) was assigned. Finally, the analysis that was conducted led to the identification of the Group's mitigation actions for risks assessed as medium or high.

The activities conducted show that, in view of its business model the characteristics of the reference markets and the preliminary analyses performed, the Group has no significant exposure to climate risks, as confirmed also by the findings of the Double Materiality process<sup>21</sup>. In particular, no significant vulnerabilities related to the effects of climate change were found, either in the short or medium term. However, when assessing the Group's impacts, stakeholders highlighted the centrality of the issue of emissions and the approach to environmental topics. The reason given for this relevance is its centrality for some of the Group's key stakeholders, mainly customers - who, due to their size of their businesses, have initiated a supply chain selection process that has a strong focus on the ability of individual suppliers to report accurate information and data with reference to their carbon footprint - and current and potential employees, who are increasingly focused on these topics.

### **Climate change mitigation and adaptation policies - E1-2**

The Alkemy Group is aware of the need to use energy and environmental resources responsibly, to contribute to climate change mitigation and adaptation.

The Group has adopted the **Green Office & Mobility Policy** with the aim of promoting continuous improvements in its environmental decisions and performance and providing guidelines to reduce negative environmental impacts by adopting good practices in energy,

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<sup>19</sup> Source: *Climate Change Delegated Act* (Annex II - Climate Change Adaptation)

<sup>20</sup> (Source: *Task Force on Climate-related Financial Disclosures (TCFD)*)

<sup>21</sup> For more details please refer to the section of the **ESRS 2 - IRO 1**.



water and waste management and choosing sustainable forms of transport wherever possible. This Policy is valid for the entire Group and serves as a guide for all subsidiaries. Its arrangements and commitments are fully supervised by the Group's Top Management<sup>22</sup>, comprising the strategic managers and senior executives in all Group companies.

The main purpose of the Policy is expressed in four main principles:

- provide a framework for the adoption of good environmental practices and the promotion of sustainable behaviour.
- emphasise the importance of responsible management of energy, water and waste resources.
- promote greater awareness among employees of the environmental impact of their daily activities.
- encourage continuous improvement in environmental performance, with the aim of reducing the negative effects of business activities on the environment.

In addition, the Group is committed to boosting resource efficiency by improving its processes and implementing innovative technologies to reduce the overall environmental impact of its operations.

### **Climate Change Policy Actions and Resources - E1-3**

With regard to **climate change mitigation**, the Alkemy Group takes an integrated approach with several initiatives aimed at reducing environmental impact. Among them, it promotes the reduction of energy consumption through simple but effective practices, such as switching off computers and monitors when not in use and using energy-saving settings. The adoption of cloud-based services allows the reduction of the number of physical servers needed, thus contributing to lower energy consumption and a significant reduction in CO2 emissions. In addition, the implementation of an intelligent lighting system optimises **energy efficiency** and improves the overall sustainability of business operations.

To address risks related to **climate change**, the Group intends to launch continuous monitoring initiatives to identify and mitigate potential climate impacts. In parallel, it will plan staff awareness-raising initiatives through internal projects and training programmes aimed at disseminating adaptation strategies.

Another key aspect is the commitment to **responsible consumption** of water, achieved by taking prompt action to repair leaks and maintain HVAC (*Heating, Ventilation, and Air Conditioning*) systems, as well as promoting water efficiency awareness among employees. Furthermore, by following the principles of the waste hierarchy, Alkemy limits the use of plastic,

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<sup>22</sup> For more details regarding the remuneration of members of the administrative, management and supervisory bodies, please refer to the section of the **ESRS 2 GOV-3**.



reduces paper consumption and manages the life cycle of IT equipment responsibly, encouraging its reuse and recycling.

The Group intends to adopt the use of **renewable energies** wherever possible, with the aim of reducing emissions from its activities. Initiatives include teleworking, the use of video conferencing and encouraging the use of public transport and low-emission vehicles, with the aim of reducing the environmental impact of company operations.

In the context of the implementation of the Policies, as defined in the Sustainability Plan 2024-2027, specific training at Group level was given and specific initiatives identified. At the moment, the Company has not identified a transition plan, and for the implementation of the above, it does not appear necessary to allocate significant amounts for the next financial year. These are in fact initiatives that are not linked to an action plan and which, neither as a whole nor individually, have required significant operational expenditure or CapEx. For the financial year 2025, where the migration project towards the use of energy from certified renewable sources is to be initiated, an ad hoc budget will be allocated to cover the marginal expenditure associated with the introduction of this additional form of energy source. Indeed, Alkemy's ability to implement the initiatives described does not depend on the availability and allocation of resources, given the minimal impact expected from an increase in the price of energy purchased to meet the target set for 2027.

At present, Alkemy has not initiated specific actions aimed at climate change mitigation.

#### **Climate change mitigation and adaptation objectives - E1-4**

As part of the **Sustainability Plan 2024-2027**, also defined on the basis of a benchmark carried out on similar companies and in businesses similar to Alkemy's, the Company is concretely committed to reducing greenhouse gas emissions through a series of targeted actions. However, the targets presented within the Sustainability Plan partially meet the demands of the ESRS. In fact, the Plan is not aligned with the target of reducing global warming to 1.5° and does not present results to 2030. Furthermore, the benefits associated with each decarbonisation lever identified in the Plan have not been quantified, nor have specific targets linked to GHG emission reduction targets been identified. The objectives of the latter, despite not being based on reliable scientific data, follow the example of the commitment taken by the Group in its "**Green Office & Mobility Policy**", in addition to the ongoing engagement with stakeholders. Group customers, in particular, are increasingly moving towards a conscious selection of suppliers, reflecting their commitment to reducing their environmental impact.

Among the main objectives of the Plan, which considers 2022 as the baseline year, is the increased use of **energy from renewable sources**, with the ambition of reaching at least 20% of the Parent Company's total consumption. Furthermore, it is planned that 25% of the **company car fleet** will consist of environmentally friendly vehicles, such as hybrid or fully



electric cars, thus reducing mobility-related emissions. There are currently no plans to extend the plan targets to the Group's Value Chain actors. As already specified, given the nature of the initiatives under the Plan, it was not necessary to allocate additional resources in the financial year 2024 to meet the needs of the Plan. For the financial year 2025, the allocation of the necessary resources for the purchase of energy from certified renewable sources was planned. However, for the year 2024, for which there was no target for the use of energy from certified renewable sources, the ability to implement the actions did not depend on the availability and allocation of suitable additional resources.

The Company is also implementing and extending the "**Green Office & Mobility Policy**", with the aim of promoting sustainable and responsible business practices throughout the Group. This extension was completed in January 2025.

Finally, Alkemy aims to maintain the **ISO 14064** certification, an international standard for greenhouse gas emission management, obtained as early as June 2024, and to raise awareness among its employees, actively involving them in **training activities and initiatives on environmental issues**. The aim is to ensure 100% coverage of the Group's employees with specific training programmes, thus promoting a widespread culture of sustainability.

To date, the company does not measure the effectiveness of the described initiatives to reduce climate-changing gas emissions related to the implementation of the Sustainability Plan.



Target	Objectives <sup>23</sup>	Intermediate objectives	KPI	Baseline <sup>24</sup>	2024
Minimising the environmental impacts of the Group's activities	100% coverage of Alkemy Group employees with training activities on environmental issues	By the end of <u>2026</u> : 100% coverage of employees of Italian companies By the end of <u>2027</u> : 100% coverage of Group employees	% of employees who undertook training or participated in environmental awareness initiatives	No training provided in 2022	Training course on ESG issues and regulations delivered to Italian Group employees
	25% of the Group's fleet will be environmentally friendly company cars (hybrid or full electric)	By the end of <u>2026</u> : 25% of the company car fleet with low environmental impact in Italy By the end of <u>2027</u> : 25% of the Group car fleet with low environmental impact	% of company fleet composed of environmentally friendly cars (hybrid/full electric)	13% of the company car fleet is made up of environmentally friendly cars	40% of the company car fleet in Italy consists of hybrid cars
	Extension of the Green Office & Mobility Policy at Group level	Target to be achieved by the end of 2025	-	Policy applicable only to the Parent Company and Italian subsidiaries	Policy extended in January 2025

<sup>23</sup> Quantitative targets are expressed in percentages.

<sup>24</sup> Data as at 31 December 2022





	Extending the reporting scope of energy consumption and CO2 emissions at Group level	<ul style="list-style-type: none"><li>- By the end of 2025: reporting to be extended to the Group's European companies</li><li>- By the end of 2027: Group-wide extension of the scope</li></ul>	ESRS E1-1, E1-2 <sup>25</sup>	Reporting data only for Italy and Mexico	Group-wide reporting scope
	% of renewable energy out of the total energy consumed by the parent at least 20%	<ul style="list-style-type: none"><li>- By the end of 2025: 20% of energy consumed by Alkemy S.p.A. from certified renewable sources</li><li>- By the end of 2027: 20% of energy consumed by the Group's Italian companies from certified renewable sources</li></ul>	ESRS E1-1, E1-2 <sup>26</sup>	0% of consumed energy generated from certified renewable sources	No progress in 2024
	Obtaining and maintaining ISO 14064 certification for Alkemy S.p.A.	-	-	-	Certification obtained in June 2024

<sup>25</sup> GRI 302-1, GRI 305-1, GRI 305-2

<sup>26</sup> GRI 302-1

### Energy consumption and energy mix - E1-5

Data on energy consumption and the energy mix used are presented below. It should be noted that the Group does not belong to the high-impact climate sectors.

Energy consumption from fossil sources		
Energy consumption	UoM	2024
Total energy consumption from fossil sources	MWh	772

Energy consumption from nuclear sources		
Energy consumption	UoM	2024
Total consumption from nuclear sources	MWh	-

Energy consumption from renewable sources		
Energy consumption	UoM	2024
Consumption of fuels from renewable sources, including biomass (including industrial and municipal waste), biofuels, biogas, hydrogen from renewable sources	MWh	-
Consumption of electricity, heat, steam and cooling from renewable sources purchased or acquired	MWh	-
Self-produced non-fuel renewable energy consumption	MWh	-
Total energy consumption from renewable sources	MWh	-

Total energy consumption			
Energy consumption	UoM	2024	%
Total energy consumption	MWh	772	100%
Total energy consumption from fossil sources	MWh	772	100%

Total consumption from nuclear sources	MWh	-	-
Total energy consumption from renewable sources	MWh	-	-

Energy production		
Energy production	UoM	2024
Energy production from non-renewable sources	MWh	-
Energy production from renewable sources	MWh	-
Energy intensity in high-impact sectors		
Energy intensity	UoM	2024
Total energy consumption from activities in high-impact climate sectors	MWh	-
Net revenue from activities in high-impact sectors	€ thousands	-
<b>Energy intensity in high-impact climate sectors</b>	MWh/€ thousands	-

	UoM	2024
Net revenue from activities in high-impact climate sectors used for the calculation of energy intensity	€ thousands	-
Net revenue (other)	€ thousands	111,957
Total net revenue (Financial Statements)	€ thousands	111,957

### Gross GHG Scopes 1, 2, 3 and total GHG emissions - E1-6

Scope 1 emissions from office heating were estimated from EIA data on gas consumption per square metre of office space consumed for heating activities. Moreover, there are no entities over which operational control is exercised.

Scope 1 GHG emissions				
Greenhouse gas emissions	UoM	Consolidated Group	2024 Entities under operational control	Total
Gross Scope 1 GHG emissions	tCO <sub>2e</sub>	217	-	217
Scope 1 GHG emissions from regulated emissions trading schemes	tCO <sub>2e</sub>	-	-	-
% of Scope 1 GHG emissions from regulated emissions trading schemes	%	-	-	-
AR 43. c) When compiling the information on the gross greenhouse gas emissions referred to in paragraph 48. a), the undertaking shall disclose biogenic emissions of CO <sub>2</sub> from the combustion or bio-degradation of biomass separately from the Scope 1 GHG emissions, but include emissions of other types of GHG (in particular CH <sub>4</sub> and N <sub>2</sub> O);	tCO <sub>2e</sub>	-	-	-

Information on contractual instruments for GHG Scope 2 and biogenic CO2 emissions is not available.

Scope 2 GHG emissions				
Greenhouse gas emissions	UoM	Consolidated Group	2024 Entities under operational control	Total
Gross Scope 2 GHG emissions (Location-based)	tCO <sub>2e</sub>	154	-	154
Gross Scope 2 GHG emissions (Market-based)	tCO <sub>2e</sub>	180	-	180
AR 45. d) The undertaking shall provide information about the share of contractual instruments (Scope 2 GHG emissions)	%			
AR 45. d) The undertaking shall provide information about the types of contractual instruments (Scope 2 GHG emissions)	-	-	-	-
AR 45. d) The undertaking shall provide information on the share of contractual instruments used for the sale and purchase of energy bundled with attributes about the energy generation.	%	-	-	-
AR 45. d) The undertaking shall provide information about the share of contractual instruments used for the sale and purchase of energy for unbundled energy attribute claims.	%	-	-	-
AR 45. d) The undertaking shall provide information about the types	-	-	-	-

of contractual instruments used for the sale and purchase of energy bundled with attributes about the energy generation or for unbundled energy attribute claims.				
AR 45. e) The undertaking shall report biogenic emissions of CO <sub>2</sub> carbon from the combustion or biodegradation of biomass separately from the Scope 2 GHG emissions but include emissions of other types of GHG (in particular CH <sub>4</sub> and N <sub>2</sub> O). In case the emission factors applied do not separate the percentage of biomass or biogenic CO <sub>2</sub> , the undertaking shall disclose this. In case GHG emissions other than CO <sub>2</sub> (particularly CH <sub>4</sub> and N <sub>2</sub> O) are not available for, or excluded from, location-based grid average emission factors based or with the market-based method information, the undertaking shall disclose this.	tCO <sub>2e</sub>	-	-	-

With reference to the methodology for calculating Scope 3 GHG emissions, the following should be noted:

- Category 1 (Purchased Goods and Services), Category 2 (Capital Goods) and Category 8 (Upstream Leased Goods, i.e. mainly Cloud Servers): emissions were calculated using the Spend-based method from the accounting data of purchased goods and services.
- Category 3 (fuel and energy related activities): gas consumption data for office heating are estimated on the basis of the square metres of office space by applying a special EIA factor.
- Category 5 (Waste from business operations): since all Group companies are service companies, the waste generated is comparable to household waste and is not subject to timely reporting. For this reason, the Spend-based method was used, starting with the waste tax paid by the offices. For the offices in Mexico City and Belgrade, the cost of waste management had to be estimated as part of a fee. In particular, for the Mexico

City office, it was estimated that 50% of the costs of managing the common areas were attributable to waste disposal. For the Belgrade office, on the other hand, the tax was applied per square metre declared by the Belgrade waste management company, parameterised on the office area (400 square metres).

- Category 6 (Business Travel): to calculate the emissions from business travel, distances travelled using trains and planes were estimated using specialised online providers; distances travelled using taxis were estimated by dividing the cost of the ride by the average cost per kilometre of taxis in the country where the ride was made. The kilometres travelled and the vehicle used were then used to estimate the tonnes of CO<sub>2</sub> produced using data produced by DEFRA for the year 2024.
- Category 7 (Employee home-work commute): To estimate the emissions generated by commuting, all Group employees were asked to complete an online survey where they had to identify themselves and declare the average number of days per week they usually work from the office, the distance in kilometres from their home to the office and the prevailing means of transport used in commuting. Once the number of kilometres covered per year by the vehicle used was calculated, the CO<sub>2</sub> generation of the respondents was calculated using DEFRA parameters for the year 2024. The average emissions intensity of employees was then calculated and passed on to the population that did not respond to the online survey (total respondents amounting to 37.2% of Group employees).

It is worth specifying that in order to identify the categories to be included in the analysis, an assessment was made with reference to:

- Magnitude - quantitative relevance of emissions/removals
- Level of influence - The extent to which the organisation has the capacity to monitor and reduce emissions and removals
- Opportunity risk - How much indirect emissions or removals contribute to the organisation's exposure to risk or its business opportunity
- Data accessibility - degree of accessibility of the organisation's data, and ability to monitor and quantify indirect emissions
- Employee involvement - the degree of accessibility of the organisation's data, and its ability to monitor and quantify indirect emissions

On the basis of these parameters, considering the business in which the Group operates, the categories relating to upstream and downstream transport and distribution, processing of products sold, their use and end-of-life, downstream leased assets, franchising and investments were excluded.

Scope 3 GHG emissions		
Greenhouse gas emissions	UoM	2024

<b>Gross Scope 3 GHG emissions</b>	<b>tCO<sub>2e</sub></b>	<b>9,187</b>
Category 1 Purchased goods and services	tCO <sub>2e</sub>	7,949
Category 2 Capital goods	tCO <sub>2e</sub>	81
Category 3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	tCO <sub>2e</sub>	37
Category 4 Upstream transportation and distribution	tCO <sub>2e</sub>	-
Category 5 Waste generated in operations	tCO <sub>2e</sub>	49
Category 6 Business travel	tCO <sub>2e</sub>	218
Category 7 Employee commuting	tCO <sub>2e</sub>	550
Category 8 Upstream leased assets <sup>27</sup>	tCO <sub>2e</sub>	304
Category 9 Downstream transportation and distribution	tCO <sub>2e</sub>	-
Category 10 Processing of sold products	tCO <sub>2e</sub>	-
Category 11 Use of sold products	tCO <sub>2e</sub>	-
Category 12 End-of-life treatment of sold products	tCO <sub>2e</sub>	-
Category 13 Downstream leased assets	tCO <sub>2e</sub>	-
Category 14 Franchises	tCO <sub>2e</sub>	-
Category 15 Investments	tCO <sub>2e</sub>	-
AR 46. j) The undertaking shall disclose biogenic CO <sub>2</sub> emissions from the combustion or biodegradation of biomass that occur in its upstream and downstream value chain separately from gross Scope 3 GHG emissions and includes in the calculation of emissions of other types of greenhouse gases (such as CH <sub>4</sub> and N <sub>2</sub> O) and emissions of CO <sub>2</sub> that occur in the life cycle of biomass other than from combustion or biodegradation (such as GHG emissions from the	tCO <sub>2e</sub>	-

<sup>27</sup> These are mainly Cloud Servers; emissions were calculated using the spend-based method.



processing or transporting of biomass) in the calculation of Scope 3 GHG emissions;		
AR 46. When preparing the information on gross Scope 3 GHG emissions, the undertaking shall:		
AR 46. g) disclose the extent to which the undertaking's Scope 3 GHG emissions are measured using inputs from specific activities within the entity's upstream and downstream value chain, and disclose the percentage of emissions calculated using primary data obtained from suppliers or other value chain partners;		
AR 46. i) disclose a list of Scope 3 GHG emission categories included in the inventory;	Based on the significance analysis of the Group's activities, the following categories emerged as significant: 1, 2, 3, 5, 6, 7, 8.	
AR 46. i) disclose a list of Scope 3 GHG emission categories excluded from the inventory with a justification;	<p>The following categories were excluded from the inventory:</p> <ul style="list-style-type: none"> <li>- 4: Group companies are service companies.</li> <li>- 10: Group companies are not engaged in the transformation of goods.</li> <li>- 11: The products generated by the Group's activities are not physical.</li> <li>- 12: Since Group companies do not produce physical goods, there is no end-of-life treatment of products.</li> <li>- 13: Group companies have no leasing activities down the value chain.</li> <li>- 14: Group companies have no active franchises.</li> <li>- 15: Group companies do not engage in investment.</li> </ul>	

AR 46. h) For each significant Scope 3 GHG category, disclose the reporting boundaries considered, the calculation methods for estimating the GHG emissions as well as if and which calculation tools were applied	The limitations and estimates used for the calculation are indicated in the notes for each impacted category.
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TOTAL GHG emissions (Scope 1, 2, 3)		
Greenhouse gas emissions	UoM	2024
Total greenhouse gas emissions (Scope 2 Location-based)	tCO <sub>2e</sub>	9,559
Total GHG emissions (Scope 2 Market-based)	tCO <sub>2e</sub>	9,584

Greenhouse gas intensity		
Greenhouse gas intensity	UoM	2024
Net revenue	€ thousands	111,957
Greenhouse gas intensity (Scope 2 Location-based)	tCO <sub>2e</sub> /€ thousands	0.1
Greenhouse gas intensity (Scope 2 Market-based)	tCO <sub>2e</sub> /€ thousands	0.1

	UoM	2024
Net revenue used to calculate greenhouse gas intensity	€ thousands	111,957
Net revenue (other)	€ thousands	-
Total Net Revenue (Financial Statements)	€ thousands	111,957

#### GHG sinks and GHG mitigation projects financed with carbon credits - E1-7

The Alkemy Group does not currently have any carbon credits.

#### Internal Carbon Pricing - E1-8

The Alkemy Group does not use internal carbon pricing systems.

## ESRS S1

### Impacts, Risks and Opportunities

S1 - Own Workforce	
<b>Impact Materiality</b>	<b>Positive Impact</b>  Job creation and enhancement of recruited resources through competitive remuneration packages, job opportunities and career paths
	<b>Negative Impact</b>  Negative impact on employees due to inadequate management of relations with trade unions in terms of violation of freedom of association, the right to social dialogue and inability to engage through listening and responding to employees' needs, who may therefore be dissatisfied and unrepresented
	<b>Positive Impact</b>  Increase in employees' knowledge and awareness of mental well-being issues
	<b>Positive Impact</b>  Implementation of initiatives aiming to assure a balance between professional and working lives, enabling greater employee well-being
	<b>Positive Impact</b>  Promotion of activities aimed at the inclusion of people with disabilities in the corporate environment
	<b>Positive Impact</b>  Improvement of worker skills through training and professional development, also linked to personalised assessment and growth objectives
<b>Financial Materiality</b>	<b>Risk</b>  Risk of loss of attractiveness and operational inefficiency, with associated quality problems, due to inadequately defined staff training plans
	<b>Risk</b>  Reputational risk for the Group in the event of discriminatory incidents also related to inadequate management of DE&I practices (such as equal pay issues)

	<b>Risk</b>  Risk of incurring penalties due to non-compliance with data protection rules in human resources management
	<b>Opportunity</b>  Increased attractiveness of qualified employees through work-life balance practices
	<b>Opportunity</b>  Increased staff retention and attraction resulting from fair working conditions (e.g. adequate salaries, implementation of welfare policies)
	<b>Opportunity</b>  Improved attractiveness and reduced retention through the creation of gender-equal opportunities and remuneration packages
	<b>Opportunity</b>  Increased attractiveness and retention through corporate strategies aimed at skills development

### Policies, Actions and Objectives

S1- Own Workforce	
<b>Policies</b>	<ul style="list-style-type: none"> <li>• Gender Equality Policy</li> <li>• Human Rights Policy</li> <li>• Smart Working Regulation</li> <li>• Whistleblowing System</li> <li>• Privacy Policy</li> <li>• Diversity &amp; Inclusion Policy</li> </ul>
<b>Actions</b>	<ul style="list-style-type: none"> <li>• Competitive Remuneration Packages</li> <li>• Training Activities</li> <li>• E-learning Platforms</li> <li>• Alkemy Academy</li> <li>• Annual Review</li> <li>• Whistleblowing Channel</li> <li>• Ensuring access to the workplace for trade union representatives (as enshrined in the Human Rights Policy)</li> </ul>

	<ul style="list-style-type: none"> <li>• Corporate Welfare Plan</li> <li>• Injury Management System</li> <li>• Flexible Working Hours</li> <li>• Hybrid Work</li> <li>• Parenting Support</li> <li>• Mentorship programmes and workshops on managing differences</li> <li>• Partnerships with specialised bodies</li> <li>• Total Reward System</li> <li>• Alkemy Employee Experience</li> <li>• Employer Branding Activities</li> <li>• Activities to ensure talent retention</li> <li>• Having all employees sign adequate personal data processing documentation</li> <li>• Establishment of the position of Data Protection Officer</li> </ul>
<b>Targets</b>	<ul style="list-style-type: none"> <li>• Mental well-being and wellness programmes for 100% of employees</li> <li>• Increase the % of employees with disabilities to 4% of employees for the Group's Italian companies</li> <li>• Keeping the employee turnover rate below 25%</li> <li>• Increase in average staff training hours per capita by +10% at Group level</li> <li>• Awareness-raising and training programmes on diversity issues in the Group's Italian companies</li> <li>• Extension of the Diversity &amp; Inclusion Policy to all Group companies</li> <li>• 10% increase in women in leadership positions at Group level</li> </ul>

### Own workforce policies - S1-1

The Alkemy Group acknowledges the importance and centrality of its people and considers them a primary factor in its business success.

Specifically, based on the analysis carried out on the value chain and what emerged from the Double Materiality process<sup>28</sup>, the Group's workforce is composed of resources with profoundly different professional profiles, ranging from strategic consulting to data analytics, from digital marketing to technology. These are areas that have very different engagement and retention logics and methods. Employees are mainly employed at the Group's Italian companies, followed by Spain, Mexico and Serbia. In addition, the Alkemy group also relies on the support of non-employee workers such as external collaborators and consultants, interns, and other types of collaborators.

<sup>28</sup> The methods of engagement and how the views of the workforce are taken into account are presented in section **ESRS 2 - SBM-2**.

The mapping of IROs was carried out taking into account Alkemy's own operations and its value chain, for more details please refer to section **ESRS 2 - SBM-3**.

In order to manage the material impacts, risks and opportunities on its own workforce, the Alkemy Group has adopted a number of policies to manage sustainability issues. These include:

- **Diversity & Inclusion**, to eliminate discrimination and promote an inclusive working environment;
- **Green Office and Mobility**, to encourage sustainable behaviour at work and when travelling<sup>29</sup>;
- **Anti-corruption**, to prevent unlawful practices<sup>30</sup>;
- **Human Rights**, to protect fundamental rights along the value chain;
- **Gender Equality Policy**, applicable only to Alkemy S.p.A., to eliminate the gender gap and improve inclusion within the organisation.

The policies apply to the workforce as a whole; in addition, some of the Policies, particularly those targeting groups at risk of vulnerability, such as the Diversity & Inclusion Policy, the Human Rights Policy and the Gender Equality Policy, and of the actions<sup>31</sup> implemented by the Group are geared towards protecting individuals from groups at risk of vulnerability in its workforce. In order to make them usable in internal communication and onboarding, Alkemy ensures that all employees are informed. In addition, specific training sessions are planned to reinforce awareness of the specific topics covered within the Policy.

The Group has established a set of policies that reflect its commitment to respecting human rights and promoting an inclusive and fair working environment, in line with and inspired by the provisions of the United Nations Universal Declaration of Human Rights, the Fundamental Conventions of the International Labour Organisation (hereinafter "ILO"), the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.

Amongst these, the **Diversity & Inclusion** policy, which applies to the entire Alkemy Group, including employees, boards of directors, collaborators, candidates, suppliers and all persons who maintain relations with the Group, stands out for its objective of creating a fair working environment, diverse and inclusive, where everyone's voice matters and contributes to the achievement of business and business objectives, regardless of age, disability, gender, sexual orientation, gender identity, race, colour, nationality, ethnic or national origin, religion or belief, socio-economic background or other status. The highest body responsible for the Policy is the Group Chief Executive Officer.

In order to eliminate all forms of **discrimination** and improve **inclusion** within the organisation, Alkemy has defined certain principles to be followed at each stage of the process managed by

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<sup>29</sup> For further details, please refer to section **E1-2**.

<sup>30</sup> For further details, please refer to section **G1-3**.

<sup>31</sup> For more details on actions implemented for groups at risk of vulnerability, please refer to sections **S1-4** and **S1-5**.

the Human Resources department. Specifically, Alkemy has developed a series of activities to ensure equal opportunities in the selection and recruitment process, eliminating discriminatory practices. It has also developed training programmes to promote lifelong learning and career development, ensuring equal pay. This commitment is ingrained in the company culture from the very beginning, with a focus on creating an environment where each individual feels free to express his or her talents.

Finally, all recipients of the Policy are required to report any conduct that does not comply with the principles and rules set out in the Policy using the **Whistleblowing system**. Alkemy undertakes to treat all reports confidentially and to protect the anonymity of whistleblowers, guaranteeing that they will not be subject to any form of retaliation, in accordance with current legislation. Violations of this Policy result in the application of disciplinary sanctions or measures modulated according to their severity.

Another relevant aspect is the guidelines on **Human Rights**. These guidelines aim to prohibit all forms of forced and child labour, promote a fair and inclusive working environment, ensure freedom of association, the right to decent work and a minimum wage. Moreover, as the Group does not operate in areas at risk of forced and child labour, it is committed to maintaining high ethical standards throughout its supply chain, also promoting well-being and work-life balance. This Policy applies to all Alkemy Group companies, employees, boards of directors, collaborators, candidates, suppliers and all persons dealing with the Group. The provisions are to be observed by the Group, with the full support of top management, and all actors along the supply chain are encouraged to adopt and abide by the principles set out. The compliance of suppliers and contractors to these principles is defined in the Supplier Code of Conduct.

The **Diversity & Inclusion Policy** and the **Human Rights Policy** are available on the corporate website and will be subject to periodic updates, including on the basis of the results of internal evaluations and monitoring actions undertaken, including the implementation of constant communication channels between the employer and the employees of the Group, in addition to a whistleblowing system that allows whistleblowers to report any violation of these policies directly to the Supervisory Board.

In addition, the Group has an **Anti-Corruption Policy** that defines the principles for preventing unlawful conduct.

Alkemy is actively committed to the involvement and enhancement of its resources; this approach is also reflected in the **Code of Ethics**<sup>32</sup>, which enshrines a commitment to equal opportunities and fair treatment, without discrimination based on ethnicity, gender, age, religion or other personal conditions.

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<sup>32</sup> For further details, please refer to section **G1-1**.

In 2023, Alkemy further strengthened this commitment through the adoption of a **Gender Equality Policy** and the establishment of a **Gender Equality Steering Committee**.

Alkemy's **Gender Equality Policy** aims to eliminate the gender gap and improve inclusion within the organisation and is inspired by the provisions of UNI PdR 125:2022 and the principles of the United Nations Universal Declaration of Human Rights. The policy applies to all activities within Alkemy and its Italian subsidiaries, covering the entire value chain, both upstream and downstream. It involves all geographical areas in which the Group operates and all stakeholder groups, including employees, collaborators, suppliers and customers. In addition, the Gender Equality Steering Committee, supported by the Executive Board, is responsible for the implementation of the policy.

General objectives include creating a fair working environment, supporting the employment of women, gender pay equity and promoting equal opportunities for the development of individual skills and talents. The monitoring process involves the use of specific KPIs on six dimensions: culture and strategy, governance, HR processes, gender-neutral growth opportunities, gender pay equity, parental protection and work-life balance.

In addition, the Group has considered the interests of key stakeholders in defining the policy, ensuring that their needs and expectations are integrated into business practices.

Finally, Alkemy makes the policy available through specific training sessions and publication on the company website. In addition, a communication plan is in place to inform stakeholders of the Group's commitment to gender equality, ensuring that communication is consistent with the principles of the policy and the objectives set. The suitability of this Policy is reviewed annually during the review activities of the Company Management System.

On the other hand, with regard to the **Gender Equality Steering Committee**, it consists of nine members, including the CEO, and is responsible for overseeing the application of the policy and the proper implementation of the **Strategic Plan 2024-2026 for Gender Equality**, which identifies six key areas of intervention:

1. Selection and recruiting
2. Career management
3. Pay equity
4. Parenting and care
5. Work-life balance
6. Activities to prevent all forms of physical, verbal, digital harassment in the workplace.

For each of these areas of intervention, the following were then defined: objectives, actions, indicators, targets to be achieved over the three-year period, the department responsible for actions and processes, the recipients of its actions, the monitoring timeframe and its budget, if any.



## **Processes for engaging own workforce and workers' representatives on impacts - S1-2**

Alkemy develops and maintains a constant and constructive dialogue with all identified stakeholders, including its own workers.

Communication takes place mainly through:

- monthly and quarterly newsletters informing employees of the Group's news and business projects;
- quarterly plenary meetings held by the CEO in order to share periodic results, which also include a question and answer (Q&A) session,
- communication activities conducted by the various members of the Leadership Team;
- initiatives related to the dissemination of the Group's culture and values,
- involvement in the 2024 Double Materiality process through impact voting.

## **Processes to remedy negative impacts and channels for workers to raise concerns - S1-3**

The Alkemy Group considered the potential negative impact of inadequate management of relations with trade unions to be material, as they could lead to the occurrence of individual events and incidents of violation of freedom of association and the right to social dialogue.

Against this backdrop, several policies have been implemented within Alkemy's set of procedures to protect employees; among these is the aforementioned **Human Rights Policy**<sup>33</sup> in which respect for employees' fundamental rights is ensured. To ensure enforcement of the Policy's requirements, it is possible to report any violations through the Group Whistleblowing channel<sup>34</sup>. In fact, Alkemy has an internal computer whistleblowing channel to allow employees to send anonymous reports, either written or oral, ensuring their anonymity.

Furthermore, Alkemy considers the application of measures to ensure engagement through listening and responding to employees' needs to be material. It does this also thanks to the constant promotion of internal communication activities, led by the various members of the leadership team, and of various initiatives connected with the spread of awareness of our culture and values.

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<sup>33</sup> For more details, please refer to section **S1-1**.

<sup>34</sup> For more details, please refer to section **G1-1**.

## Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions - S1-4

Alkemy takes a structured approach to addressing workforce-wide impacts, risks and opportunities, integrating these aspects into its sustainability and business management strategies.

To do this, it used dedicated resources and implemented actions to manage material impacts. These resources and actions, presented below, concern activities aimed at the protection and development of its employees.

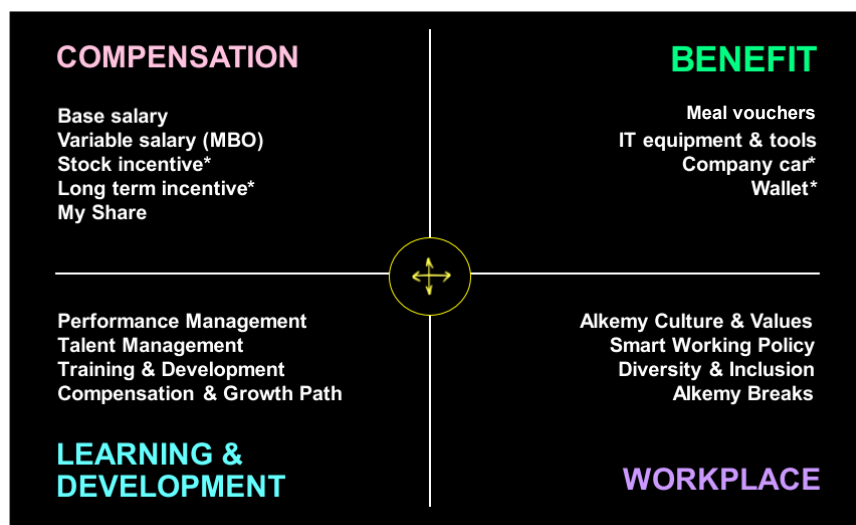
The People Strategy is based on a **Total Reward** system, a term used to refer to the set of remuneration and incentive systems adopted with a view to attracting, motivating and retaining talent, guiding conduct according to the values and principles of the Group's organisational culture, towards the forecast corporate objectives.

### Remuneration

Alkemy pays special attention to the creation of **competitive remuneration packages**. To this end, it constantly monitors indicators such as the **gender pay gap** and the ratio of the highest wages to the median wage, with the aim of ensuring a fair and meritocratic distribution of economic resources.

### Benefits

With an employee welfare-oriented approach, Alkemy has developed a **corporate welfare plan** that includes benefits accessible to all staff, without distinction between part-time and full-time.



Specifically, within the portal, the main initiatives include dedicated discounts, health insurance, a pension fund that is also open to fixed-term contracts, and a flexible smart working model with no limit on the number of days, introduced as early as 2019.

With the intention of further reinforcing its commitment to resource enhancement, Alkemy has decided to promote well-being initiatives with a view to preventing all forms of psychological discomfort in the workplace and in the personal sphere, reaffirming the importance of taking action to support mental health activities and programmes.

Alkemy is convinced, as confirmed by many studies, that well-being initiatives in corporate contexts can bring multiple benefits, both for people and for the organisation itself, allowing for better organisational coexistence, the building of solid interpersonal relationships, increased job satisfaction and the ability to manage work-related stress, with ensuing positive impacts on productivity and on the business itself. In fact, during 2023, Alkemy developed a D&I plan under which it reconfirmed its partnership with UNOBRAVO (online psychology service with 2 free sessions included). In 2024, the partner was replaced by Fitprime, which oversaw a number of initiatives during the year, including webinars on parenting, emotional and conflict management at work and, during Pride month, a meeting on the topic of rainbow families. Lastly, mindfulness courses with certified coaches, open to the entire corporate population, were provided at the Group's main sites.

### Workplace

#### *Diversity & Inclusion*

Among the material risks that emerged in the Double Materiality process, Alkemy identified the potential risk related to the occurrence of discriminatory incidents.

To manage and mitigate this risk, Alkemy has adopted several processes and actions. Among the first is the Code of Ethics, which requires all staff to act with loyalty, impartiality, diligence and fairness, and pledges to oppose all forms of discrimination, corruption and conflict of interest. In addition, as described above, Alkemy has adopted a **Human Rights Policy**, a **Gender Equality Policy**, reinforced by the introduction of the **2024-2026 Strategic Plan**, certified in accordance with UNI PdR 125.

A target was also introduced to monitor the gender composition in order to increase the presence of women in managerial roles and to encourage the participation of international candidates and those from protected categories. In fact, **KPIs** were introduced for recruiting that incentivise gender equality and cultural diversity.

Initiatives have thus been launched to foster cultural and generational diversity, including mentorship programmes and workshops dedicated to managing differences. Finally, through

partnerships with specialised bodies such as Fitprime-wellbeing made easy, and IAmRemarkable, Alkemy organised webinars on topics such as conscious parenting, emotional conflict management at work and self-advocacy.

## *Alkemy Culture & Values*

The Group pays close attention to the needs of its people, in particular with reference to **work-life balance**, where possible seeking to offer solutions that suit the individual and professional needs of its people, including:

- Flexible working hours and hybrid work policies.
- Parenting support with specific measures to reconcile personal and professional needs.
- Corporate welfare programmes that include benefits.

Starting in 2019, Alkemy introduced Smart Working options for all its employees, in open mode (with no limit to the number of days, as long as approved by the manager), taking a key step towards consolidating its organisational culture model based on principles of freedom and responsibility. This working model allows employees to better reconcile private and professional life, improving productivity and job satisfaction.

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Starting in 2020, the Group's People & Culture function pooled all eight touchpoints characterising the people's route in Alkemy, from talent attraction through to exit, formalising the Alkemy Employee Experience (AEX).

The aim of the **Alkemy Employee Experience** is to put the people right at the heart of the organisation and create the very best conditions for a journey in which everyone can fully release their potential and achieve their professional goals, promoting an inclusive, stimulating workplace in which everyone feels authorised to make a concrete contribution towards Alkemy's success.

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Finally, the Alkemy model is based on a strong investment by management, hence stock incentives are seen as key leverage. Since it was first established in 2012, two stock option plans have been launched, involving around seventy managers and employees. Considering the success of the initiative, in July 2022 "MyShare" was introduced, a stock option plan to which all Alkemy S.p.A. employees on permanent contracts, who have been with us for more than 12 months, can adhere. In January 2023, the project was extended to all employees of the Group's Italian companies, and in July 2023 also to the employees of the Group's Spanish subsidiaries. The intention is to further extend the scope to include all Group employees.

The issue of the **attention to the search, selection and management of the very best talents** for the Group is based on two key principles: that they are good people (for specific skills and experience) and good people, that is in line with the Group business culture and values, elements that are an innate part of the company's alchemy.

The Group's approach to talent management adheres to the principles of transparency and involvement, so that everyone is aware they can satisfy their ambitions and develop their potential in a participatory professional environment that is stimulating and assures constant growth. Talent in Alkemy is a resource that stands out from the others, which can make the difference, which emerges both through technical skills and communication and leadership qualities. Talent is also an enabler of other talent: it searches for it, optimises it and makes it available to the common objective. Talent is not only part of the Group's alchemy, it is its hallmark.

In fact, Alkemy places significant focus starting at the earliest phases of the recruiting process, which assesses not only the technical skills of candidates through specific interviews, but also their cultural and behavioural 'fit' through an initial interview, guided by the People & Culture HR Department.

In 2023, an **Employer Branding** plan was implemented, aimed at raising awareness in the company, its values and the key skills required in the various fields of expertise. Through a dedicated editorial plan, Alkemy promoted its working model, highlighting the distinctive features that make the company a unique and stimulating environment. In parallel, collaborations with universities continued, to intercept young talents and facilitate their entry into the world of work.

The Group also actively involves its Talents in the process of spreading the corporate culture, making them **Ambassadors** of the Group. Every talent is encouraged to represent Alkemy's values through leadership, responsibility and valuing diversity, promoting individual and team excellence.

In addition, employees proactively contribute to making Alkemy the "Best Place to Work" by suggesting initiatives and ideas to continuously improve the working environment and corporate climate.

This integrated approach ensures that talent attraction is fully aligned with the Group's vision and principles.

Finally, with regard to the risk of employee data protection, the Group has implemented all the necessary measures to ensure its security and compliance with European data protection regulations, and all employees are in fact made to sign specific documentation when they join the company.

These initiatives, together with a reward system based on performance and corporate values, aim to foster motivation, involvement and recognition of merit, strengthening a people-centred corporate culture.

### Learning & Development

The Group sees **training** as the main tool by which to value and develop its people. Our approach has always been one of continuous learning, which aims to promote the continuous growth of the

baggage of skills and knowledge held by our resources, adjusting it to the rapid evolution of the digital and technological context. In addition, employees are encouraged to pursue continuous training and to consolidate soft skills through dedicated training courses accessible to all employees.

Alkemy is lucky enough to bring together people with very diverse professions and profiles and to continuously promote a culture of sharing and “contamination” to guide the growth of its people in acquiring skills that are different from and complementary to their own specialisation.

In particular, Alkemy’s People & Culture department manages all Employer Branding, Recruiting, Training, People Development, Performance and Talent Management, Company Culture and Diversity & Inclusion activities. This department, in cooperation with management, is responsible for the conception and planning of a series of Training & Development initiatives and actions.

In 2024, the Group continued the activities started in 2019, increasing investment in staff training and establishing an extensive training catalogue accessible to all employees.

Specifically, in 2024, Alkemy invested in:

- E-learning platforms and face-to-face sessions to ensure continuous access to technical and soft skills.
- Internal talent identification and development programmes aimed at enhancing the potential of human resources.
- Employer branding activities to attract new talent and strengthen corporate identity.
- Initiatives aimed at ensuring the personal and professional growth of all resources, focussing on motivation, corporate climate and individual performance.
- Activities to ensure talent retention.

Training is coordinated and planned by the People & Culture Department and involves the whole organisation on different levels, from top management to the more junior resources, staff and first line.

Furthermore, to ensure the continuous improvement of its resources, Alkemy adopts an **annual review process** involving all employees. Between November and December, each employee completes a self-assessment regarding the achievement of assigned goals and their overall performance. This form, managed through an automated system, is then integrated with the managers' evaluation, which includes feedback from others involved in the employee's work. Managers also indicate objectives for the following year, highlighting both progress made and areas for improvement. Individual appraisal interviews are conducted in February of the year

following the year of the appraisal, at which time any changes in remuneration or level are communicated. The process is coordinated by the People & Culture HR Department.

Finally, thanks to the promotion of **Alkemy Academy**, for the past five years the Group has been developing internal training projects for the dissemination of corporate culture and know-how through specific courses involving employees at all levels.

In 2024, the Academy organised 12 courses, with an average attendance of 45-60 employees per lesson.

### **Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities - S1-5**

In the Alkemy Group's **Sustainability Plan**, identified after a benchmarking process involving several companies comparable to Alkemy and taking into account feedback from open dialogue channels with Group personnel, clear **objectives** were set to manage material impacts, risks and opportunities in relation to the workforce. These objectives, although not based on solid scientific data, not only meet regulatory and compliance requirements, but also reflect Alkemy's commitment to putting its workers at the centre of its business, as included in the Diversity & Inclusion and Human Rights Policies, drafted in line with the United Nations International Declaration of Human Rights and the International Labour Organisation's international conventions.

These objectives include the **extension** of the **Diversity & Inclusion (D&I) policy** to all Group companies, the increase of the **percentage of employees with disabilities** to 4% in the Italian companies and to 10% the **presence of women in leadership positions** at Group level.

Furthermore, in order to promote an inclusive culture, **awareness-raising and training programmes** on diversity issues are planned for Italian companies, as well as initiatives for **mental and corporate well-being**.

Finally, the Group aims to keep the employee **turnover** rate below 25% and to increase the average **training hours** per capita at Group level.

Alkemy monitors the effectiveness of the metrics used in the Sustainability Report on an annual basis.

It is specified that the implementation of the Plan does not entail any significant operational and/or capital expenditure.



Target	Objectives	Intermediate objectives	KPI	Baseline <sup>35</sup>	2024
Diversity, Equity and Inclusion and Human Resource Engagement by promoting a fair and inclusive working environment and investing in employee engagement and well-being initiatives	Extension of the D&I policy to all Group companies	<ul style="list-style-type: none"> <li>- By the end of 2024: 100% coverage of Italian companies</li> <li>- By the end of 2027: 100% coverage of Group employees</li> </ul>	% of Group companies covered by the D&I Policy	Policy not yet in force	Policy applied to all Italian companies and extended to the entire Group in January 2025
	Increase the % of employees with disabilities to 4% of employees for the Group's Italian companies	<ul style="list-style-type: none"> <li>- By the end of 2025: 3% minimum of employees with disabilities in the Group's Italian companies</li> <li>- By the end of 2027: 4% minimum of employees with disabilities in the Group's Italian companies</li> <li>- By the end of 2024: recruitment open on all positions also to profiles with disabilities</li> <li>- By the end of 2026:</li> </ul>	% of employees with disabilities	2.4% of employees in Italy with disabilities	2.7% of employees in Italy with disabilities

<sup>35</sup> Data as at 31 December 2022

		identification at group level of a definition of recognised minorities			
	10% increase of women in leadership positions at Group level	<ul style="list-style-type: none"> <li>- By the end of 2025: at least 10% more women in leadership positions in Italian companies</li> <li>- By 2027: at least 5% more women in leadership positions in foreign companies</li> </ul>	% of women in leadership positions (managers and middle managers)	71 women in leadership positions (31.6% of women in leadership positions)	<p>25 women in leadership positions in Italian companies (21.7%)</p> <p>44 women in leadership positions at Group level (27.7%)</p>
	Awareness-raising and training programmes on diversity issues in the Group's Italian companies	<ul style="list-style-type: none"> <li>- By the end of 2025: delivery of webinars on DE&amp;I topics to 100% of the corporate population</li> </ul>	-	100% of the employees of the Group's Italian companies received	No update compared to 2022
	Mental well-being and corporate wellness programmes for 100% of employees	<ul style="list-style-type: none"> <li>- By the end of 2025: delivery of mental well-being programmes available to 100% of the corporate population</li> </ul>	-	60.3% of Group employees currently involved in the offer of such programmes	65.32% of Group employees had access to mental well-being courses in 2024.
	Keeping the employee		Turnover rate (GRI 401-1), constant	Turnover at 24%	Turnover at 20%

	turnover rate below 25%		monitoring of the eNPS and promotion of employee welfare activities		
	Increase in average staff training hours per capita by +10% at Group level	<ul style="list-style-type: none"> <li>- By the end of 2024: definition of a dedicated plan to monitor training hours for all Group employees</li> <li>- By the end of 2026: definition of a standard training plan applicable for all Group companies</li> <li>- By the end of 2027: increase of at least 10% in training hours for staff</li> </ul>	% of employees who received training hours; Training hours per capita.	38.7 average hours of training per capita to Group employees	Monitoring plan for training hours being drawn up.

### Characteristics of the undertaking's employees - S1-6

As at 31 December 2024, the total number of Group employees was 897. Most of the employees are employed in Italy, with 586 or about 65% of the total. This is followed by European locations with 245 employees (27%) and non-EU locations with 66 employees (8%).

With reference to the monitoring of the Group's diversity data, the number of female personnel for the financial year 2024 was 384, representing approximately 42.8%, while the number of male personnel was 512, representing 57%, and the remaining 0.02% represented personnel in the Other category.

#### NUMBER OF EMPLOYEES BY NUMBER OF PERSONS AND BREAKDOWN BY GENDER AND COUNTRY

Number of employees	at 31 December 2024			
	Man	Woman	Other	Total
Italy	339	247	-	586
Europe	151	100	1	252
Extra EU	22	37	-	59
<b>Total</b>	<b>512</b>	<b>384</b>	<b>1</b>	<b>897</b>

In terms of contract type, 99.6% of the employees (893) have permanent contracts, while the remainder have fixed-term contracts.

#### NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER

Number of employees	at 31 December 2024			
	Man	Woman	Other	Total
<b>Total</b>	<b>512</b>	<b>384</b>	<b>1</b>	<b>897</b>
Number of permanent contract employees	512	382	1	895
Number of fixed-term contract employees	-	2	-	2
Number of working hours not guaranteed	-	-	-	-

Finally, the Group pays close attention to the needs of its people, in particular with reference to those linked to the conciliation of personal and working life, where possible seeking to offer solutions that suit the individual and professional needs of its people. This is highlighted by the presence of 24 part-time employees, of whom 75% are women.

Number of employees	at 31 December 2024			
	Man	Woman	Other	Total
<b>Total</b>	<b>512</b>	<b>384</b>	<b>1</b>	<b>897</b>
Full-time	506	366	1	<b>873</b>
Part-time	6	18	-	<b>24</b>

In addition, the turnover rate was 20%, reflecting a stable workforce.

#### EMPLOYEE TURNOVER RATE

Number and turnover rate of employees <sup>36</sup>	at 31 December 2024			
	Man	Woman	Other	Total
Outgoing employees	101	73	1	<b>175</b>
<b>Turnover rate</b>	<b>20%</b>	<b>19%</b>	<b>100%</b>	<b>20%</b>

#### Characteristics of non-employees in the company's own workforce<sup>37</sup> - S1-7

Alkemy also relies on the support of non-employee workers such as external collaborators and consultants, interns, and other types of collaborators.

<sup>36</sup> The rate is calculated as the total number of employees who left the company during the year divided by the total number of employees at the end of the year.

<sup>37</sup> Alkemy uses the phase-ins for the metrics required in the **S1-7**..

### Collective bargaining coverage and social dialogue - S1-8

Drawing inspiration from the principles contained in the ILO Conventions, the Group is committed to ensuring constant communication with its workers and representatives, thus supporting **collective bargaining** as a means of establishing contractual working conditions and monitoring the implementation of collective agreements.

#### EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS<sup>38</sup>

	at 31 December 2024		
	Italy	Spain	Total
Number of employees	586	216	802
Number of employees covered by collective bargaining	586	216	802
% of Employees covered by collective bargaining	100%	100%	100%

#### EMPLOYEES COVERED BY WORKERS' REPRESENTATIVES

Currently, the Company has not signed any agreements with its employees for representation by a European Works Council, a Works Council of a European Company or a Works Council of a European Cooperative Society.

	at 31 December 2024		
	Italy	Spain	Total
Number of employees covered by workers' representatives	-	63	63
% of Employees covered by workers' representatives	-	29%	8%

The table shows the number and percentage of employees covered by workers' representatives as of 31 December 2024, broken down by country. In particular, in Spain alone there are workers' representatives, covering 63 employees, or 29% of the local workforce. In Italy, however, there are no employees covered. Overall, 8% of employees (within the EEA - Italy and Spain) are covered by workers' representatives.

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<sup>38</sup> Alkermis uses the phase-ins for the metrics on employees in non-EEA countries.

### Diversity Metrics - S1-9

The Group has an important goal to try to increase the number of women in management positions by 10% at Group level (compared to the baseline of 31/12/2022).

As at 31 December 2024, the percentage corresponds to approximately 27.7% of the total number of managers and middle managers.

In terms of a breakdown by professional category of employees, at 31 December 2024, approximately 82% come under the category of office workers. The categories of middle managers and managers instead respectively account for approximately 15% and 3% of all employees.

Almost all (66%) of the Group's employees fall within the 30 - 50 years old age bracket, with 25% in the under 30 years old bracket. The residual 9% are employees aged over 50.

### GROUP EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER

Number of employees	at 31 December 2024			
	Man	Woman	Other	Total
Managers	21	6	-	27
Middle managers	94	38	-	132
Office employees	397	340	1	738
<b>Total</b>	<b>512</b>	<b>384</b>	<b>1</b>	<b>897</b>
<b>Percentage of managers</b>	<b>2%</b>	<b>1%</b>	<b>-</b>	<b>3%</b>
<b>Percentage of middle managers</b>	<b>10%</b>	<b>4%</b>	<b>-</b>	<b>15%</b>
<b>Percentage of employees</b>	<b>44%</b>	<b>38%</b>	<b>0%</b>	<b>82%</b>

### GROUP EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE BRACKET

Number of employees	at 31 December 2024			
	< 30	30-50	> 50	Total
Managers	-	13	14	27
Middle managers	1	105	26	132
Office employees	221	486	31	738

Total	<b>222</b>	<b>604</b>	<b>71</b>	<b>897</b>
Percentage of managers	-	<b>1%</b>	<b>2%</b>	<b>3%</b>
Percentage of middle managers	<b>0%</b>	<b>12%</b>	<b>3%</b>	<b>15%</b>
Percentage of employees	<b>25%</b>	<b>54%</b>	<b>3%</b>	<b>82%</b>

### **Adequate wages - S1-10**

Alkemy S.p.A. ensures a remuneration policy in line with the principles of fairness and adequacy, in compliance with current regulations and the recommendations of the Corporate Governance Code of listed companies, which the company fully adopts. Similar principles are also implemented by the Group's subsidiaries.

The Group's remuneration policies are defined on the basis of corporate values such as quality, valuing individual contribution and sustainability, and are inspired by guidelines that incorporate market best practices. Furthermore, the constant monitoring and evaluation of the guidelines of the main Proxy Advisors is a further guarantee that the remuneration is in line with the applicable benchmarks.

### **EMPLOYEES WHO DO NOT RECEIVE ADEQUATE REMUNERATION**

<b>at 31 December 2024</b>					
	<b>European Economic Area</b>		<b>Outside the EEA</b>		<b>Total</b>
	<b>Italy</b>	<b>Spain</b>	<b>Serbia</b>	<b>Mexico</b>	
<b>Number of employees</b>	586	216	36	59	<b>897</b>
Number of employees not receiving adequate remuneration	-	-	-	-	-
<b>% of Employees not receiving adequate remuneration</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>



### Health and safety metrics - S1-14

Alkemy is committed to preventing health and safety risks in the workplace, as also enshrined in its Code of Ethics, through a system of **management of accidents** at work, in application of the 81/08 regulation.

Improving conduct and increasing the corporate culture of preventing incidents and damages that can occur during work is a commitment that the Group pursues fervently and constantly with a view to offering ever safer workplaces for its people.

It is essential that, through suitable information and training, safety at work is considered "normal" behaviour, naturally, by employees. In this sense, Alkemy does everything it can in respect of Legislative Decree no. 81/08 in terms of a service context and a population of video terminal operators.

In addition, as previously presented, the Group promotes various initiatives, programmes and activities related to supporting mental health.

at 31 December 2024	
Number of people	Employees
Number of employees covered by the health and safety management system	897
% of own employees covered by the health and safety management system <sup>39</sup>	100%

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<sup>39</sup> The percentage of employees covered by the health and safety management system is calculated through the ratio of the number of employees covered by the health and safety management system to the total number of employees as at 2024 (equal to 897).

at 31 December 2024		
Number of work-related injuries and illnesses	Employees	Total
Number of deaths due to work-related injuries and illnesses	-	-
Number of deaths due to work-related illnesses	-	-
Total number of injuries at work recorded	-	-
Number of hours worked <sup>40</sup>	1,993,277.5	1,993,277.5
Number of recordable cases of work-related illnesses	-	-
Number of days lost due to work-related injuries	-	-
Number of days lost due to work-related illnesses	-	-

### Compensation metrics (pay gap and total compensation) - S1-16

Alkemy believes it is essential to reward the commitment and contribution made by each of its most deserving people, without gender distinction.

However, in the countries and, more so, in some of the business areas in which the Group operates, there are imbalances in gender and salary levels, which Alkemy is committed to reducing, but which are only partly mitigated when each talent joins the Group.

In particular, by 2024, employees identified as women earn about 26% less than male employees.

In order to ensure a system that rewards the actual value of each resource regardless of characteristics going beyond professional value, Alkemy carries out timely monitoring of the gender pay gap, taking into account the entire Group scope.

The pay gap, shown in the table below, was calculated as the difference between the average pay levels paid to female and male workers, expressed as a percentage of the average pay level of male workers. The base salary was used for the calculation. It should be noted that the pay gap recorded is the result of a combination of the different seniority mix represented by each gender and, in part, also of the different cost of living in the individual geographies in which the Group operates, with an impact on the real salary received by both genders.

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<sup>40</sup> It should be noted that the number of hours worked for Alkemy Latam was calculated by projecting the average weekly hours worked by all employees who, being part of operational teams, are obliged to report the number of hours actually worked, by means of the daily timesheet, on the total company population, including staff functions that are not obliged to periodically report the timesheet due to their duties.

Pay gap	At 31 December 2024		
	Men	Women	%
Pay gap (€)	47,877	35,302	26.27%

## Annual

The annual total remuneration, as shown in the table below, was calculated as the ratio of the annual total remuneration of the person with the highest salary to the median annual total remuneration of all employees (excluding the person with the highest salary). The basic salary and other complementary or variable components were used for the calculation (excluding legal entities belonging to the geographical area of Serbia for which the basic salary also corresponds to the total remuneration).

at 31 December 2024	
Annual total remuneration	€
Total annual remuneration of the highest earner	687,765
Median annual total remuneration of all employees (excluding the person with the highest salary)	39,577
<b>Index of total annual remuneration</b>	<b>17.38</b>

## Incidents, complaints and severe human rights impacts - S1-17

During the financial year 2024, no cases of discrimination (including cases of harassment) or human rights violations were recorded. Moreover, during the year, no reports were registered through the Whistleblowing channel that had to be followed up after an initial assessment by the Supervisory Board on these issues.

In 2024, therefore, no fines, penalties or damages were paid as a result of the above-mentioned incidents and complaints.

## ESRS S2

### Impacts, Risks and Opportunities<sup>41</sup>

S2 - Workers in the value chain	
<b>Impact Materiality</b>	<b>Positive Impact</b> Strengthening relationships with key partners and players in the industry and value chain, through initiatives to listen and respond to their needs
	<b>Positive Impact</b> Improving diversity, equity and inclusion practices along the value chain
	<b>Positive Impact</b> Improving the skills of workers along the value chain through training and professional development activities
	<b>Positive Impact</b> Contribution to improving the social ESG performance of suppliers in the communities where they operate through ESG audits of the supply chain

### Policies, Actions and Objectives

S2 - Workers in the value chain	
<b>Policies</b>	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct</li> <li>• Code of Ethics</li> <li>• Human Rights Policy</li> <li>• Diversity &amp; Inclusion Policy</li> </ul>
<b>Actions</b>	N/A
<b>Targets</b>	<ul style="list-style-type: none"> <li>• ESG screening of 60% of supplier expenditure of Italian companies</li> <li>• Extension of the code of conduct to 100% of the suppliers on which €5,000+ per year is spent at group level</li> </ul>

<sup>41</sup> The mapping of IROs was carried out taking into account Alkemy's own operations and its value chain, for more details please refer to section **ESRS 2 - SBM-3**. The methods of engagement and how the views and interests of local communities are taken into account are presented in section **ESRS 2 - SBM-2**.

## Worker-related policies in the value chain - S2-1

Based on the value chain analysis, workers in the Group's value chain are mainly composed of resources located at upstream businesses of Group companies.

Through the analysis conducted, it was possible to highlight for which geographical areas workers in the value chain might be exposed to greater risks (such as forced, compulsory and child labour). The assessment was completed highlighting these areas for which impacts, risks and opportunities were mapped. However, it was concluded that there is no significant Human Rights risk related to the specificities of the organisations for which value chain workers work.

In order to manage material impacts, risks and opportunities on workers in the value chain, the Alkemy Group has adopted a set of policies, which apply to workers in the value chain as a whole, aimed at managing sustainability issues. These include:

- **Code of Ethics<sup>42</sup>**: establishes fundamental principles of equality, inclusion and respect for human rights, guaranteeing a fair and safe working environment, free of discrimination and harassment, and promoting merit and professionalism along the value chain.
- **Supplier Code of Conduct<sup>43</sup>**: defines suppliers' responsibilities for environment, health and safety, human rights and business integrity.
- **Human Rights Policy<sup>44</sup>**: ensures the protection of the fundamental rights of workers in the value chain and ensures compliance with the prohibition of discrimination.

The Group ensures respect of the human rights of workers in the value chain through the Human Rights Policy that is inspired by the United Nations Universal Declaration of Human Rights, the Fundamental Conventions of the International Labour Organisation (ILO), and the OECD Guidelines for Multinational Enterprises. In 2024, there were no reported cases of non-compliance with these principles concerning workers in the value chain .

Key corporate human rights policy commitments relevant to workers in the value chain include:

- Prohibition of forced and child labour: Alkemy prohibits any form of forced labour or human trafficking and is committed to eliminating child labour throughout the value chain.
- Equal treatment: every worker must be treated with fairness and respect, without discrimination based on gender, ethnicity, religion, age, disability or other personal conditions.
- Non-discrimination and combating harassment: ensures a fair working environment, prohibiting any form of discrimination based on age, gender, sexual orientation, nationality, religion or social condition.
- Right to freedom of association: ensures respect for the right of workers to freely organise and collectively negotiate their working conditions.

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<sup>42</sup> For more details, please refer to section **G1-1**.

<sup>43</sup> For more details, please refer to section **G1-2**.

<sup>44</sup> For more details, please refer to section **S1-1**.

- Well-being and work-life balance: Alkemy promotes work management policies that foster a balanced, safe environment conducive to the psycho-physical well-being of workers.
- Fair wages and decent working conditions: Alkemy ensures wages that comply with ILO standards and safe working conditions that respect human dignity.

In addition, to ensure the integration of human rights principles along the value chain, Alkemy proposes that suppliers and contractors comply with the Supplier Code of Conduct, which defines their obligations regarding respect for human rights, safety at work and business integrity. Suppliers are therefore called upon to comply with ethical standards and operate in accordance with international regulations.

Finally, the Group has set up a Whistleblowing Channel<sup>45</sup> for reporting human rights violations, accessible to employees, suppliers and all stakeholders. Reports are treated confidentially to ensure the protection of the whistleblowers.

#### **Processes for engaging with value chain workers about impacts - S2-2**

The company has not adopted a general process for engagement with value chain workers and is therefore unable to communicate information on how the views of workers in the value chain guide its decisions or activities aimed at managing impacts on this category of stakeholders.

#### **Processes to remediate negative impacts and channels for workers in the value chain to voice concerns - S2-3**

No material negative impacts related to workers in the value chain resulted from the Double Materiality process. However, as presented above<sup>46</sup>, Alkemy has established reporting channels to prevent the occurrence of possible negative impacts. In fact, it has set up a whistleblowing system to allow workers to report concerns, issues or violations in a safe and anonymous manner.

This channel, accessible through an external platform, allows both written and oral reports to be sent, guaranteeing confidentiality and protection against possible retaliation.

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<sup>45</sup> For more details, please refer to section **G1-1**.

<sup>46</sup> For more details, please refer to section **G1-1**.

**Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action - S2-4**

With a view to managing the positive impacts that the Group can have on workers in the value chain, Alkemy has not established precise supervision, nor planned actions with the primary objective of producing positive impacts for workers in the value chain.

Since the Group has not identified any material negative impacts that could affect it, no processes have been implemented for the management and contingency of negative impacts. The main tools provided to avoid causing or contributing to significant negative impacts on workers in the value chain are in fact included in the management, maintenance and constant implementation of the policies described above.

In 2024, no serious human rights problems or incidents were reported in relation to workers in the value chain.

For the financial year 2024 and within the horizon of the Sustainability Plan, no resources were allocated to the management of the identified material impacts.

**Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities - S2-5**

<b>Target</b>	<b>Objectives<sup>47</sup></b>	<b>Intermediate objectives</b>	<b>KPI</b>	<b>Baseline<sup>48</sup></b>	<b>2024</b>
Governance & Compliance: business ethics and integrity	ESG screening of the suppliers that make up 60% of the supplier expenditure of the Group's Italian companies	By the end of 2025: implement ESG assessment questionnaires for suppliers covering 60% of the total expenditure for Alkemy S.p.A.	New suppliers selected according to ESG criteria	No supplier is assessed according to ESG criteria	No progress in the year
	Extension of the Code of Conduct to 100% of suppliers spending >€5,000/year at Group level	By 2025: extension of the Code of Conduct to suppliers for expenditure >€5,000/year to Italian companies	Percentage of contracts with suppliers for expenditure >€5,000/year with code of conduct clause	No contract registered as including code of conduct clause	No progress in the year

There is currently no active monitoring of the effectiveness of adopted policies and actions, excluding those initiatives to monitor communication channels that can be used for whistleblowing, as described above.

<sup>47</sup>For the achievement of ISO certification goals, training, quick lessons, and phishing attack simulation, Alkemy leverages the support of external providers with strong technical expertise.

<sup>48</sup> Data as at 31 December 2022



## ESRS S3

### Impacts, Risks and Opportunities

S3 - Affected communities	
<b>Impact Materiality</b>	<b>Positive Impact</b> Implementation of projects aimed at protecting the health and safety of the weakest and those in difficult situations

### Policies, Actions and Objectives

S3 - Affected communities	
<b>Policies</b>	<ul style="list-style-type: none"><li>• Code of Ethics</li><li>• Human Rights Policy</li><li>• Whistleblowing System</li><li>• Model 231</li></ul>
<b>Actions</b>	N/A
<b>Targets</b>	N/A

### Policies related to affected communities - S3-1

Alkemy has adopted corporate policies, such as the **Code of Ethics**<sup>49</sup> and the **Human Rights Policy**<sup>50</sup>, which define the guiding principles and actions to ensure the protection of all those interacting with the Group, including local communities<sup>51</sup>.

Based on the analysis carried out on the value chain and the Double Materiality process<sup>52</sup>, the Group identifies as local communities<sup>53</sup> all those present in the various geographies in which it operates and in which Alkemy's value chain actors operate, extended worldwide<sup>54</sup>.

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<sup>49</sup> For further details, please refer to section **G1-1**.

<sup>50</sup> For further details, please refer to section **S1-1**.

<sup>51</sup> The methods of engagement and how the views and interests of local communities are taken into account are presented in section **ESRS 2 - SBM-2**.

<sup>52</sup> The mapping of IROs was carried out taking into account Alkemy's own operations and its value chain, for more details please refer to section **ESRS 2 - SBM-3**.

<sup>53</sup> Alkemy identifies the following category of stakeholders as local communities: Schools, universities and research centres. Local authorities are included in the customer category because the interaction with them is mostly aimed at the provision of services.

<sup>54</sup> The Group does not present impacts, risks and opportunities on indigenous peoples as it does not operate with or in areas inhabited by indigenous peoples.

The Group's objective is to ensure that all persons involved in the company's activities and along the value chain are protected from exploitative or unsafe conditions. The requirements of both documents apply across the board to all affected communities, without distinction.

In addition, the control tools adopted by the Group to monitor the effective application of these principles include the **Whistleblowing System** and **Model 231**, overseen by a **Supervisory Board**<sup>55</sup>.

In the event of proven human rights violations, the Group adopts disciplinary sanctions commensurate with the seriousness of the violation, ensuring compliance with corporate principles and preventing the recurrence of negative impacts.

### **Processes for engaging affected communities on impacts - S3-2**

Currently, the Group does not have a structured process for the direct involvement of local communities; these are involved indirectly through collaborations with associations and non-profit organisations operating in the areas concerned or with specialised associations that represent and know the needs of the people involved.

### **Processes to remediate negative impacts and channels for affected communities to express concerns - S3-3**

No material negative impacts on local communities resulted from the Double Materiality process. However, as presented above<sup>56</sup>, Alkemy has established reporting channels to prevent the occurrence of possible negative impacts. In fact, it has set up a whistleblowing system to allow local communities and stakeholders in general to communicate concerns or issues in a safe and anonymous manner.

This channel, accessible through an external platform, allows both written and oral reports to be sent, guaranteeing confidentiality and protection against possible retaliation. In addition to whistleblowing, the Group uses various tools for direct dialogue with customers<sup>57</sup>.

### **Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions- S3-4**

On the basis of the Double Materiality process, the Alkemy Group has identified as the only material impact, among impacts, risks and opportunities associated with the communities

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<sup>55</sup> For further details on control tools, please refer to **G1-1**.

<sup>56</sup> For more details, please refer to section **G1-1**.

<sup>57</sup> For more details, please refer to section **S4-2**.

concerned, the implementation of projects aimed at protecting the health and safety of the weakest and those in difficult situations.

To achieve this impact, Alkemy also completed several initiatives during 2024. However, it has no Action Plans and has not planned any primary actions.

During 2024, the Group promoted several initiatives to support local communities in the areas where it operates in order to address and mitigate the significant health impacts of the most vulnerable, with a focus on children with serious illnesses, people with disabilities and the elderly.

Initiatives undertaken to provide concrete support include:

- Collaboration with *Make-A-Wish Italia*, an association that makes the wishes of children with serious illnesses come true and sees the realisation of dreams as an integral part of the therapeutic journey of children with serious illnesses.
- Collaboration in Spain with the association Kuné, which is involved in training and assigning "assistance dogs" for children on the autistic spectrum and with reduced motor skills.
- Support for the Spanish association "A Tiempo" which offers support to individuals with substance abuse problems, HIV-positive people and offers safe places for women.
- Support for the "Sonrisas sin Càncer" association, which disseminates information on childhood oncological diseases and also supports the families of young patients.

During 2024, Group companies also strengthened their support for local communities by promoting and participating in initiatives supporting education and social inclusion, supporting people in need, social integration and assistance, and the environment.

The initiatives described above originate from the direct will of the individual companies, which are responsible for liaising with the charities and identifying them in a timely manner. However, no data is collected on the actual impact of the initiatives carried out, nor is there an institutionalised annual commitment or timely allocation of resources. Because of this, and the fact that no targets on these issues are included in the Sustainability Plan, there is no body to oversee these initiatives.

In 2024, no serious human rights problems or incidents were reported in relation to the communities concerned.

### **Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities - S3-5**

The Alkemy Group does not currently have targets related to the management of impacts, risks and opportunities that are material to the affected communities.

## ESRS S4

### Impacts, Risks and Opportunities

S4 - Consumers and end-users	
<b>Impact Materiality</b>	<b>Negative Impact</b> Security breaches regarding customer privacy and the loss of customer data from its management system
	<b>Positive Impact</b> Creation of a secure, high quality IT service in compliance with the various contexts (customer's needs and current legislation) with positive impacts of users
	<b>Positive Impact</b> Creation of new technological solutions that enhance the user experience by providing customised services and innovative solutions
<b>Financial Materiality</b>	<b>Opportunity</b> Reputational improvement through the provision of services that meet the needs of all possible users
	<b>Risk</b> Risk of cyber attacks (cyber risk) by hackers

### Policies, Actions and Objectives

S4 - Consumers and end-users	
<b>Policies</b>	<ul style="list-style-type: none"><li>• Data Regulation Policy</li><li>• Internal Regulation Policy</li><li>• Privacy Policy</li><li>• Human Rights Policy</li></ul>
<b>Actions</b>	<ul style="list-style-type: none"><li>• Appointment of a Data Protection Officer and a Chief Information Officer</li><li>• ISO 27001</li><li>• NPS Consumer Listening and Active Involvement System Survey</li><li>• Training Courses</li></ul>
<b>Targets</b>	<ul style="list-style-type: none"><li>• Extension of ISO 27001 certification to additional business departments</li><li>• Training on secure and correct data management and cybersecurity issues covering 100% of Alkemy Group employees in Italy</li></ul>

	<ul style="list-style-type: none"> <li>• Simulation of phishing attacks with evaluation of results and automatic training procedures in the event of an attack</li> <li>• Establishment of a security committee to review, manage and communicate security and associated risks</li> <li>• Quick lessons on cybersecurity issues to keep the level of attention on the subject high</li> </ul>
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### Consumer and End-User Related Policies - S4-1

The Alkemy Group, aware of the growing importance of information security and data protection in the digital age, has implemented an integrated system of **policies** and **procedures** to manage the most material sustainability issues<sup>58</sup> of its products and services on consumers and end-users, which identify a reference standard for the Parent, and which will be progressively extended to the other Group companies<sup>59</sup>.

Specifically, on the basis of the analysis carried out on the value chain and the Double Materiality process, the Group has identified as its main consumers and users those individuals who buy and use the services offered by Alkemy and who could therefore be affected in terms of confidentiality and data protection, personal safety, product access and non-discrimination. The Group does not pursue a business that envisages the processing and/or management of a large quantity of data within, because, in going about its activities, it is only responsible for processing data on behalf of its customers when providing services and does not instead operate as the proprietor of the data.

The Group does not pursue a business that envisages the processing and/or management of a large quantity of data within, because, in going about its activities, it is only responsible for processing data on behalf of its customers when providing services and does not instead operate as the proprietor of the data.

This has enabled Alkemy to set up an integrated system of procedures and policies aimed at preventing and managing impacts, risks and opportunities on consumers and end users. The policies, listed below, are for the protection of all consumers and/or end users as a whole and the person responsible for their implementation is the Chief Executive Officer:

- **Data Regulation Policy**, which establishes the procedural and behavioural rules to ensure the correct use of Alkemy S.p.A.'s IT systems and the secure management of the data collected and processed, in compliance with national and EU regulations. The regulation applies to all persons authorised to access the computer system, including employees

<sup>58</sup> The ways in which the opinions and interests of consumers and/or end-users are involved in the strategy and business model are presented within section **ESRS 2 - SBM-2**.

<sup>59</sup> The mapping of IROs was carried out taking into account Alkemy's own operations and its value chain, for more details please refer to section **ESRS 2 - SBM-3**.

(regardless of their role or qualification), trainees, collaborators, agents, consultants, temporary workers, suppliers and any other authorised third parties. The company carries out checks for maintenance, security, and verification of system functionality, and to ensure that the use of the Internet, e-mail and company IT resources is carried out in accordance with the rules and regulations in force.

- **Internal Regulation Policy** which defines a management system that includes policies, processes, procedures and organisational and technological measures. Specifically, preventive security measures are defined and implemented to mitigate ICT and security risks in order to protect information assets. This Policy is extended to all Group companies and is applied to customers, suppliers and member companies. In addition, various monitoring activities are implemented to ensure proper protection against new threats and vulnerabilities.
- **Privacy Policy**, with the aim of ensuring the safe and correct management of personal data and cybersecurity, in accordance with Italian Legislative Decree No. 196 of 30 June 2003 ("Code") and EU Regulation 679/2016 ("GDPR"). The policy describes the procedures for processing personal data provided by users interacting with the website, ensuring their protection and confidentiality. The policy applies to all personal data collected and processed by Alkemy S.p.A. through its website.

In addition, as discussed above, the Alkemy Group has established a **Human Rights Policy**, in line with the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles of Labour, by which it commits to respect human rights with a focus on the protection of consumers and end users. This policy is applied at Group level, ensuring that ethical principles and fundamental rights are respected in operations conducted within the country. All parties along Alkemy's supply chain are encouraged to adopt and abide by the principles set out in this Policy and the Chief Executive Officer of Alkemy S.p.A. is identified as the highest level of management responsible for implementing the Policy. The compliance of suppliers and contractors to these principles (and other sustainability principles) is defined within the Supplier Code of Conduct.

The Policy promotes a fair, diverse and inclusive environment, where every individual is treated with dignity and respect, regardless of age, gender, ethnicity, religion, or socio-economic status. These principles apply to all stakeholders, including consumers and end users, to ensure fair treatment in business relationships and operations.

Dialogue with all stakeholders is also fostered to ensure that their needs and concerns are taken into account.

In the event of proven human rights violations, the Group applies disciplinary sanctions proportionate to the severity of the incidents, helping to ensure compliance with the principles and prevent future negative impacts.

Finally, to monitor that these are complied with, Alkemy uses the following methods: the Whistleblowing channel, Model 231 (supervised by a Supervisory Board) and periodic internal evaluations and audits to monitor and update the Policy. These processes serve to verify compliance to the principles and identify areas for improvement.

As evidence of the Group's commitment to respect for Human Rights, it appears that in 2024 there were no violations, even within the value chain, of the principles of the UN Global Compact or the OECD Guidelines concerning consumers or end users.

#### **Processes for engaging with consumers and end-users about impacts - S4-2**

The Group's business model is based on a **customer centricity** approach, which is considered essential to improve the quality of services offered and to promote innovation and customer satisfaction. This approach makes it possible to focus on the specific needs of consumers, anticipating their needs and preferences through constant dialogue and monitoring.

This system of active listening and consumer engagement enables Alkemy to identify at an early stage the impacts, risks and opportunities arising from its activities in order to take corrective or ameliorative measures if necessary. Thus, the consumer perspective profoundly influences business decisions, promoting continuous service improvement and ensuring a positive impact on end users.

The direct engagement of consumers occurs mainly during the customer satisfaction monitoring phase and in the subsequent analysis of the results. To do this, quantitative methods are used, such as the administration of the NPS survey (on an annual basis), and qualitative methods, through direct dialogue between customers and business relations managers, in particular through the Industries & Clients team and the Delivery function, who interact with consumers on a daily basis to ensure the quality of services.

Just like in the previous years, again in 2024 a specific NPS survey was profiled in relation to current customers and those of higher potential for Alkemy. Starting in 2022, the system, which was originally handled outside the Company, has been integrated into Salesforce, using Alkemy's customer contact database. This allows for a greater traceability of the process and more granular results.

In 2024, Alkemy therefore identified the key customers to engage and contacted them through e-mails automatically generated by the system. The 2024 the NPS survey involved 149 companies through 453 contacts. The survey highlighted a positive score: many declared that they would probably or definitely contact Alkemy again for projects in the future. The results of the survey were presented internally both to share information about the current state of relations with customers and to compare with the previous year's results.

Thanks also to the feedback gathered with respect to customer centricity, at the end of 2021 two new departments dedicated precisely to customer development were set up: the Marketing, Strategy & Alliances department and two Sales Departments dedicated to hunting and farming, brought together in the "Industries & Clients" team.

The survey is conducted once a year, initiated by the Group CEO, and as of 2024, the results of the survey are part of the evaluation criteria of the Industries & Clients department.

### **Processes to remediate negative impacts and channels for consumers and end-users to express concerns - S4-3**

As presented above<sup>60</sup>, Alkemy has established reporting channels to prevent the occurrence of possible negative impacts. In fact, it has set up a whistleblowing system to allow consumers and stakeholders in general to communicate concerns or issues in a safe and anonymous manner. This channel, accessible through an external platform, allows both written and oral reports to be sent, guaranteeing confidentiality and protection against possible retaliation. In addition to whistleblowing, the Group uses various tools for direct dialogue with customers<sup>61</sup>.

### **Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions - S4-4**

The Group is passionately dedicated to creating innovative technology solutions designed to enhance the user experience of products and offer personalised and highly effective services in line with specific consumer needs. Continuous dialogue with customers allows a trend of continuous improvement to be maintained, although there are no specific monitoring tools for assessing the impact of individual initiatives promoted. This approach allows Alkemy to gain significant competitive advantages, strengthening its role as a leader in digital transformation.

In fact, thanks to a network of skill centres, the Group adopts a customer-focused approach rather than a single technical capability. This strategy makes it possible to generate integrated value, resulting from the synergy between different skills, and to support customers in developing their own capabilities. By accompanying them in the evolution of their business models, the Group not only promotes individual innovation, but also contributes to the growth and progress of the entire country system.

The greatest impact of operating in a customer centric manner can be seen in terms of:

- customer satisfaction;

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<sup>60</sup> For more details, please refer to section **G1-1**.

<sup>61</sup> For more details, please refer to section **S4-2**.



- customer revenue;
- the degree of engagement of the various competence centres in customer management;
- national coverage customer dimension.

Furthermore, as an **industry agnostic** organisation, Alkemy is able to develop and optimise the business models of its customers, regardless of sector. This flexibility translates into a tangible contribution to innovation.

The most material risk identified is cyber risk, the possibility of cyber attacks by hackers. This risk is now integrated into Alkemy's risk management and mitigation system; in fact, the Group has adapted to the European Regulation 679/2016 (GDPR), appointing a Data Protection Officer (DPO) in 2018, with the task of monitoring and ensuring the correct processing of information.

As of 2020, the company also appointed a Chief Information Officer (CIO) to lead a major overhaul of IT systems, improving the security of the technology infrastructure and implementing advanced data protection solutions.

During 2022 and 2023, Alkemy further strengthened its commitment by implementing a remotely controlled antivirus solution capable of rapidly identifying and isolating threats, and upgraded its organisational and technical policies, achieving ISO 27001 certification in July 2023.

Alkemy has also established the principles of confidentiality and privacy in its Code of Ethics, which is a fundamental guide for employees and collaborators. This document provides an exhaustive list of information considered confidential, defined as being the exclusive property of Alkemy, and states that such information is subject to strict confidentiality<sup>62</sup>.

As far as the focus on service quality is concerned, it contributes significantly to improving the company's reputation; in fact, the Group has designed several solutions to meet the needs of a wide range of end users.

To support this customer-centricity, the Group's Academy delivers training courses on this topic, available on the company intranet platform.

In addition, Alkemy encourages the engagement of all employees in developing direct relationships with customers, promoting a culture of responsibility and accountability to ensure effective prevention and mitigation of problems.

For this reason, performance appraisal methods have been put in place based on results achieved against set targets (MBO, Management By Objectives), which are directly linked to results and customer satisfaction. Even for employees not managing customers directly, part of

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<sup>62</sup> The Code of Ethics is available on the company's website.

the remuneration is linked to the business values, including the excellence of the work carried out with customers, and integrity.

Finally, Alkemy did not record any human rights violations or incidents related to consumers and/or end users during the reporting period (2024).

**Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities - S4-5**

Target	Objectives <sup>63</sup>	Intermediate objectives	KPI	Baseline <sup>64</sup>	2024
Secure and correct data management and cybersecurity	Extension of ISO 27001 certification to additional business departments	-	-	Extended to environmental systems only	No progress in the year
	Training on secure and correct data management and cybersecurity issues covering 100% of Alkemy Group employees in Italy	-	% of employees of Italian Group companies covered by training initiatives on secure and correct data management and cybersecurity	Training involving 100% of the employees of Alkemy S.p.A.	Training for 100% of Alkemy S.p.A. employees, in line with baseline
	Quick lessons on cybersecurity issues to keep the level of attention on the subject high	By the end of 2025: 6 cybersecurity awareness activities conducted during the year on all Italian companies in the Group.	# cybersecurity awareness activities conducted during the year and number of companies involved	4 awareness activities conducted during the year on all Italian companies	5 specific training activities conducted during the year on @alkemy.com domain users
	Simulation of phishing attacks with evaluation of results and automatic training procedures in the event of an attack	By the end of 2025: 6 simulation and training activities on phishing issues conducted during the year involving all Italian Group companies	# Simulation and training activities on topics of phishing conducted during the year and no. of companies involved	4 simulated phishing attacks affecting 100% of Alkemy S.p.A.	5 simulated phishing attacks affecting 100% of Alkemy S.p.A.

<sup>63</sup>For the achievement of ISO certification goals, quick lessons, and phishing attack simulation, Alkemy leverages the support of external providers with strong technical expertise.

<sup>64</sup> Data as at 31 December 2022

				employees	employees.
	Establishment of a security committee to monitor, manage and communicate security and associated risks.				At present, the Committee has not yet been formally established.

Within the Alkemy Group's Sustainability Plan 2024-2027, which was also developed after a benchmarking exercise in which the objectives of 6 peers were analysed, a series of ambitious and strategic objectives were formalised, aimed at managing the impacts, risks and opportunities in the area of "Secure and proper data management and cybersecurity". Although these targets are not based on solid scientific data, they not only meet regulatory and compliance requirements, but also reflect the Group's commitment to ensuring maximum protection of sensitive information and promoting a corporate culture geared towards IT security. This is part of the company's business strategy, where product quality is the basis of the Group's reputation. The objectives set in the Plan, although not formulated after a detailed stakeholder involvement, took into account the results of the constant dialogue with customers and were identified in agreement with Alkemy's CIO.

While taking into account the materiality for the CIO's area of cybersecurity management, expanding the scope of existing initiatives did not entail any significant expenditure in the context of the Group's budget.

The plan includes the implementation of state-of-the-art technologies and the adoption of international best practices to prevent and mitigate cyber threats.

Furthermore, Alkemy is committed to continuously training its employees, making them aware of the importance of cybersecurity and providing them with the necessary tools to recognise and deal with potential risks.

To ensure practical preparedness, the Group will simulate phishing attacks with evaluation of the results and automatic training procedures in the event of an attack, thus improving the readiness and responsiveness of employees. In addition, a security committee will be established to review, manage and communicate security and associated risks, ensuring constant monitoring and timely response to threats.

These joint efforts not only improve the Group's resilience against cyber attacks, but also help build trust and transparency with customers and stakeholders, cementing Alkemy's reputation as a responsible and innovative leader in secure data management and cybersecurity.

Progress on the achievement of the Plan targets, together with the effectiveness of the metrics used, is monitored on an annual basis, although there remains a constant openness to dialogue with the Group Sustainability department on the subject. More details on the Plan Objectives are given below.

## ESRS G1

### Impacts, Risks and Opportunities

G1-Business Conduct	
Impact Materiality	<b>Positive Impact</b> Relations based on transparency and collaboration with stakeholders, with direct impacts on the continuous improvement of ESG performance
	<b>Negative Impact</b> Negative impact on whistleblowers resulting from inadequate handling of their reports

	<b>Negative Impact</b> Cases of corruption along the value chain causing misallocation of resources and revenue, environmental damage and human rights abuses
<b>Financial Materiality</b>	<b>Risk</b> Reputational risk due to inadequate management of relations with the public administration due to the absence of a structured process
	<b>Risk</b> Reputational risk arising from inadequate corruption prevention, including inadequate training to disseminate the Group's anti-corruption policies and procedures

### Policies, Actions and Objectives

G1-Business Conduct	
<b>Policies</b>	<ul style="list-style-type: none"> <li>• Code of Ethics</li> <li>• Supplier Code of Conduct</li> <li>• Model 231</li> <li>• Whistleblowing Procedure</li> <li>• Anti-Corruption Policy</li> </ul>
<b>Actions</b>	<ul style="list-style-type: none"> <li>• Whistleblowing system</li> <li>• Analysis activities of possible incidents (protocols) of corruption or bribery</li> <li>• Anonymity system to ensure the protection of whistleblowers (confidentiality obligation, prohibition of retaliation and support measures)</li> <li>• Appointment of the Supervisory Board</li> <li>• Risk mapping and control activities aimed at implementing specific protocols to counter corruption offences</li> </ul>
<b>Targets</b>	<ul style="list-style-type: none"> <li>• 100% coverage of Alkemy Group employees with training activities on ethics, compliance and anti-corruption issues</li> <li>• ESG screening of 60% of supplier expenditure of Italian companies</li> <li>• Extension of the code of conduct to 100% of the suppliers on which €5,000+ per year is spent at group level</li> <li>• Extension of the whistleblowing system to all Group companies</li> <li>• Maintaining the number of whistleblowing reports closed with a finding of violation at 0</li> <li>• Extension of the Anti-Corruption Policy to all Group Companies</li> <li>• 100% of the Group's employees sign the Anti-Corruption Policy</li> </ul>

## Business Culture and Conduct Policies<sup>65</sup> - G1-1

The Alkemy Group, in managing sustainability issues and promoting a strong corporate culture, has adopted "**Model 231**", in accordance with the provisions of Italian Legislative Decree No. 231/2001. This model constitutes an organic system of rules, procedures and controls designed to prevent unlawful conduct and to foster ethical behaviour within the organisation. To support this, Alkemy S.p.A. has established a **Supervisory Board** (in accordance with Article 6, paragraph 1, letter b) of Italian Legislative Decree No. 231/2001), in charge of constantly monitoring the effectiveness of the policies and actions undertaken, ensuring the correct application of the model.

In 2016, Alkemy updated its Model 231, with the aim of strengthening preventive controls and increasing awareness of all those involved of the risks associated with the commission of relevant offences. The main objectives of this update were:

- Inform employees and collaborators about the risks of offences under Italian Legislative Decree 231/01 and the damage they cause to the company.
- Prohibit and firmly condemn all unlawful behaviour in line with the law and the company's ethical principles.
- Implement preventive controls to prevent ignorance of directives from justifying unlawful actions and prevent errors due to negligence.
- Enable timely interventions to prevent and counteract unlawful behaviour.

One of the fundamental elements of the Alkemy Group's corporate culture is the **Code of Ethics**, which gathers the values and guidelines that guide the behaviour of employees and collaborators, both in internal activities and in external relations. The Code promotes principles of transparency, impartiality, fairness and professional rigour, establishing a clear guideline for the work of the entire organisation. The ultimate guarantor of the application of the Group Code of Ethics is the Chief Executive Officer.

The Group structure develops and evaluates its corporate culture through a model based on technological innovation, adaptation to market changes and the enhancement of human resources. The business model is based on two fundamental principles: selecting people who combine professional skills and shared corporate values, and ensuring a balance between operational freedom and individual responsibility. In 2023, the corporate purpose was reformulated in the statement "*we create value with values*", emphasising the integration of economic goals and ethical principles in the management of the group's activities.

The Group believes that the creation, development, promotion and maintenance of a healthy and transparent corporate culture is a distinctive and non-negotiable value. That is why, since its foundation, Alkemy has pursued the objective of putting

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<sup>65</sup> The role and responsibilities of administrative, management and supervisory bodies in relation to the conduct of business are addressed within the section of the **ESRS 2 - GOV 1**. With regard to the process for identifying material impacts, risks and opportunities on business conduct issues, please refer to **ESRS 2**.

people at the centre and fostering a working environment in which employees feel listened to, respected and free to report any unlawful behaviour not in line with the Group's values and ethics. In order to promote this principle, the Group<sup>66</sup> has drawn up the **Whistleblowing Procedure**, aimed at regulating the process of reporting unlawful conduct within the scope of the Company's activities and the protection of persons who report violations of Union law (Italian Legislative Decree No. 24 of 10 March 2023, transposing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019).

In particular, the Procedure aims to:

- identify the conduct that can be reported;
- identify the subjective scope of application;
- define the process of transmission and management of reports;
- inform the whistleblower of the protection and support measures to protect him/her.

Thus, the obligation to set up an internal IT channel for reporting illegal activities or fraud of which third parties become aware has been laid down. This system is also designed to ensure anonymity and protection of whistleblowers from retaliation, in accordance with the EU Directive and local regulations.

In order to protect the whistleblower, the Procedure provides for the following actions:

- Duty of confidentiality on the identity of the whistleblower and protection of the whistleblower;
- Prohibition of retaliation (such as dismissal, suspension, demotion, change of duties, salary reduction, etc.);
- Support measures, i.e. third-sector entities that provide whistleblowers with free information, assistance and advice on how to report and protect against retaliation, on the rights of the person concerned and on access to legal aid.

In compliance with the said regulation, in July, Alkemy S.p.A. introduced a whistleblowing system that allows whistleblowers to send reports anonymously, in written or oral form, on a platform developed by an external provider. The link to the platform (<https://alkemy.integrity.complylog.com>) is published on the corporate website in the "Corporate Governance > Organisational Model and Whistleblowing" section.

The platform was then extended to the Group's other Italian companies with more than 50 employees in 2023, namely XCC and DGI.

In addition, similar channels are planned for the Group's Italian companies with more than 50 employees and for Alkemy Iberia, in accordance with Spanish regulations. In application of the new regulations, Alkemy Iberia has adopted a whistleblowing system that allows for anonymous reports and is accessible through a dedicated link

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<sup>66</sup> The Procedure, originally valid for Alkemy S.p.A., has been extended to all Group companies and serves as a guide for all Group companies that may adopt its principles. This Procedure concerns all members of Alkemy's corporate bodies and the Supervisory Board, as well as all employees and collaborators of the Company, partners, consultants and suppliers and, in general, all those who interact with Alkemy.



(<https://www.alkemy.es/canal-denuncias/>), available on the Spanish homepage of Alkemy's corporate website (<https://www.alkemy.com/es>).

Although no ad-hoc courses on the use of the whistleblowing tool were provided in the financial year 2024, the company is committed to providing a course dedicated to this tool in the financial year 2025.

The Supervisory Board, with the support of the competent corporate functions, is responsible for ensuring the correct application of this Procedure and must monitor its effective implementation and effectiveness.

In addition, the corporate conduct training policy is implemented through the Alkemy Academy, a programme that has been running for four years, aimed at all Group employees based in Italy. This training, led by the management team, aims to disseminate the corporate culture, values, mission and knowledge of the different business areas.

In 2024, 12 specific courses were delivered, each lasting approximately 2 hours, with the participation of 14 internal lecturers and 1 external instructor. Each lesson averaged between 45 and 60 participants. This initiative ensures an adequate level of depth to increase employees' awareness and skills in business conduct.

Finally, as part of the Sustainability Plan, approved by the Board of Directors in February 2024, governance issues of particular interest to the Group were identified.

<b>Target</b>	<b>Objectives</b>	<b>Intermediate objectives</b>	<b>KPI</b>	<b>Baseline<sup>67</sup></b>	<b>2024</b>
The dissemination of a corporate culture aimed at promoting ethical behaviour, respecting people, shared standards of conduct and the environment.	100% coverage of Alkemy Group employees with training activities on ethics, compliance and anti-corruption issues	By the end of 2025: 70% of Group employees involved in training activities on ethics, compliance and anti-corruption issues	% of Group employees conducting training on the Code of Ethics	41.8% of Alkemy Group employees have received training in the Code of Ethics.	0% of employees and members of administrative, management and control bodies involved in training activities
	Extension of the Anti-Corruption Policy to all Group Companies	By the end of 2025: extension of the Policy to Italian companies By the end of 2026: extension to European companies	% of Group companies covered by the Anti-Corruption Policy	Anti-Corruption Policy applicable to Alkemy S.p.A.	Policy applied to all Italian companies and extended to the entire Group in January 2025
	100% of the Group's employees sign the Anti-Corruption Policy	-	% of Group employees who sign the Anti-Corruption Policy	0% of employees have signed the Anti-Corruption Policy	Preliminary activities are currently being studied that should enable the target to be reached by the end of the plan horizon
	Extension of the	By the end of 2024:	-	Whistleblowing system	The reporting

<sup>67</sup> Data as at 31 December 2022

	whistleblowing system to all Group companies	extension of the whistleblowing system to all Italian Group companies			system has been extended to all the Group's Italian companies, and to the Spanish subsidiaries, while work is in progress on the objective of extending the mechanism to all the Group's companies, including foreign ones, for which, however, the possibility of making a report through the Alkemy S.p.A. channel remains, and is also available in English and Spanish.
	Maintaining the number of whistleblowing reports closed with	-	no. of whistleblowing cases with a finding of violation	No report closed with finding of violation	There were no whistleblowing reports closed with a finding of violation

	a finding of violation at 0				
	ESG screening of 60% of supplier expenditure of Italian companies	By the end of 2025: implementation of ESG assessment questionnaires for suppliers covering 60% of Alkemy S.p.A.'s total expenditure.	-	No supplier screened according to ESG criteria	Structuring the purchasing department
	Extension of the code of conduct to 100% of the suppliers on which €5,000+ per year is spent at group level	By the end of 2025: extension of the code of conduct to suppliers for expenditure >€5,000/year for Italian companies	% of contracts with suppliers totalling € 5,000+/year with code of conduct clause	Code of Conduct applied on a voluntary basis within Alkemy S.p.A.	

### Supplier Relationship Management - G1-2

The Alkemy Group manages relations with its suppliers by adopting an approach that considers both supply chain risks and impacts on sustainability issues.

Based on the value chain analysis, Alkemy's main **supplier categories** are:

- **Providers of media and advertising space**, digital and non-digital.
- **Providers of digital services**, such as cloud and software.
- **Providers of IT, software and licences**, providing software solutions, cloud services and IT security, as well as licence distribution activities.
- **Hardware suppliers**, who provide technology devices and infrastructure, including computers, servers, peripherals and network components, that are essential to ensure the operation and efficiency of corporate IT systems.
- **Providers of various consultancy services**, such as communication, creativity, editorial, graphic and managerial consultancy services.

Group suppliers also include suppliers for expenses linked to employee, utilities, office and others. These categories of expenses were not considered relevant to the core business of the Alkemy Group; for this reason, they are not included among the main types of suppliers.

For supplier types such as physical products, creative services and consultancy, Alkemy negotiates customised contracts according to individual orders or projects. This approach allows the Group to manage collaborations flexibly, adapting to specific operational needs.

The company does not currently have a specific policy with regard to supplier payment practices. In fact, the management of the latter has been delegated to individual budget-owners who approve expenditure on time. However, the company is working on setting up a purchasing department, which will adopt a policy on payments during 2026.

To maintain its commitment to the Group's sustainability goals, Alkemy also expects its suppliers to comply with applicable laws, core ethical values and sustainable behaviour. To this end, the Group has adopted a **Supplier Code of Conduct**, which is based on the intention to promote further progress in the Company's environmental and social objectives to minimise the possible harmful impacts of its supply chain, material sourcing, operations and Supplier activities on the environment, human rights, governance and health and safety measures. The Supplier Code of Conduct applies to any organisation that interacts with the Group for the supply of goods or services and the principles outlined are encouraged to be adopted and followed by all Suppliers in the supply chain. The Document is available on the company website, with the aim of further disseminating and promoting Alkemy's culture of sustainable procurement practices.

For Alkemy, suppliers' awareness is essential for the effective implementation of sustainable practices and to reduce the risk of potential negative impacts from external sources. Therefore, Alkemy encourages all Suppliers to adopt the Suppliers' Code of Conduct and promotes its dissemination to all recipients and all persons who have dealings with the Company.

The commitment required from suppliers focuses on the following issues:

- **Environment:** Alkemy works with suppliers committed to environmental protection. Suppliers must reduce the use of resources such as water, energy and plastic, avoid pollution and comply with emission limits set by local authorities.
- **Human Rights:** Alkemy is committed to respecting human rights throughout its value chain, identifying and reducing risks to vulnerable groups. Suppliers must comply with local human rights laws and ensure equal treatment, prevention of harassment and discrimination, avoid child and forced labour, offer fair wages and fair working hours, allow freedom of association and promote well-being and work-life balance.
- **Health and Safety:** Alkemy requires suppliers to ensure the health and safety of workers by complying with local occupational health and safety laws and ensuring a healthy, clean and safe working environment.
- **Corporate Governance:** suppliers must follow Alkemy's anti-corruption regulations and code of ethics, ensuring impartiality, integrity and

transparency. They must avoid anti-competitive behaviour and respect confidentiality of information and intellectual property rights.

Finally, in order to further monitor their commitment and transparency, Alkemy contractually binds its Suppliers to accept the Code, or verifies that the contents of the suppliers' code of ethics are in line with the Group's, if the signed contract is prepared by the supplier.

The Supplier Code of Conduct has been approved by Alkemy's Board of Directors and will be subject to periodic updates based on the results of internal evaluations and monitoring actions undertaken.

### **Prevention and detection of corruption or bribery - G1-3**

The Alkemy Group is strongly committed to the prevention, detection and management of corruption and bribery, adopting an approach based on transparency, honesty and ethics in all the countries where it operates. This commitment extends to all corporate functions, involving top management, management, employees and collaborators, and applies in relations with customers, suppliers, stakeholders and the public administration, with particular attention to conflicts of interest and interactions with competitors. The Alkemy Group has developed a system for the prevention and detection of corruption and bribery, which includes the adoption of a Code of Ethics, a mapping of risks and controls, and the implementation of specific protocols to counter offences, including corruption. This system is made accessible and understandable to all employees and collaborators, who are required to respect the values of transparency, loyalty, and honesty in their work activities.

In 2023, the Group also adopted the **Anti-Corruption Policy**, by which Alkemy made its definition of corruption public, and defined guidelines to avoid and repudiate any form or practice of actual or potential corruption within the Group. The policy applies to the entire Group and its employees, boards of directors, suppliers, collaborators, candidates and all persons having relations with the Group.

In addition, the Group has appointed a collegial Supervisory Board (SB) with the task of monitoring compliance with Model 231 and the Code of Ethics, as well as ensuring the effectiveness of the preventive measures adopted, including the protocols relating to offences and corruption. The Supervisory Board is separate from the management chain, ensuring independence in the supervisory process. Furthermore, in the event of changes in the corporate structure or regulatory framework, the Supervisory Board reports directly to the Parent's Board of Directors. If instances of non-compliance emerge, the Supervisory Board has the task of analysing them and promptly reporting to the Board of Directors.

Furthermore, the implementation of and compliance with regulations on preventing and combating corruption<sup>68</sup> affect all internal departments of the company,

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<sup>68</sup> This Policy applies to the Alkemy Group and to employees, corporate bodies, collaborators, candidates, contractors and suppliers, as well as to all persons who maintain relations with the Company. All actors in

including top management, management, employees and collaborators. These regulations also apply to external relations with customers and suppliers, as well as to relations with stakeholders in general, especially when it is necessary to monitor economic and financial relations. Particular attention is paid to conflicts of interest, relations with competitors, related parties and relations with the public administration.

The corporate functions most at risk of corruption or bribery within the Alkemy Group include those involved in economic and financial relations, with particular attention to conflicts of interest, relations with competitors, related parties and relations with the public administration.

Since 2020, Alkemy has been mapping risks, offences and controls, analysing business processes to identify the most exposed activities. This process led to the implementation of 18 specific protocols to prevent and manage these risks. Furthermore, a Supervisory Board has been set up to ensure compliance with the Organisational Model pursuant to Italian Legislative Decree 231/01 and the Code of Ethics, monitoring the effectiveness of the measures adopted and updating them in the event of regulatory or organisational changes.

Among the eighteen specific protocols, the following protocols are particularly relevant to the issue of corruption management:

- **Protocol for the management of relations and fulfilments with the public administration**, approved by the Board of Directors in 2023, which aims to define roles, responsibilities and behavioural principles to which recipients must comply with reference to relations with the Public Administration in compliance with current legislation and the principles of transparency, impartiality and fairness and traceability of the decision-making process. The protocol applies to all the Functions and Business Units of Alkemy, which, for any reason and in the performance of the activities falling within their responsibility, find themselves having to manage relations with persons belonging to the Public Administration and Supervisory Authorities. The ultimate supervision of the application of the Protocol is the responsibility of the Supervisory Board.
- **Protocol for the management of inspections by public administration officials**, approved by the Board of Directors in 2016, which aims to define roles, responsibilities and behavioural principles to which the recipients must comply in the management of inspections at the Company's premises, in compliance with the regulations in force and the principles of transparency, impartiality and fairness and traceability of the process. The application of the Protocol is assigned to the department or business unit subject to the audit. The ultimate supervision of the application of the Protocol is the responsibility of the Supervisory Board, which must be informed in good time.

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Alkemy's supply chain are encouraged to adopt and comply with the principles set out in this Policy. Monitoring of suppliers' and contractors' compliance to these principles (and other sustainability principles) is defined in the Supplier Code of Conduct.

- **Protocol for the Management of Financial and Monetary Flows**, approved by the Board of Directors in 2023, which aims at defining roles, responsibilities and behavioural principles to be followed by the recipients in the management of financial and monetary flows in compliance with the regulations in force and the principles of transparency, impartiality and fairness and traceability of the decision-making process. The Protocol applies to all Alkemy's corporate functions involved, in any capacity whatsoever, in the management of financial and monetary flows, i.e. those transactions involving movements in Alkemy's bank accounts. The application of the Protocol is assigned to the Administration, Finance and Control department and the ultimate supervision of the application of the Protocol is the responsibility of the Supervisory Board.
- **Protocol for the Management of Public Evidence Procedures**, approved by the Board of Directors in 2023, which aims to define roles, responsibilities and behavioural principles to be followed when participating in public evidence procedures, in compliance with current legislation and the principles of transparency, impartiality and fairness and traceability of the decision-making process. The application of the protocol is assigned to the Head of the competent Business Unit and the ultimate supervision of the application of the protocol is the responsibility of the Supervisory Board.
- **Protocol for the management of gifts and gratuities**, approved by the Board of Directors in 2016, which aims to define roles, responsibilities and behavioural principles to be followed in the management of gifts and gratuities. This protocol applies to all departments or Business Units of the Company, involved, in any capacity, in the management of gifts and gratuities. The responsibility for assessing the appropriateness of gifts and gratuities is carried out on a case-by-case basis by the Departments and Business Units involved, under the supervision of the Administration, Finance and Control department. The final assessment is therefore delegated to the aforementioned Administration, Finance and Control department, also through the involvement of the Supervisory Board.
- **Protocol for the management of advances and reimbursement of expenses**, approved by the Board of Directors in 2016, which aims to define roles, responsibilities and behavioural principles to be followed by the recipients in the management of advances and reimbursement of expenses incurred by Alkemy personnel in compliance with current regulations and the principles of transparency, impartiality and fairness and traceability of the process. This protocol applies to all corporate functions of Alkemy involved, in any capacity whatsoever, in the request, approval, disbursement and management of advances and reimbursement of expenses. The application of the protocol is assigned to the Administration, Finance and Control department, while the Supervisory Board is responsible for handling any reports of suspected violations of the protocol.
- **Protocol for the management of the purchase of goods and services**, approved by the Board of Directors in 2020, which aims to define roles,



responsibilities and behavioural principles to be followed by the recipients in the purchase of goods and services in compliance with current legislation and the principles of transparency, impartiality and fairness and traceability of the decision-making process. The application of the protocol is assigned to the Head of the individual Business Unit, while the management of any exception, violation or suspected violation must be reported to the Supervisory Board.

Continuous monitoring of procedures and regular review of organisational tools ensure effective management of corruption risks. The absence of any events contrary to business principles during 2024 testifies to the effectiveness of the approach taken by the Alkemy Group.

In conclusion, with the guidance of the Supervisory Board and the support of top management, the Company continues in its mission to fight corruption and adopt responsible business practices.

#### **Confirmed incidents of corruption or bribery - G1-4**

In 2024, Alkemy did not register any convictions or fines for violations of laws against corruption or bribery. The company has implemented a Risk Management System, which includes specific protocols for corruption management, such as the management of relations with the Public Administration and the management of financial flows. The management system is subject to an annual review, which includes an assessment of the risk of offences, and is periodically updated according to regulatory, structural and contextual changes.

In the reporting period 2024, the Alkemy Group did not record any proven cases of corruption or bribery.

There were no cases of workers being dismissed or sanctioned for corruption or bribery during the reporting period.

There were no cases of contracts with business partners being terminated or not renewed due to violations related to corruption or bribery during the reporting period.

There were no public prosecutions of corruption or bribery against Alkemy or its employees during the 2024 reporting period.

#### **Political influence and lobbying activities - G1-5**

In line with that which is provided for in the Code of Ethics, Alkemy may not make direct or indirect contributions in any form, nor allocate funds or financing to support public entities (e.g. political parties, committees), except as permitted and provided for by applicable laws and regulations.

The concept is then reiterated in the Anti-Corruption Policy, which prohibits establishing direct or indirect favourable relations with political authorities or members of the public administration, as well as offering them money or goods and granting them economic advantages or benefits. As the ultimate guarantor of the Code of Ethics, it is up to the Board of Directors to supervise the correct application of the provisions of the Code.

In application of the aforementioned documents, no direct or indirect funding was provided to political parties in any of the geographies in which the Group operates during 2024.

Alkemy also did not engage in any lobbying activities during the year, nor does it have any plans to do so.

Finally, no member of Alkemy's Board of Directors held comparable positions in the public administration.

### **Acknowledgements**

We would like to offer our sincerest thanks to the staff and all those who have helped pursue the corporate business. We would now, therefore, ask you to kindly approve these consolidated Group Financial Statements as at and for the year ended 31 December 2024.

Milan, 27 March 2025

Directors

On behalf of the Board of

the Chief Executive Officer

Duccio Vitali

# **Alkemy S.p.A.**

Consolidated financial statements  
as at and for the year ended 31 December  
2024

## Consolidated financial statements

### Income statement

		Figures in thousands of euros	
	Notes	2024	2023
Revenue	1	111,957	115,037
Other income	2	3,379	4,121
<b>Total revenue and other income</b>		<b>115,336</b>	<b>119,158</b>
Services, goods and other operating costs	3	(54,080)	(52,566)
- of which non-recurring		(528)	(39)
Personnel expense	4	(56,060)	(54,674)
- of which non-recurring		(2,198)	(1,187)
<b>Total costs and other operating costs</b>		<b>(110,140)</b>	<b>(107,240)</b>
<b>Gross operating profit</b>		<b>5,196</b>	<b>11,918</b>
Amortisation/depreciation	5	(4,484)	(4,189)
Provisions and impairment losses	6	(13,655)	(839)
<b>Operating profit</b>		<b>(12,943)</b>	<b>6,890</b>
Other financial income	7	865	1,118
Other financial expense	8	(2,892)	(3,169)
<b>Pre-tax profit (loss)</b>		<b>(14,970)</b>	<b>4,839</b>
Income taxes	9	238	(1,304)
<b>Profit/(loss) for the year</b>		<b>(14,732)</b>	<b>3,535</b>
- Owners of the parent		(14,759)	3,463
- Non-controlling investors		27	72
<b>Earnings (loss) per share</b>	10		
Basic		(2.62)	0.63
Diluted		(2.62)	0.63

The notes given below are an integral part of these consolidated financial statements.  
In accordance with CONSOB Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the Consolidated Income Statement are highlighted in the specific table of the Consolidated Income Statement given in annex 2 and are also described in the paragraph on "Related party transactions" in the Report on Operations.

## Statement of comprehensive income

		Figures in thousands of euros	
	Note	2024	2023
<b>Profit/(loss) for the year</b>		<b>(14,732)</b>	<b>3,535</b>
<b>Items that will be reclassified to profit or loss:</b>			
Translation differences on foreign operations		(76)	96
<b>Total items that will be reclassified to profit or loss</b>	24	<b>(76)</b>	<b>96</b>
<b>Items that will not be reclassified to profit or loss</b>			
Actuarial gains (losses)		(10)	115
Related tax		2	(28)
<b>Total</b>	24	<b>(8)</b>	<b>87</b>
<b>Other comprehensive income (expense) net of tax</b>		<b>(84)</b>	<b>183</b>
<b>Comprehensive income</b>		<b>(14,816)</b>	<b>3,718</b>
<b>Attributable to:</b>			
- Owners of the parent		(14,843)	3,646
- Non-controlling investors		27	72

The notes given below are an integral part of these consolidated financial statements.

## Statement of financial position

Figures in thousands of euros			
Assets	Notes	31 Dec. 2024	31 Dec. 2023
Property, plant and equipment	11	1,864	1,939
Right-of-use assets	12	5,406	6,274
Goodwill	13	42,766	54,871
Intangible assets	14	2,984	2,079
Equity investments	15	5	5
Other financial assets	16	33	245
Deferred tax assets	17	2,765	1,818
Other assets	18	595	295
<b>Non-current assets</b>		<b>56,418</b>	<b>67,526</b>
Trade receivables	19	39,939	45,929
Other financial assets	20	26	107
Tax assets	21	1,630	2,258
Other assets	22	2,423	2,470
Cash and cash equivalents	23	10,684	12,029
<b>Current assets</b>		<b>54,702</b>	<b>62,793</b>
<b>Total assets</b>		<b>111,120</b>	<b>130,319</b>

The notes given below are an integral part of these consolidated financial statements.  
In accordance with CONSOB Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the Consolidated Statement of Financial Position are highlighted in the specific table of the Consolidated Statement of Financial Position given in annex 2 and are also described in the paragraph on "Related party transactions" in the Report on Operations.

		Figures in thousands of euros	
<b>Liabilities and Equity</b>	<b>Note</b>	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
<b>Equity</b>	<b>24</b>		
Share capital		596	596
Reserves		46,820	43,184
Profit/(loss) for the year		(14,759)	3,463
<b>Equity attributable to owners of the parent</b>		<b>32,657</b>	<b>47,243</b>
Equity attributable to non-controlling investors	25	500	473
<b>Total equity</b>		<b>33,157</b>	<b>47,716</b>
<b>Non-current liabilities</b>		<b>27,709</b>	<b>32,558</b>
Financial liabilities	26	9,775	12,007
Lease liabilities	28	3,540	4,396
Put option and earn-out liabilities	29	7,198	9,553
Employee benefits	30	7,125	6,477
Provisions	31	22	107
Deferred tax liabilities	32	19	18
Other liabilities	33	30	-
<b>Current liabilities</b>		<b>50,254</b>	<b>50,045</b>
Financial liabilities	26	11,305	11,620
Lease liabilities	28	2,084	2,110
Put option and earn-out liabilities	29	2,623	4,202
Trade payables	34	17,954	16,196
Tax liabilities	35	2,159	3,174
Other liabilities	36	14,129	12,743
<b>Total liabilities</b>		<b>77,963</b>	<b>82,603</b>
<b>Total liabilities and equity</b>		<b>111,120</b>	<b>130,319</b>

The notes given below are an integral part of these consolidated financial statements.  
In accordance with CONSOB Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the Consolidated Statement of Financial Position are highlighted in the specific table of the Consolidated Statement of Financial Position given in annex 2 and are also described in the paragraph on "Related party transactions" in the Report on Operations.

## Statement of cash flows

		Figures in thousands of euros	
	Notes	2024	2023
<b>Cash flow from operating activities</b>			
Profit/(loss) for the year		(14,732)	3,535
Financial income	7	(865)	(1,119)
Financial expense	8	2,892	3,169
Income taxes	9	(238)	1,304
Amortisation/depreciation	5	4,484	4,189
Provisions and impairment losses	6	13,655	839
Cost for share-based payments	4	1,841	212
Other non monetary elements	24	208	(246)
Decrease (increase) in trade receivables	19	4,558	(5,001)
Increase (decrease) in trade payables	34	1,682	76
Decrease (increase) in other assets	21, 22	45	(791)
Increase (decrease) in other liabilities	35, 36	(1,110)	5,165
<b>Cash flows from operating activities</b>		<b>12,420</b>	<b>11,332</b>
Net interest paid	7, 8	(1,163)	(838)
Income tax paid	9	(686)	(1,289)
<b>Net cash flows from operating activities</b>		<b>10,571</b>	<b>9,205</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment and intangible assets	11, 14	(3,013)	(1,977)
Decrease (increase) in financial assets	16, 20	81	208
<b>Net cash flows used in investing activities</b>		<b>(2,932)</b>	<b>(1,769)</b>
<b>Cash flows from financing activities</b>			
Change in financial liabilities	26	(2,395)	1,560
Change in lease liabilities – IFRS 16	28	(2,331)	(1,993)
Change in treasury shares	24	(43)	(120)
Dividends paid to non-controlling investors	36	-	(1,283)
Payment of put options	29	(4,215)	(2,686)
<b>Net cash flows from (used in) financing activities</b>		<b>(8,984)</b>	<b>(4,522)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,345)</b>	<b>2,914</b>
<b>Opening balance</b>		<b>12,029</b>	<b>9,115</b>
<b>Closing balance</b>		<b>10,684</b>	<b>12,029</b>

The notes given below are an integral part of these condensed interim consolidated financial statements. The statement of cash flows was prepared in accordance with the indirect method.



## Statement of changes in equity

Figures in thousands of euros										
	Note s	Share capital	Treasury shares	Legal reserve	Other riserves	Retained earnings	Profit/(loss) for the year	Equity attributable to owners of the parent	Equity attributable to non- controlling investors	Total equity
Balance at 31 Dec. 2022		596	(1,793)	202	33,284	5,135	5,583	43,007	399	43,406
Allocation of profit for the year		-	-	-	-	5,583	(5,583)	-	-	-
Repurchase of treasury shares	24	-	(120)	-	-	-	-	(120)	-	(120)
Assignment of treasury shares	24	-	137	-	-	(47)	-	90	-	90
Change in put option liabilities	29	-	-	-	-	661	-	661	-	661
Long Terms Incentive Plan	4	-	-	-	(46)	-	-	(46)	-	(46)
Other movements		-	-	-	5	-	-	5	2	7
Other comprehensive income (expense)		-	-	-	183	-	-	183	-	183
Profit/(loss) for the year		-	-	-	-	-	3,463	3,463	72	3,535
Balance at 31 Dec. 2023		596	(1,776)	202	33,426	11,332	3,463	47,243	473	47,716

Figures in thousands of euros										
	Note s	Share capital	Treasury shares	Legal reserve	Other riserves	Retained earnings	Profit/(loss) for the year	Equity attributable to owners of the parent	Equity attributable to non- controlling investors	Total equity
Balance at 31 Dec. 2023		596	(1,776)	202	33,426	11,332	3,463	47,243	473	47,716
Allocation of profit for the year		-	-	-	-	3,463	(3,463)	-	-	-
Repurchase of treasury shares	24	-	(43)	-	-	-	-	(43)	-	(43)
Assignment of treasury shares	24	-	1,818	-	-	(652)	-	1,166	-	1,166
Change in put option liabilities	29	-	-	-	-	298	-	298	-	298
Long Terms Incentive Plan		-	-	-	(1,166)	-	-	(1,166)	-	(1,166)
Other movements		-	-	-	(6)	8	-	2	-	2
Other comprehensive income (expense)		-	-	-	(84)	-	-	(84)	-	(84)
Profit/(loss) for the year		-	-	-	-	-	(14,759)	(14,759)	27	(14,732)
Balance at 31 Dec. 2024		596	(1)	202	32,170	14,449	(14,759)	32,657	500	33,157

The notes given below are an integral part of these consolidated financial statements.

## **Notes to the consolidated financial statements**

### **General information**

The Alkemy Group (hereinafter the "Group") works to improve the market position and competitiveness of large and medium enterprises, innovating and transforming the business model to keep pace with the evolution of technology and new consumer habit. The Group integrates into its offer, competences in the areas of strategy, communication, performance, technology, design and data management, developing complete digital transformation projects that cover the whole of the value chain, from strategy to implementation.

The Parent, Alkemy S.p.A. has its registered and administrative office at Via San Gregorio 34, Milan, Italy and it is registered with the Milan Company Register under Economic and Administrative Index (REA) no. 1835268.

The Company is managed and coordinated by Retex S.p.A. - a Benefit corporation.

The shares of Alkemy S.p.A. (hereinafter the "Company", "Alkemy" or the "Parent") have been listed on the STAR segment of the EURONEXT MILAN market organised and managed by Borsa Italiana since 17 December 2019.

These consolidated financial statements are prepared in euros, which is the currency of the economy in which the Parent operates. The Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and figures given in the Notes, are all expressed in thousands of euros.

As Parent, Alkemy S.p.A. has prepared the consolidated financial statements of the Alkemy Group as at and for the year ended 31 December 2024.

The draft consolidated financial statements at 31 December 2024 were approved by the Board of Directors on 27 March 2025, which also authorised their publication.

It should also be noted that in accordance with European Commission Regulation 815/2019 (the European Single Electronic Format - ESEF Regulation) the Consolidated Financial Statements for the year 2024 were prepared in the xHTML format, marking the Alkemy Group's Consolidated Financial Statements (schedules and notes) according to the Inline XBRL specifications contained in the basic taxonomy issued by the European Securities and Markets Authority (ESMA).

### **Accounting policies**

#### **Basis of preparation and going concern**

The consolidated financial statements at 31 December 2024 have been prepared in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the

European Union. The term "IFRS" is used to also refer to all the revised International Accounting Standards ("IAS") and all the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The consolidated financial statements were also prepared in compliance with the provisions adopted by CONSOB for financial statements in application of article 9 of Legislative Decree 38/2005 and other rules and provisions issued by CONSOB regarding financial statements.

During the preparation of this annual financial report, a specific analysis was carried out on the Group's ability to continue to operate as a going concern, for a period of twelve months from the date of this financial report, considering the results achieved during the year and future financial commitments. In particular, the forecast analyses showed that the Group will need to obtain new loans in the amount of about 10 million euros in 2025 - in addition to the loans already in place - to support ordinary and extraordinary requirements.

As of the date of preparation of this Annual Financial Report, the Parent Company has already obtained a first medium-term bank loan and confirmation that will obtain a second loan in April next year; the total value of these two loans will cover 70% of the requirements dependent on third parties. The Group is also in negotiations with other banks to obtain additional financing to be activated in due course. On the basis of current discussions with the lending institutions we have spoken to, there is no evidence to indicate future difficulties in obtaining the remaining 30% financing.

Based on these considerations, including in virtue of the Group's solid structure, the results for the next 12 months forecasted in the 2025 budget and for the following two financial years, and its good relations with banks, the Board of Directors does not envisage any significant uncertainties regarding the use of the going concern assumption in the preparation of these financial statements.

### **Format and contents of the financial statements**

The financial statements have the following characteristics:

- the income statement classifies revenue and costs by nature;
- the statement of financial position is prepared and separately presents both current and non-current assets and current and non-current liabilities.
- the statement of cash flows is drawn up in accordance with the indirect method.

The format used, as described above, is that considered best able to represent the elements that determined the Group's financial position, financial performance and cash flows. This format is the same used for the presentation of the separate financial statements of Alkemy S.p.A.

In order to fulfil the requirements set out in CONSOB Resolution 15519 of 27 July 2006 on the financial statements, specific income statement and statement of financial

position tables have been prepared to show any significant related party transactions, and any transactions that can be classified as non-recurring, atypical and/or unusual, are indicated on the tables and then highlighted in the notes.

### **Basis of consolidation**

The Consolidated Financial Statements have been prepared consolidating the financial statements of the Parent and those of all companies in which the company directly or indirectly holds the majority of voting rights on a line-by-line basis.

These financial statements have the same reporting date as the Parent.

The profit (loss) of the subsidiaries acquired or sold during the period are included in the income statement as from the date of acquisition and until the effective date of disposal. Where necessary, adjustments are made to the financial statements of subsidiaries in order to bring the accounting policies used into line with those adopted by the Group.

In relation to the scope of consolidation, we report that the merger of OIS Marketing Digital S.A. into Alkemy Latam S.A. (formerly Ontwice Interactive Service de Mexico S.A.) took place on 30 November 2024.

At 31 December 2024, the consolidation scope was as follows:

Company name	% held	Registered office
<b>Direct subsidiaries:</b>		
Alkemy Play S.r.l.	75%	Milan
Alkemy SEE D.o.o.	70%	Serbia – Belgrade
Alkemy Iberia S.L.U.	100%	Spain - Madrid
Design Group Italia ID S.r.l.	100%	Milan
eXperience Cloud Consulting S.r.l.	65%	Rome
Alkemy South America S.L.	100%	Spain - Madrid
Innocv Solutions S.L.	100%	Spain - Madrid
<b>Indirect subsidiaries:</b>		
Alkemy Play D.o.o.	75%	Serbia – Belgrade
Kreativa D.o.o.	36%	Serbia – Belgrade
Alkemy Latam S.A.	100%	Mexico - Mexico City
Design Group Italia Corp.	100%	USA - New York

### **Measurement criteria**

#### **Non-current assets**

##### **Property, plant and equipment**

The property, plant and equipment used to supply goods and services or for administrative purposes, are recognised at purchase or production cost, net of accumulated depreciation and any impairment losses.

Costs incurred after purchase are capitalised only if they increase the future economic benefits applying to the asset to which they refer. They are depreciated in

connection with the residual useful life of the asset to which they refer. All the other costs are recognised in the income statement when incurred.

Ordinary maintenance charges are charged in full to the income statement. Maintenance costs increasing the value of the assets are allocated to the asset to which they refer and depreciated using the applicable rates.

In accordance with and pursuant to Art. 10 of Italian Law no. 72 of 19 March 1983, as also recalled by the subsequent monetary revaluation laws, it is noted that no monetary revaluation has been made for the assets still held.

Leasehold improvements are classified under property, plant and equipment according to the nature of the cost incurred and are depreciated over the shorter period of time between that of the future usefulness of the expenses incurred and the residual term of the lease, taking into account any renewal period, if such depends on the lessee.

Depreciation is charged from when the asset is available for use and is calculated on a straight-line basis throughout the estimated useful life of the asset, as follows:

Buildings	3%
Plant and machinery	20% - 25%
Telephone systems	20%
Equipment	20%
Electronic machines	20%
Hardware	15% - 20%
Furniture and furnishings	12%
Other assets	10% - 25%

Land is not depreciated, as it has an indefinite useful life.

With regard to the procedures carried out in relation to the potential recoverability of this item, please refer to the paragraph on "Impairment".

### **Leases (right-of-use assets and lease liabilities)**

#### Accounting model for the lessor

At the commencement date, the Group recognises the right-of-use asset and lease liability. The right-of-use asset is initially measured at cost, including the amount of the initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date.

The right-of-use asset is thereafter depreciated on a straight-line basis from the commencement date to the end of the lease term, unless the lease should transfer ownership of the underlying asset to the Group at the end of the lease or, considering the cost of the right-of-use asset, it is expected that the Group will exercise the purchase option. In this case, the right-of-use asset will be amortised throughout the useful life of the underlying asset, determined on the same basis as for properties and

machinery.

The Group measures the lease liability at the present value of lease payments not paid at the commencement date, which includes fixed payments (including in-substance fixed payments) and variable lease payments, which depend on an index or rate.

The lease liability is measured at amortised cost, using the effective interest criterion and is remeasured in the event of any change to future payments due for the lease as a result of a change in the index or rate, an extension or termination or in the event of a revision of payments due for the lease.

If the lease liability is reassessed, the Group adjusts the right-of-use asset accordingly. If the carrying amount of the right-of-use asset is reduced to zero, the Group recognises the change in profit or loss.

With regard to the procedures carried out in relation to the potential recoverability of this item, please refer to the paragraph on "Impairment".

## **Intangible assets**

### **Goodwill**

In accordance with IFRS 3 (Business combinations), goodwill is recognised at the date of acquisition of businesses or business units; it is determined as the difference between the price paid for the purchase and the fair value of the identifiable assets acquired, net of identifiable liabilities assumed.

After its initial recognition, goodwill is measured at cost net of accumulated impairment losses.

Goodwill is not amortised insofar as it has an indefinite useful life; rather, it is tested for impairment once a year or more frequently if any specific events suggest that it may have suffered impairment. The test carried out is described on the paragraph on "Impairment". Impairment losses on goodwill cannot be reversed, not even in application of specific laws.

### **Intangible assets with a finite useful life**

Other intangible assets purchased or produced internally are recognised as assets in accordance with IAS 38 - *Intangible Assets*, when it is likely that their use will generate future economic benefits and when their cost can be reliably determined.

These assets are measured at purchase or production cost and amortised on a straight-line basis throughout their useful life, thereby meaning the estimated period during which the assets will be used by the company.

More specifically, trademarks are amortised over a period of 10 years, whilst "Industrial patents and intellectual property rights" and other intangible assets are amortised over five years.

Intangible assets with a finite useful life are tested for impairment if specific events suggest that they may have been impaired. The test carried out is described on the paragraph on "Impairment".

Development costs can be capitalised as long as the cost is reliably able to be determined and it can be shown that the asset is able to produce future economic benefits. Intangible assets that are generated internally deriving from the development of Group products (such as IT solutions) are posted under assets but only where all the following conditions are met:

the asset must be identifiable (such as, for example, software or new processes); it is likely that the asset created will generate future economic benefits and the cost of developing the asset can be reliably measured.

These intangible assets are amortised according to their marketing or use.

### **Business combinations:**

The acquisition of subsidiaries is booked in accordance with accounting standard IFRS 3 according to the acquisition method when all assets and goods acquired satisfy the definition of corporate assets and the Group controls them. The consideration transferred and identifiable net assets acquired are usually noted at fair value. The carrying amount of any goodwill is impairment tested once a year to identify any impairment losses. Any gains deriving from a bargain purchase are recognised immediately in profit or loss, while the costs related to the merger, other than those relating to the issue of debt securities or equity instruments, are expensed in profit or loss as incurred.

The consideration transferred excludes amounts relating to the termination of a pre-existing contract. As a rule, such amounts are recognised in profit or loss.

The contingent consideration (or "earn-out") is noted at fair value on the date of acquisition. If the contingent consideration that meets the definition of financial instrument is classified in equity, it is not subsequently measured and the future extinguishing is recognised directly as equity. The other contingent consideration is measured at fair value at each year end date and changes in fair value are recognised in profit or loss.

### **Investments in other companies**

Investments in other companies are measured at fair value, if can be determined. When equity investments are not listed and their fair value cannot be determined reliably, they are measured at cost and adjusted for impairment losses.

### **Impairment**

At each reporting date, the Group reviews the carrying amount of its property, plant

and equipment and intangible assets (including goodwill) to determine if there is any indication that they may be impaired.

Should this be the case, their recoverable amount is estimated in order to calculate the potential amount of the impairment. The recoverable amount of goodwill is instead estimated each year and whenever there is indication of impairment.

In order to identify any impairment losses, assets are grouped into the smallest identifiable group of assets generating cash flows, largely independent of cash flows generated by other assets or groups of assets ("CGUs" or "Cash-Generating Units"). Goodwill acquired through a business combination is allocated to the CGU that is expected to benefit from the synergies of the merger.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value, net of the costs of decommissioning. In order to determine the value in use, estimated expected cash flows are discounted using a discount rate that reflects current market valuations of the time value of money and specific risks of the asset or CGU.

If the recoverable amount of an asset (or of a cash-generating unit) is estimated to be lower than the relative carrying amount, the carrying amount of the asset is reduced to the lower recoverable amount. The impairment is recognised in profit or loss.

When there is no longer any reason for an impairment loss to be maintained, the carrying amount of the asset (or of the cash generating unit), with the exception of goodwill, is reinstated in accordance with the new estimate of its recoverable amount; however, this amount cannot exceed the net carrying amount that the asset would have had if the impairment loss had not been recognised, net of any amortisation/depreciation that should have been calculated before the previous impairment. The impairment gain is recognised in profit or loss.

## **Financial instruments**

The financial instruments held by the Group are included in the following captions:

- Non-current assets: Equity investments, Other financial assets, Other non-current assets;
- Current assets: Trade receivables, Other current financial assets, Cash and equivalents;
- Non-current liabilities: Non-current financial liabilities, Other non-current liabilities;
- Current liabilities: Trade payables, Current financial liabilities, Other liabilities.

### Financial liabilities

Financial liabilities include loans and borrowings, other financial liabilities, including



derivatives and lease liabilities

In accordance with IFRS 9, they also include trade payables and other liabilities.

Financial liabilities other than derivatives are initially recognised at fair value; thereafter they are measured at amortised cost.

Financial liabilities hedged by derivatives intended to cover the risk of a change in the liability (fair value hedges), are measured at fair value, as established by IFRS 9 for hedge accounting: gains and losses deriving from subsequent fair value adjustments, limited to the hedged item, are recognised as profit and loss and offset against the effective portion of the loss or gain deriving from the corresponding fair value measurements of the hedge.

Financial liabilities hedged by derivatives aiming to cover the risk of changes in cash flows (cash flow hedges) remain measured at amortised cost, in the manner established by IFRS 9 for hedge accounting.

#### Put option liabilities

Put option liabilities are recognised according to IAS 32, paragraph 23, which establishes that a contract containing the obligation for the entity to acquire its own equity instruments (in the case in point, referring to non-controlling interests) in exchange for cash or other financial asset, gives rise to a financial liability for the current value of the amount of the redemption (i.e. the present value of the forward purchase price, the strike price of the option or other redemption method).

In the case of a transferred put option, the financial liability is initially measured at the present value of the option strike price and reclassified from equity. Thereafter, the liability is measured in compliance with IFRS 9. More specifically, in application of that standard:

- shares subject to put options transferred in relation to equity attributable to non-controlling interests are considered as already acquired from the company/group, even if the non-controlling investors should retain the risks and benefits linked with ownership of the shares and continue to be exposed to the equity risk;
- the liability deriving from the onset of the obligation and any subsequent changes to such not due to the simple passage of time, is recognised as a balancing entry in the equity reserve;
- changes in the liability that depend on the passage of time (the discounting of the strike price) are recognised in profit or loss.

#### Derivatives

Derivatives are initially recognised at fair value and, after purchase, measured

differently depending on whether or not they are defined as “hedges” in accordance with IFRS 9.

In line with that established by IFRS 9, derivatives can be recognised according to the methods established for hedge accounting only when, at the start of the hedge, there is the formal designation and documentation of its hedging relationship, where it is expected that the hedge will be highly effective during the various accounting periods for which it is designated.

If derivatives are entered into as hedges, but not formally designated as hedges under hedge accounting, the fair value gains or losses of the derivative are taken immediately to profit or loss.

#### Other financial assets

Other financial assets which consist of debt securities are classified and measured both on the basis of the Group's business model adopted for their management and the cash flows associated with each of said assets.

The business models for financial assets (other than trade receivables) have been defined on the basis of the use of the liquidity and the financial instrument management techniques; the aim is to ensure a suitable level of financial flexibility and the best possible management - in terms of risk/return - of immediately-available financial resources, as per the strategic guidelines.

As envisaged by IFRS 9, the following business models are adopted:

- Hold to Collect: financial instruments used to absorb temporary cash surpluses; they are low risk and are held mainly to maturity; they are measured at amortised cost;
- Hold to Collect and Sell: monetary instruments or bonds used to absorb short/medium-term cash surpluses; they are low risk and held, as a rule, to maturity or alternatively sold to cover specific needs for liquid funds; they are measured at fair value through other comprehensive income (FVOCI);
- all other financial assets that do not meet the criteria for classification amongst instruments measured at amortised cost or FVOCI are measured at fair value through profit or loss (FVTPL).

Financial assets are tested for impairment based on expected credit losses (ECL).

#### Fair value measurement

Fair value is the price that would be received, at the measurement date, for the sale of an asset or that would be paid for the transfer of a liability in a normal transaction between market participants on the main (or most advantageous) market to which the Group has access at that time. The fair value of a liability reflects the effect of a risk of default.

Where available, the Group measures the fair value of an instrument using the listed price of that instrument on an active market. A market is active when the transactions

relative to the asset or liability take place with sufficient frequency and volumes to provide useful information to determining the price continuously.

For lack of a price listed on an active market, the Group uses measurement techniques, using observable input data and minimising the use of non-observable input data. The chosen measurement technique includes all factors that market participants would consider in appraising the price of the transaction.

In the absence of observable input data, unobservable inputs are used.

### **Cash and cash equivalents**

Cash and equivalents are recognised, depending on their nature, at nominal amount or amortised cost.

Other cash and cash equivalents consist of highly-liquid, short-term financial commitments that are readily convertible into cash, known and with a negligible risk of change to their value; their original maturity, at the time of purchase, is not more than 3 months.

### **Issued capital**

Share capital is recognised at nominal value, less any share capital proceeds to be received.

### **Treasury shares**

Treasury shares are recognised for an amount that corresponds to their purchase cost, in an equity reserve at the same time the shares are purchased. The reserve is eliminated, following a resolution by the shareholders' meeting to cancel treasury shares, and the share capital is simultaneously reduced by the nominal amount of the shares cancelled. Any difference between the carrying amount of the reserve and the nominal amount of the shares cancelled is recognised as an increase or decrease equity. In the event of the disposal of treasury shares, any difference between the carrying amount of the reserve and the realisable value of the shares disposed of, is allocated to increase or decrease in another item of equity. Equally, in the event of the assignment of treasury shares under employee incentive plans, the reduction of the negative reserve has, as a balancing entry, the specific reserve under Equity for the Long Term Incentive Plan (the "LTIP").

### **Stock Option Plans**

Stock option plans, with the assignment of options whose exercise entails the delivery of shares, are measured at fair value determined at the plan grant date. This fair value is taken to profit or loss in the vesting period envisaged by the plan, with the corresponding increase in equity.

### **Share-based payments (share-based incentive plans)**

Employee benefits (the LTIP) include, as they are substantially a form of remuneration, the cost of share-based incentive plans. The cost of the incentive is determined with reference to the fair value of the instruments attributed and the forecast number of shares that will effectively be assigned; the portion pertaining to the year is determined *pro rata temporis* throughout the vesting period, i.e. the period running between the grant date and the date of assignment. The fair value of the shares underlying the incentive plan is determined at the grant date, taking into account forecast achievement of the performance parameters associated with market conditions and is not rectified during following years; when the benefit is obtained, the forecast relative to these conditions is reflected by adjusting the number of shares to effectively be assigned, throughout the vesting period.

### **Employee benefits**

The Italian post-employment benefits (TFR) are considered a “defined benefits” plan.

The group's obligations are determined separately for each plan, estimating the present value of future benefits accrued by the employees during the current and previous years. This calculation is carried out using the projected unit credit method.

The components of the defined benefits are recorded as follows:

- the components for remeasuring the liabilities, which include actuarial gains and losses, are recognised immediately under “Other comprehensive income (expense)”;
- service costs are recognised in profit or loss;
- net financial expense on defined benefit liabilities is recognised in profit or loss under financial expense.

The remeasurement components recognised under “Other comprehensive income (expense)” are never reclassified to the income statement in subsequent periods.

### **Provisions**

The Group recognises provisions for risks and charges when it has a legal or constructive obligation, in regard to a past event, and it is likely that resources will be necessary to fulfil the obligation, which can be reliably estimated.

Provisions are recognised when the Group has an obligation as a result of a past event and it is likely that it will be required to fulfil such obligation. Provisions are made on the basis of the best estimate of the costs involved in fulfilling such obligation at the reporting date and are discounted when the effect is significant.

### **Recognition of revenue and costs**

Revenue is measured taking into account the price specified in the contract with the customer. The Group records revenues when the service is performed, i.e. when the performance obligations contained in the contracts with the customers are fulfilled.

If the revenue of a specific contract must be estimated, as it relates to projects still in progress, it is recognised in relation to the progress of the contract at the reporting date, on the basis of the ratio of the costs incurred for the contract up to the reporting date to the estimated total contract costs.

Costs are allocated according to criteria similar to that used to recognise revenues and in any case on an accruals basis.

### **Government grants**

They are recognised when there is reasonable certainty that all conditions envisaged for their obtainment are met and they will therefore be disbursed.

Grants related to income are recognised in profit or loss, with a systematic criterion during the years in which the Group recognised as costs the related expenses that the grant is intended to offset.

Grants related to assets that refer to property, plant and equipment are recognised as deferred income and taken to profit or loss over the time frame corresponding to the useful life of the relevant asset.

### **Financial income and expense**

Financial income and expense are recognised in the income statement during the year in which they accrued.

### **Tax**

The parent Alkemy S.p.A. and its subsidiaries XCC S.r.l., DGI S.r.l. and Alkemy Play S.r.l. have exercised the option for the "National tax consolidation scheme" pursuant to Articles 117 *et seq.* of Italian Presidential Decree no. 917/86 (the Consolidated Law on Income Tax), which allows IRES tax to be determined on a tax base that coincides with the algebraic sum of the taxable income of the individual companies. Transactions, in addition to the mutual responsibilities and commitments of the consolidating company and subsidiaries, are defined by the tax consolidation scheme agreement.

Current tax represents the estimated amount of income tax due, calculated on taxable profit for the year, determined by applying current tax rates or tax rates that are substantively in force at the reporting date and any adjustments to the amount relative to previous years.

#### Deferred tax assets and liabilities

Deferred tax assets and liabilities are calculated according to the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax values.

Deferred tax assets are recognised on all deductible temporary differences and any tax losses carried forward, to the extent that it is probable that there will be adequate future tax profits that can make their use applicable.

Deferred tax assets and liabilities are not recognised on:

- temporary differences relative to the initial recognition of assets or liabilities in a transaction other than a business combination, which does not impact the accounting profit (or loss) nor the taxable profit (or tax loss);
- temporary differences relative to investments in subsidiaries, associates and joint ventures to the extent to which the Group can control the time-frames for the reversal of the temporary differences and it is likely that in the foreseeable future, the temporary difference will not be cancelled;
- taxable temporary differences relative to the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each year end and reduced to the extent to which the amount is no longer likely to be recovered. Unrecognised deferred tax assets are reassessed annually at the end of each reporting period and a previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have already been enacted by the end of the reporting period.

### **Translation of foreign currency amounts**

Revenue and costs relating to transactions in foreign currencies are recognised at the exchange rate in force at the date of the transaction.

Assets and liabilities denominated in foreign currencies are recognised at the closing rate. Exchange gains and losses are classified as financial items.

### **Consolidation of foreign operations**

All the assets and liabilities of foreign operations held in currencies other than the euro, which come under the scope of consolidation, are translated using the exchange rates. Income and costs are translated at the average rate of the year. Exchange differences resulting from the application of this method are classified in equity.

Below are the exchange rates used for the translation into euros of the financial statements of companies in foreign currencies:

<b>Currency</b>	<b>2024 average rate</b>	<b>2024 closing rate</b>
Mexican peso	19.83	21.55
Serbian dinar	117.08	116.80
US dollar	1.08	1.04

## **Dividends**

Dividends are recognised in the reporting period in which their distribution is resolved.

## **Earnings per share**

Basic earnings per share are calculated by dividing the Group's profit (loss) by the weighted average of outstanding shares during the year, excluding any treasury shares held in the portfolio.

Diluted earnings per share are obtained by means of the adjustment of the weighted average of outstanding shares, so as to take into account all the potential ordinary shares with a diluting effect.

The Group's profit (loss) is also adjusted to consider the effects, net of tax, of the conversion.

## **Use of estimates**

The preparation of the consolidated financial statements and notes thereto in accordance with the IFRS requires company management to make estimates and assumptions that impact the carrying amount of recognised assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date as well as the amount of revenue and costs for the year.

Actual figures may differ, even significantly, from these estimates following possible changes to the factors considered in their determination.

In particular, the estimates are used to measure goodwill, to recognise lease liabilities, put&call option liabilities and determine loss allowances, provisions for inventory write-downs, amortisation/depreciation and impairment losses on assets, employee benefits, tax, provisions for risks and charges and other provisions.

The estimates and assumptions are reviewed periodically, and any changes are immediately taken to profit or loss.

## **Collateral**

The term "collateral" is used to mean obligations arising from guarantees given or received by the company with reference to a certain contract whereby the guarantor shall be held specifically liable with assets given as guarantee.

## **New standards, amendments and interpretations applicable from annual periods starting on or after 1 January 2024**

Below is a list of the standards, amendments, interpretations and improvements in force starting 1 January 2024, for which there has been no significant impact on the Group's 2024 Annual Financial Report:

**Lease liability in a sale and leaseback (Amendments to IFRS 16):** (published in November 2023).

**Classification of liabilities as current and non-current (Amendments to IAS 1) and Non-current liabilities with covenants (Amendments to IAS 1):** (published in December 2023);

**Supplier Financing Arrangements (Amendments to IAS 7 and IFRS 7)** (published in May 2024).

**IFRS and IFRIC accounting standards, amendments and interpretations approved by the European Union, not yet applicable and not adopted in advance by the Company as at 31 December 2024**

Below are the standards, amendments, interpretations and improvements to be applied in the future:

**Lack of exchangeability (Amendments to IAS 21):** (published in August 2023). The amendments apply to annual reporting periods starting on or after 1 January 2025.

The foregoing standards and amendments are not expected to have any significant impact on the Group.

Below are amendments not yet approved at the reporting date:

**IFRS 14 Regulatory deferral accounts** (published in January 2014). Endorsement process suspended pending the new standard on rate-regulated activities;

**IFRS 18 Presentation and disclosure in financial statements:** (published in April 2024). Endorsement date to be set;

**IFRS 19 Subsidiaries without public accountability: disclosures:** (published in May 2024). Endorsement date to be set;

**Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28):** (published in September 2014). Endorsement process suspended pending conclusion of the IASB project on the equity method;

**Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7):** (published in May 2024). Endorsement date to be set;

**Annual improvements - Volume 11:** (published in July 2024). Endorsement date to be set;

**Contracts referencing nature-dependent electricity (Amendments to IFRS 9 and IFRS 7):** (published in December 2024); Endorsement date to be set.



## Financial risk management

Under the scope of its operations, the Group is exposed to financial risks connected with:

- credit risk;
- liquidity risk;
- market risk and, specifically, interest rate and currency risks.

Below is information about the Group's exposure to each of the above risks; reference is made to the more extensive description given in the Report on Operations for a description of how financial risks are monitored in order to prevent any potential negative effects thereof, and, consequently, take corrective action.

### Credit risk

Credit risk is the exposure to potential losses deriving from the failure by commercial or financial counterparties to fulfil the commitments made.

The Group's credit risk essentially relates to the amount of trade receivables due for the provision of services.

The very nature of the services provided means that the Group has no significant concentration of the credit risk and is subject to moderate credit risk, insofar as debtors are mainly large, highly-solvent private companies.

Exposure to credit risk at 31 December 2024 and 31 December 2023 is as follows:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Other non-current financial assets	33	245
Other non-current assets	595	295
Trade receivables	42,563	47,511
Other current financial assets	26	107
Other current assets	2,423	2,470
<b>Total exposure</b>	<b>45,640</b>	<b>50,628</b>
Loss allowance	(2,624)	(1,582)
<b>Total exposure net of the loss allowance</b>	<b>43,016</b>	<b>49,046</b>

(\*) the table does not include tax assets and equity investments

Below is a breakdown of financial assets at 31 December 2024 and 31 December 2023, grouped by category and due date:

Figures in thousands of euros									
	Carrying amount 31 Dec. 2024	Failing due	Past due					Total past due	Loss allowance
			0 - 30	30 - 90	90 - 180	180-365	More than 365		
Non-current financial assets	33	33	-	-	-	-	-	-	-
Other non-current assets	595	595	-	-	-	-	-	-	-
Trade receivables	39,939	32,146	2,216	2,378	975	1,496	3,352	10,417	(2,624)
Current financial assets	26	26	-	-	-	-	-	-	-
Other current assets	2,423	2,423	-	-	-	-	-	-	-
<b>Total financial assets (*)</b>	<b>43,016</b>	<b>35,223</b>	<b>2,216</b>	<b>2,378</b>	<b>975</b>	<b>1,496</b>	<b>3,352</b>	<b>10,417</b>	<b>(2,624)</b>

(\*) the table does not include tax assets and equity investments

Figures in thousands of euros									
	Valore contabile 31 Dec. 2023	Failing due	Scaduto					Total past due	Loss allowance
			0 - 30	30 - 90	90 - 180	180-365	More than 365		
Non-current financial assets	245	245	-	-	-	-	-	-	-
Other non-current assets	295	295	-	-	-	-	-	-	-
Trade receivables	45,929	33,446	6,555	2,554	1,612	1,173	2,171	14,065	(1,582)
Current financial assets	107	107	-	-	-	-	-	-	-
Other current assets	2,470	2,470	-	-	-	-	-	-	-
<b>Total financial assets (*)</b>	<b>49,046</b>	<b>36,563</b>	<b>6,555</b>	<b>2,554</b>	<b>1,612</b>	<b>1,173</b>	<b>2,171</b>	<b>14,065</b>	<b>(1,582)</b>

(\*) the table does not include tax assets and equity investments

### Liquidity risk

The Group's financial management is characterised by procedures aimed at regulating the collection and payment duties, controlling and avoiding any critical liquidity positions.

Throughout 2024, the Group met its current financial needs and partly those tied to extraordinary transactions by means of use of Own Funds and loans, as well as through the use of short-term bank facilities. In any case, the Group has suitable bank facilities, aimed at managing any short-term financial needs. Even for 2025, forecasts point to the use of credit lines and financing to meet expected obligations, including on the basis of resolutions and approvals at the time of drafting this financial report. For more details on the assessments made by the directors on the presumption that the business will continue as a going concern, including in relation to this aspect, please refer to the section 'Basis of preparation and going concern'.

Financial liabilities at 31 December 2024 and 31 December 2023, including interest payable, divided up by contractual due date, are as follows:

Figures in thousands of euros						
	Carrying amount 31 Dec. 2024	Contractual financial flows	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years
Bank loans and borrowings	20,656	21,779	11,734	4,234	5,811	-
Lease liabilities	5,624	6,026	2,249	1,716	1,786	275
Put option and earn-out liabilities	9,821	10,270	2,950	7,320	-	-
Loans and borrowings from other financial backers	424	430	122	116	113	78
<b>Total financial liabilities</b>	<b>36,525</b>	<b>38,505</b>	<b>17,055</b>	<b>13,385</b>	<b>7,710</b>	<b>353</b>

Figures in thousands of euros

	Carrying amount 31 Dec. 2023	Contractual flows	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years
Bank loans and borrowings	21,846	23,325	12,265	5,290	5,745	26
Lease liabilities	6,506	6,856	2,271	2,030	2,541	14
Put option and earn-out liabilities	13,755	14,966	4,736	553	9,677	-
Loans and borrowings from other financial backers	1,781	1,791	193	247	675	675
<b>Total financial liabilities</b>	<b>43,888</b>	<b>46,938</b>	<b>19,466</b>	<b>8,119</b>	<b>18,638</b>	<b>715</b>

As regards trade payables and other liabilities, the cash flows expected from the related contracts are within 12 months.

Financial liabilities at 31 December 2024 and 31 December 2023, as resulting from the statement of financial position, divided up by contractual due date, are as follows:

Figures in thousands of euros

	Carrying amount 31 Dec. 2024	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years
Bank loans and borrowings	20,656	11,187	3,906	5,563	-
Lease liabilities	5,624	2,084	1,610	1,669	261
Put option and earn-out liabilities	9,821	2,623	7,198	-	-
Loans and borrowings from other financial backers	424	118	114	113	78
<b>Total financial liabilities</b>	<b>36,525</b>	<b>16,012</b>	<b>12,828</b>	<b>7,345</b>	<b>339</b>

Figures in thousands of euros

	Carrying amount 31 Dec. 2023	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years
Bank loans and borrowings	21,846	11,532	4,875	5,413	26
Lease liabilities	6,506	2,110	1,929	2,453	14
Put option and earn-out liabilities	13,755	4,202	98	9,455	-
Loans and borrowings from other financial backers	1,781	188	243	675	675
<b>Total financial liabilities</b>	<b>43,888</b>	<b>18,032</b>	<b>7,145</b>	<b>17,996</b>	<b>715</b>

Two loans (6,276 thousand euros at 31 December 2024) require compliance with two covenants and, in particular: (i) Leverage Ratio, i.e., Net Financial Position/gross operating profit <3, to be calculated annually and (ii) Gearing Ratio, i.e., ratio of Net Financial Position and Equity <1. The Parent obtained a waiver for the year 2024 related to compliance with the Leverage Ratio from the two lending banks.

### Market risk

The market risk to which the Group is exposed consists of the risk of changes to interest rates and the currency risk.

### **Interest rate risk**

The Group is exposed to the risk of changes in interest rates in connection with the variable rate indexed medium- and long-term loans.

There are caps in place (at fixed rate, already paid), in connection with some medium-term loans agreed from 2020 onwards to hedge the risk of future rises in interest rates, in connection with loans that are worth approximately 83% of the bank loans and borrowings in place at 31 December 2024.

Financial liabilities of 36,525 thousand euros at 31 December 2024 and 43,888 thousand euros at 31 December 2023 include variable rate loans of 13,267 thousand euros and 14,048 thousand euros, respectively.

The financial instruments exposed to the interest rate risk have been subjected to sensitivity analysis, which shows the effects on pre-tax profit (loss) that would have been recognised in terms of changes to borrowing costs in the event of an increase and decrease of 50 basis points in the Euribor interest rates applied to the financial liabilities.

The effects at 31 December 2024 and 31 December 2023 are shown in the table below:

	Figures in thousands of euros	
	<b>+ 50 basis points</b>	<b>- 50 basis points</b>
Greater (lesser) interest payable on variable rate loans - 2024	75	(75)
<b>Total</b>	<b>75</b>	<b>(75)</b>

	Figures in thousands of euros	
	<b>+ 50 basis points</b>	<b>- 50 basis points</b>
Greater (lesser) interest payable on variable rate loans - 2023	67	(67)
<b>Total</b>	<b>67</b>	<b>(67)</b>

### **Currency risk**

The Group's assets are subject to the currency risk.

The Group is therefore exposed to the currency risk, i.e. the risk that changes in the exchange rates of certain currencies with respect to the consolidation currency impact both the Alkemy Group profit (loss) and its net financial debt and equity.

The Group is also exposed to a limited currency risk generated by commercial and financial transactions implemented by the individual companies in currencies other than the functional currency of the company performing the transaction.

This exposure is monitored, but at the reporting date, the Alkemy Group policy is not to hedge said currency risk insofar as there are no significant transactions implemented in currencies other than the euro between Group companies, except for the annual payment of dividends resolved by the Mexican companies. A significant fluctuation of Mexican pesos or the other currencies in which the Group

operates may in any case negatively impact the Group's financial position and financial performance, proportionally to the impact of the business carried out by said companies, with respect to the general business pursued by the Group as a whole.

### Financial assets and liabilities measured at fair value

Based on the requirements of IFRS 13 "*Fair value measurement*", the following disclosure is provided.

The fair value of trade receivables and liabilities and other financial assets and liabilities is approximately the nominal amount recognised.

The fair value of amounts due to and from banks, as well as to and from related companies does not differ from the recognised amounts, insofar as the credit spread has been kept constant.

In relation to the financial instruments recognised in the statement of financial position at fair value, IFRS 7 requires these amounts to be classified on the basis of a level hierarchy that reflects the materiality of the input used in determining the fair value. The following levels can be distinguished:

Level 1 – quoted prices observed on the active market for assets and liabilities;

Level 2 – inputs other than the quoted prices above, which can be observed directly (prices) or indirectly (derived from prices) on the market;

Level 3 – inputs that are based on observable market figures.

With reference to the values presented at 31 December 2024 and 31 December 2023, the tables below show the fair value hierarchy for the Group's assets and liabilities measured at fair value:

Figures in thousands of euros			
	Level 1	Level 2	Level 3
<i>Assets measured at fair value</i>			
<i>Hedging derivatives</i>	-	50	-
<i>Liabilities measured at fair value</i>			
<i>Earn-out liabilities</i>	-	-	(7,198)
<i>Hedging derivatives</i>	-	(30)	-
<b>Balance at 31 Dec. 2024</b>	<b>-</b>	<b>20</b>	<b>(7,198)</b>

Figures in thousands of euros			
	Level 1	Level 2	Level 3
<i>Assets measured at fair value</i>			
<i>Hedging derivatives</i>	-	257	-
<i>Liabilities measured at fair value</i>			
<i>Earn-out liabilities</i>	-	-	(10,328)
<b>Balance at 31 Dec. 2023</b>	<b>-</b>	<b>257</b>	<b>(10,328)</b>

## Other information

### Government grants

As envisaged by Article 1, paragraphs 125-129 of Italian Law no. 124/2017 (the “2017 Competition Law”), subsequently supplemented by the “Security” Decree Law (no. 113/2018) and the “Simplification” Decree Law (no. 135/2018), under the scope of transparency obligations in connection with financing and economic grants of any type received from the public administrations and similar or equivalent subjects, these amounts are disclosed and in 2024, the Group, exclusively through the Parent received grants related to income of 148 thousand euros. The table below gives details of data relating to the providers and the amount of cash disbursements:

Figures in thousands of euros		
Provider	2024 amount collected	Reason
Ministry of Education, University and Research	130	SecureOpenNet project
Lombardy Region	18	Training
	<b>148</b>	

Grants for the above project refer entirely to research and development carried out during previous years.

A complete disclosure of income from government grants is given in Note 2.

### Segment reporting

The Group has identified the operating segments on the basis of two geographical areas, which represent the organisational components according to which the business is managed and monitored, namely, as envisaged by IFRS 8, “a component... whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance”.

Said segments are “Italy” and “Abroad”.

Below is the data of 2024 and 2023, broken down by segment as required by IFRS 8, indicating any inter-segment adjustments.

Figures in thousands of euros

<b>2024</b>	<b>Italy</b>	<b>Abroad</b>	<b>Inter- segment adjustments</b>	<b>Total</b>
Revenue	69,970	42,342	(355)	<b>111,957</b>
Other income	1,592	1,879	(91)	<b>3,379</b>
<b>Total revenue and other income</b>	<b>71,562</b>	<b>44,221</b>	<b>(446)</b>	<b>115,336</b>
Services, goods and other operating costs	(30,392)	(24,139)	451	<b>(54,080)</b>
- of which non-recurring	(389)	(139)	-	<b>(528)</b>
Personnel expense	(39,942)	(16,120)	2	<b>(56,060)</b>
- of which non-recurring	(2,030)	(168)	-	<b>(2,198)</b>
<b>Total costs and other operating costs</b>	<b>(70,334)</b>	<b>(40,259)</b>	<b>453</b>	<b>(110,140)</b>
<b>Gross operating profit</b>	<b>1,228</b>	<b>3,962</b>	<b>7</b>	<b>5,196</b>
Amortisation/depreciation	(3,671)	(812)	(1)	<b>(4,484)</b>
Provisions and impairment losses	(13,271)	(384)	-	<b>(13,655)</b>
<b>Operating profit (loss)</b>	<b>(15,714)</b>	<b>2,766</b>	<b>6</b>	<b>(12,943)</b>
Net gains (losses) on equity investments	1,543	-	(1,543)	-
Other financial income	399	561	(95)	<b>865</b>
Other financial expense	(2,114)	(869)	91	<b>(2,892)</b>
<b>Pre-tax profit (loss)</b>	<b>(15,887)</b>	<b>2,459</b>	<b>(1,541)</b>	<b>(14,970)</b>
Income taxes	1,034	(795)	-	<b>238</b>
<b>Profit/(loss) for the year</b>	<b>(14,853)</b>	<b>1,663</b>	<b>(1,541)</b>	<b>(14,732)</b>

Figures in thousands of euros

<b>2023</b>	<b>Italy</b>	<b>Abroad</b>	<b>Inter-segment adjustments</b>	<b>Total</b>
Revenue	69,224	46,128	(316)	<b>115,037</b>
Other income	3,027	1,139	(44)	<b>4,121</b>
<b>Total revenue and other income</b>	<b>72,251</b>	<b>47,267</b>	<b>(360)</b>	<b>119,158</b>
Services, goods and other operating costs	(27,613)	(25,315)	362	<b>(52,566)</b>
- of which non-recurring	(35)	(5)	-	<b>(39)</b>
Personnel expense	(38,226)	(16,448)	-	<b>(54,674)</b>
- of which non-recurring	(1,172)	(15)	-	<b>(1,187)</b>
<b>Total costs and other operating costs</b>	<b>(65,839)</b>	<b>(41,763)</b>	<b>362</b>	<b>(107,240)</b>
<b>Gross operating profit</b>	<b>6,412</b>	<b>5,504</b>	<b>2</b>	<b>11,918</b>
Amortisation/depreciation	(3,503)	(687)	1	<b>(4,189)</b>
Provisions and impairment losses	(302)	(537)	-	<b>(839)</b>
<b>Operating profit</b>	<b>2,606</b>	<b>4,281</b>	<b>3</b>	<b>6,890</b>
Net gains (losses) on equity investments	1,691	-	(1,691)	-
Other financial income	485	675	(42)	<b>1,118</b>
Other financial expense	(2,491)	(718)	39	<b>(3,169)</b>
<b>Pre-tax profit (loss)</b>	<b>2,292</b>	<b>4,238</b>	<b>(1,691)</b>	<b>4,839</b>
Income taxes	(340)	(964)	-	<b>(1,304)</b>
<b>Profit/(loss) for the year</b>	<b>1,952</b>	<b>3,274</b>	<b>(1,691)</b>	<b>3,535</b>

### Italy segment

The Italy segment includes the following companies: Alkemy S.p.A., Alkemy Play S.r.l., XCC S.r.l. and DGI S.r.l.. It also includes Alkemy Play D.o.o. (Serbia) which operates exclusively for its Italian parent with the same name.

Revenue and other operating revenue in the Italy segment in 2024 amounted to 71,562 thousand euros, a decrease of 689 thousand euros over the previous year (-1%).

These comprise revenue of 69,970 thousand euros comprises revenue from sales and services (69,224 thousand euros in 2023) and 1,592 thousand euros for other revenue and income (3,027 thousand euros in 2023); details are given in the comments to the accounts.

Operating expenses, consisting of services, goods and other costs, and labour costs, totalled 70,334 thousand euros, an increase of 4,495 thousand (+6.8%) compared to



the previous year, mainly due to the increase in service costs (related to a different mix of services provided to customers aside from the greater impact of non-recurring items).

The gross operating profit amounted to 1,228 thousand euros (6,412 thousand euros in 2023), a decrease of 5,183 thousand euros, due especially to the higher incidence of operating costs, which included non-recurring personnel costs of 2,030 thousand euros and service costs of 389 thousand euros.

Depreciation and amortisation amounted to 3,671 thousand euros, in line with the previous year.

Impairment losses amounted to 13,271 thousand euros, with this item including:

- impairment of goodwill in the amount of 12,106 thousand euros;
- the accrual to the loss allowance of 1,165 thousand euros, essentially to cover potential future losses connected with specific disputed or doubtful loans at the reporting date (302 thousand euros in 2023).

The Italy segment therefore recorded a pre-tax loss of -15,887 thousand euros (profit of 2,292 thousand euros in 2023), which, less tax, gave rise to a loss for the year of -14,853 thousand euros, as compared with a profit for the year of +1,952 thousand euros for the previous year.

### **Abroad segment**

The Abroad segment includes all the export markets on which the Group operates, namely Spain, Mexico, the USA and Serbia.

The following companies are included: Alkemy Iberia S.L.U. (Spain) Alkemy South America S.L. (Spain), Innocv Solutions S.L. (Spain), Alkemy Latam S.L. (Mexico), Kreativa D.o.o. (Serbia), Alkemy SEE D.o.o. (Serbia) and DGI Corp. (USA).

Revenue and other operating revenue for the 2024 Abroad segment revenue came to 44,221 thousand euros as compared with 47,267 thousand euros in 2023 (-6.4%). The decrease in revenues is mainly attributable to the lower than expected results of the Serbian subsidiaries, Alkemy Latam S.A. and Alkemy Iberia S.L.U., that were partially offset by the positive performance of Innocv Solutions S.L.

Operating costs and personnel expense went from 41,763 thousand euros in 2023 to 40,259 thousand euros in 2024.

Gross operating profit margin therefore comes to 3,962 thousand euros, as compared with 5,504 thousand euros of the previous year.

Operating profit, including financial income and expense, comes to 2,766 thousand euros, as compared with last year's 4,281 thousand euros.

The profit for the year totals 1,663 thousand euros, as compared with 3,274 thousand euros in 2023.

Additionally, in order to assure a complete disclosure, below are the trade

receivables and payables at 31 December 2024 and at 31 December 2023, divided up by segment:

Figures in thousands of euros				
<b>31 Dec. 2024</b>	<b>Italy</b>	<b>Abroad</b>	<b>Inter-segment adjustments</b>	<b>Total</b>
Trade receivables	31,155	9,129	(345)	<b>39,939</b>
Trade payables	12,890	6,235	(1,171)	<b>17,954</b>

Figures in thousands of euros				
<b>31 Dec. 2023</b>	<b>Italy</b>	<b>Abroad</b>	<b>Inter-segment adjustments</b>	<b>Total</b>
Trade receivables	34,211	12,175	(457)	<b>45,929</b>
Trade payables	10,342	7,637	(1,783)	<b>16,196</b>

## Notes to the consolidated financial statements

### Income statement

#### 1. Revenue

Revenue comes to 111,957 thousand euros (115,037 thousand euros in 2023) and mostly relates to the sale of services.

Turnover in the year is down 3,080 thousand euros (-2.7%) on the previous year. This trend is mainly attributable to the combined effect of (i) the increase in revenues of Innocv Solution S.L. and the Italian companies (by +1,233 thousand euros and +654 thousand euros respectively compared to last year) and (ii) the decrease in revenues of Alkemy Iberia S.L.U., the Mexican companies and Alkemy See D.o.o. (compared to 2023, respectively, by -4,055 thousand euros, -647 thousand euros, almost entirely attributable to exchange rate trends, and -272 thousand euros).

The effect of the Euro-Serbian dinar and the Euro-US dollar exchange rate had no significant impact.

#### 2. Other income

Other income totals 3,379 thousand euros (4,121 thousand euros in 2023), as follows:

Figures in thousands of euros		
	2024	2023
Capitalisation of costs	1,917	1,105
Tax credit	268	985
Government grants	67	1,679
Other revenue	1,127	352
<b>Total other income</b>	<b>3,379</b>	<b>4,121</b>

Income on the capitalisation of costs amounted to 1,917 thousand euros and mainly related to the internal implementation of software and platforms inherent to the Group companies' business activities, specifically: the development of software based on Deep Learning and Big Data technologies, and the customisation of Salesforce CRM software.

The increase over the previous year is attributable to the higher capitalisations made by the Spanish company INNOCV S.L. of 596 thousand euros compared to the previous year.

The tax credit amounted to 268 thousand euros (985 thousand in 2023) and related to investments made by the Spanish subsidiary Innocv Solutions S.L. in technological innovation.

Government grants, which amounted to 67 thousand euros (1,679 thousand euros in 2023), comprised 49 thousand in grants obtained from Fondimpresa and 18 thousand from grants related to training activities financed by the Lombardy Region.

Other revenue amounted to 1,127 thousand euros (352 thousand euros in 2023) and mainly relates to (i) 510 thousand euros connected to the cancellation of the obligation to repay part of 3 loan contracts for Innocv Solutions S.L. with the local Ministry of Economic Development, following the approval of the same number of technological innovation project, and (ii) 208 thousand euros connected to the release of part of the excess bad debt provision and (iii) 233 thousand euros from the cancellation of the residual debt to the former minority shareholders of DGI S.r.l, as per contractual provisions.

### 3. Services, goods and other operating costs

Services, goods and other operating costs comes to 54,080 thousand euros (52,566 thousand euros in 2023), as detailed below:

Figures in thousands of euros		
	2024	2023
Services	53,009	51,491
Purchase of goods	604	563
Operating leases	157	240
Other operating costs	310	272
<b>Total</b>	<b>54,080</b>	<b>52,566</b>

#### Services

Costs for services come to 53,009 thousand euros (51,491 thousand euros in 2023) and are detailed below:

Figures in thousands of euros		
	<b>2024</b>	<b>2023</b>
Services for customers	32,074	30,788
Media services for customers	13,965	14,047
Maintenance services	935	865
Marketing services	881	810
Travel and transfer expenses	754	757
Restaurant vouchers	694	697
Costs for non-recurring services	528	39
Other consultancy	486	944
Consultancy and legal expenses	478	367
Administrative services	416	454
Insurance	380	381
Audit and attestation fees	329	261
Postal, telephone and data transmission services	207	210
Condominium and supervisory expenses	196	170
Cleaning expenses	139	151
Utilities	120	144
Payslip processing	114	96
Banking services	94	79
Statutory Auditors' fees	77	69
Other services	142	162
<b>Total services</b>	<b>53,009</b>	<b>51,491</b>

Services mainly include commercial costs incurred for activities provided to customers, media space, costs for third party services, distribution costs and costs for collaborators.

The increase in the financial year, amounting to 1,968 thousand euros (+2.9%), is related to the different services rendered in favour of customers, as a result of the different mix of sales realised by the Group, with a negative impact on the overall marginals, as previously mentioned.

Costs for non-recurring services amounted to 528 thousand euros (39 thousand euros in 2023) and related to non-routine consultancy and legal expenses mainly related to the Takeover Bid.

### **Purchase of goods**

Costs for the purchase of goods total 604 thousand euros (563 thousand euros in 2023) and mainly regard materials relating to specific projects and consumables for the office.

### **Operating leases**

Costs for operating leases come to 157 thousand euros (240 thousand euros in 2023) and relate to costs that, by nature, do not come under the scope of application of IFRS 16.

### **Other operating costs**

Other operating costs come to 310 thousand euros (272 thousand euros in 2023) and mainly regard entertainment costs and other operating expense.

#### 4. Personnel expense

Personnel expense comes to 56,060 thousand euros (54,674 thousand euros in 2023), an increase of 1,386 thousand compared to 2023 (+2.5%); this comprises:

Figures in thousands of euros		
	2024	2023
Wages and salaries	40,162	39,566
Non-recurring personnel expense	2,198	1,187
Directors' fees	1,073	1,144
Social security expenses	10,764	10,640
Cost of defined benefit plans	1,765	1,817
Cost of share-based payments	27	218
Other personnel expense	71	102
<b>Total personnel expense</b>	<b>56,060</b>	<b>54,674</b>

This item includes all costs incurred during the year, directly or indirectly relating to employees and collaborators, as well as directors' fees for 1,073 thousand euros.

The item "Non-recurring personnel costs" amounts to 2,198 thousand euros and mainly includes (i) 1,806 thousand euros related to costs for the early execution of the effects of the 2024-2026 Long-Term Incentive Plan, as a consequence of the presentation of the aforementioned Takeover on the Company's shares and in compliance with the Plan's regulation and (ii) 135 thousand euros related to an extraordinary fee paid to a director.

The average number of employees during 2024 was 920 (936 in 2023).

The Group had 897 employees at 31 December 2024, as compared with 916 in the previous year.

The table below shows the average number of employees in 2024, divided up by category.

	2024	2023
Managers	25	22
Middle managers	114	116
Office employees	781	798
<b>Total</b>	<b>920</b>	<b>936</b>

The 3% increase in average wages and salaries per employee, net of directors' fees,

costs for share-based payments and non-recurring personnel expense, is mainly due to contract and merit-based raises paid in the course of 2024.

## 5. Amortisation/depreciation

Amortisation/depreciation comes to 4,484 thousand euros (4,189 thousand euros in 2023) and consists of:

- 2,317 thousand euros (2,087 thousand euros in 2023) relate to the depreciation of right-of-use assets;
- 1,446 thousand euros (1,337 thousand euros in 2023) for the amortisation of intangible assets;
- 721 thousand euros (765 thousand euros in 2023) for the depreciation of property, plant and equipment.

The increase in depreciation and amortisation, compared to the previous year, is related to the investments made during 2024.

## 6. Provisions and impairment losses

Provisions and impairment losses come to 13,655 thousand euros (839 thousand euros in 2023) and relate to:

- 12,106 thousand euro for the above-mentioned impairment of goodwill related to the Italy CGU, following the impairment test;
- 1,222 thousand euro to the credit losses on trade receivables (613 thousand euros in 2023);
- 317 thousand euro to the expected losses on other current assets, considered doubtful (173 thousand euros in 2023);
- 10 thousand euro to the provision for other risks (53 thousand euros in 2023).

## 7. Other financial income

Other financial income comes to 865 thousand euros (1,118 thousand euros in 2023) and is detailed below:

Figures in thousands of euros		
	2024	2023
Exchange gains	650	622
Earn-out gain	-	127
Capital gains	-	2
Other financial income	215	367
<b>Total other financial income</b>	<b>865</b>	<b>1,118</b>

Exchange gains come to 650 thousand euros (622 thousand euros in 2023) and

essentially refer to the subsidiary Alkemy Latam S.A., which also generated most of the exchange losses, of 759 thousand euros (721 thousand euros in 2023), included in financial expense, as detailed below.

Exchange gains and losses refer to purchases and sales made in US dollars by the Mexican subsidiary.

Other financial income comes to 215 thousand euros and mainly relate for 192 thousand euros to premiums collected on the aforementioned transactions to hedge the fluctuation of variable rates of certain medium/long-term bank loans.

## 8. Other financial expense

Other financial expense comes to 2,892 thousand euros (3,169 thousand euros in 2023) and is detailed below:

Figures in thousands of euros		
	2024	2023
Exchange losses	759	721
Interest expense on loans	741	776
Interest from put option and earn-out liabilities	579	762
Fair value loss on derivatives	222	309
Interest expense on employee benefits (IAS 19)	213	244
Interest on leases	183	181
Interest expense on current accounts	59	113
Other financial expense	136	63
<b>Total other financial expense</b>	<b>2,892</b>	<b>3,169</b>

The decrease in interest expense on put option and earn-out liabilities is related to the payment of part of the related liabilities, which took place in 2024.

## 9. Income taxes

Tax has been calculated in compliance with current tax legislation and is detailed below:

Figures in thousands of euros		
	2024	2023
Current income tax	705	855
Current IRAP	77	124
Previous years' tax	(8)	23
Change in deferred tax assets	(915)	359
Change in deferred tax liabilities	(97)	(57)
<b>Total income taxes</b>	<b>(238)</b>	<b>1,304</b>



In order to understand the trend in income tax, below is a reconciliation of the theoretical and effective tax charge for 2024 and 2023:

Figures in thousands of euros		
	2024	2023
<b>Pre-tax profit</b>	<b>(14,970)</b>	<b>4,839</b>
Current tax rate	24%	24%
<b>Theoretical tax (income)/expense</b>	<b>(3,593)</b>	<b>1,161</b>
Temporary differences deductible in subsequent years:	1,356	162
Temporary differences reversed from previous years	12	(482)
Permanent differences	2,693	(189)
Effect deriving from other items and foreign tax rates different to the theoretical tax rate	237	204
<b>Actual tax expense</b>	<b>705</b>	<b>855</b>
Effective rate on the income statement	(5%)	18%

In order to give a better understanding of the reconciliation of the tax expense recognised and theoretical tax, no consideration is given to IRAP (regional tax on productive activities), as it is a tax with a tax base that differs from the pre-tax profit. Theoretical tax has also been determined applying only the current IRES rate in force in Italy, of 24%.

## 10. Earnings per share

Basic earnings per share are calculated by dividing the Group's profit (loss) by the weighted average of outstanding shares during the year, excluding any treasury shares held in the portfolio.

In the calculation of diluted earnings per share, the weighted average of outstanding shares takes into account the conversion of any instruments with a diluting effect (none at 31 December 2024).

The calculation of earnings per share is shown in the table below:

Figures expressed in units of euros		
	2024	2023
<b>Profit</b>		
Profit/(loss) for the year attributable to the owners of the parent	(14,759,000)	3,463,000
Profit/(loss) for the year attributable to the owners of the parent, attributable to ordinary shares	(14,759,000)	3,463,000
<b>Number of shares</b>		
Average number of outstanding ordinary shares	5,636,803	5,535,771
Adjusted average number of ordinary shares	5,636,803	5,535,771

Basic earnings per share	(2.62)	0.63
Diluted earnings per share	(2.62)	0.63

For further details, please refer to note 24 on equity.

## Statement of financial position

### Assets

#### Non-current assets

##### 11. Property, plant and equipment

The item totals 1,864 thousand euros (1,939 thousand euros at 31 December 2023); changes are shown below:

Figures in thousands of euros				
	Land and buildings	Plant and machinery	Other assets	Total
<b>Balance at 31 Dec. 2022</b>	<b>65</b>	<b>14</b>	<b>2,130</b>	<b>2,209</b>
Investments	-	6	535	541
Depreciation	(4)	(3)	(758)	(765)
Other movements	(1)	(1)	(44)	(46)
<b>Balance at 31 Dec. 2023</b>	<b>60</b>	<b>16</b>	<b>1,863</b>	<b>1,939</b>
Investments	-	11	644	655
Depreciation	(4)	(4)	(713)	(721)
Other movements	-	-	(9)	(9)
<b>Balance at 31 Dec. 2024</b>	<b>56</b>	<b>23</b>	<b>1,785</b>	<b>1,864</b>

Land and buildings include a property owned in Rende (CS).

"Other assets" mainly includes computers and IT equipment purchased for Group employees, as well as furniture and furnishings of the company offices and sites. Increases are mainly due to the purchase of computers and IT equipment.

Accumulated depreciation, which at 31 December 2024 came to a total of 4,079 thousand euros (4,084 thousand euros at 31 December 2023), changed during the year mainly due to the amortisation/depreciation during the year (721 thousand euros) and the scrapping of certain assets that had already been completely amortised/depreciated (784 thousand euros).

##### 12. Right-of-use assets

The item totals 5,406 thousand euros (6,274 thousand euros at 31 December 2023); changes are shown below:

Figures in thousands of euros			
	Buildings	Other assets	Total
<b>Balance at 31 Dec. 2022</b>	<b>3,715</b>	<b>918</b>	<b>4,633</b>
Investments	2,855	885	3,740
Depreciation	(1,523)	(564)	(2,087)
Other movements	(11)	(1)	(12)
<b>Balance at 31 Dec. 2023</b>	<b>5,036</b>	<b>1,238</b>	<b>6,274</b>
Investments	974	508	1,482
Depreciation	(1,671)	(646)	(2,317)
Other movements	(33)	-	(33)
<b>Balance at 31 Dec. 2024</b>	<b>4,306</b>	<b>1,100</b>	<b>5,406</b>

"Other assets" includes rights of use on company cars and increases in the year mainly relate to the signing of new rental contracts, also to replace those that expired during the year.

The increase in the right of use on land and buildings mainly relates to the agreement of new leases and to the ISTAT adjustments envisaged by contract.

Accumulated depreciation, coming to 7,753 thousand euros at 31 December 2024 (5,813 thousand euros at 31 December 2023) changed in the course of the year essentially as a result of depreciation for the year and, to a limited extent, as a result of the reversal of the rights of use no longer in place and fully depreciated.

### 13. Goodwill

Goodwill amounts to 42,766 thousand euros (54,871 thousand euros at 31 December 2023) and was allocated to four CGUs, corresponding to the geographical areas in which the Group operates, as summarised below:

- Italy CGU;
- Spain CGU;
- Mexico CGU;
- Balkans CGU.

The following table shows the changes during the year:

Figures in thousands of euros				
	31 Dec. 2023	Increases	Impairment losses	31 Dec. 2024
Goodwill – Italy CGU –	27,598	-	(12,106)	15,492
Goodwill – Spain CGU	23,051	-	-	23,051
Goodwill – Mexico CGU	3,218	-	-	3,218
Goodwill – Balkans CGU	1,004	1	-	1,005
<b>Total goodwill</b>	<b>54,871</b>	<b>1</b>	<b>(12,106)</b>	<b>42,766</b>

The Group expects to obtain a positive contribution in terms of cash flows from these assets, for an indefinite period of time.

Goodwill is not amortised, but only tested for impairment. The Group checks the potential recoverability of goodwill once a year, testing each identified cash

generating unit ("CGU").

The recoverable amount of the four identified CGUs, to which the individual goodwill entries refer, has been verified through the value in use, determined by applying the unlevered discounted cash flow. If the recoverable amount exceeds the carrying amount of the CGU's goodwill, no impairment is recognised; if not, the difference between the carrying amount and the recoverable amount, as resulting from the impairment test, determines the amount of the adjustment to be made.

The main assumptions on which the recoverable amount is calculated regard the discount rate, the use of the latest budgets and medium-term forecasts and the projected growth rate at the end of the explicit forecasting period.

Discounting regarded expected cash flows as resulting from the 2025-2027 three-year plan approved by the Board of Directors on 20 March 2025.

It is considered useful to specify that this plan has been prepared, according to principles of prudence, with the exclusive aim of supporting the economic and equity measurements correlated to certain items entered into the separate and consolidated financial statements at 31 December 2024.

The hypotheses underlying this plan consider, amongst others:

- the best estimate of the 2024 pre-closure data;
- for 2025, the data of the annual consolidated Budget, prepared on the basis of the budgets prepared by each company, presented and approved by the Board of Directors of Alkemy S.p.A. on 26 February 2025 and 20 March 2025;
- for 2026 and 2027, the figures considered are derived from general economic and asset logics, valid for each company of the Group, which assume ordinary business continuity (same commercial offer, same organisational structure, same type of customers, constant investments over the three-year period), under conditions of market "normality" (in the absence of: pandemics, new conflicts, further energy shocks, hyperinflation). These forecasts include (i) the impact of the new commercial organisation operating in Alkemy S.p.A. from January 2024 and (ii) the expected change in the sales mix in favour of higher-margin activities and (iii) the development of synergies between Group-wide competences deriving from the "One-Alkemy" Project;
- complete compliance with all present and future commitments already made by the Group, including (i) the exercise of existing put and earn-out options on minority shares and (ii) the regular repayment of loans.

The terminal value was calculated using the "perpetual income" method determined by the normalised cash flow projection relative to the first year after the explicit forecasting period, assuming a growth rate of 1.8% for the Italy CGU, 1.9% for the CGUs - Mexico and the Balkans and 2% for the Spain CGU.

In discounting cash flows, the Group adopted a rate that expresses the weighted average cost of capital (WACC) comprising a weighted average of the cost of capital and the cost of debt. The rates were differentiated for each CGU, taking into

account the specific risk level of the countries in which the subsidiaries are based. More specifically, with reference to the valuations at 31 December 2024, the Group applied a rate of 11.37% for the Italy CGU, 11.65% for the Spain CGU, 16.33% for the Mexico CGU and 18.29% for the Balkans CGU.

This discount rate includes an "execution risk rate" to take into account the effects of the Group's underperformance compared to the plan forecasts of 30 June 2024.

From the results of the impairment test, for the Italy CGU, it emerged that the carrying value exceeded the recoverable amount by 12,106 thousand euros, therefore, the corresponding impairment was recognised. This result is a consequence of the results forecasts in the 2025-2027 three-year plan, which are lower than those projected in the two three-year plans approved in 2024, as a result of the underperformance during the year, which will also impact the next three years. It should also be noted that the Italy CGU does not include the flows deriving from the subsidiary Alkemy Play, for the same reasons that led to the full impairment of the equity investment held by the parent in the latter (for further details, please refer to Note 17 of Alkemy S.p.A.'s financial statements). For the Balkans CGU it was found that the carrying value exceeds the recoverable amount by 4 thousand euros. Given this insignificant amount, no impairment was recognised. For the other CGUs, no recognition of impairment was required.

The Cover values, i.e. the differential between Enterprise value and Carrying amount as at 31 December 2024, are detailed below: 3,657 thousand euros for Spain CGU, 1,923 thousand euros for the Mexico CGU.

A sensitivity analysis has also been carried out, hypothesising changes in the WACC discounting rate with an increase/decrease of 1 percentage point, matched with (i) an increase/decrease of 1 percentage point of the perpetual g-rate, (ii) a different determination of the gross operating profit of the terminal value, in respect of changes in results envisaged by the three-year plan (mean gross operating profit 2025-2026, mean 2026-2027 and just 2027).

This analysis showed that for the Spain CGU in the first case the range of variation is approximately +12 million euros to -2 million euros and in the second case it is approximately +7 million euros to -2 million euros, while for the Balkans CGU, in the first case, the range of variation is approximately +0.2 million euros to -0.2 million euros and in the second case it is approximately +0.1 million euros to -0.5 million euros.

With regard to the Mexico CGU, these analyses did not reveal any impairment loss on goodwill.

In order to ensure a more in-depth sensitivity analysis, break-even thresholds were identified for the main parameters, namely the values beyond which the cover for each CGU is zeroed and, therefore, there begin to be impairment losses on goodwill. The table below summarises these findings, exclusively for the CGUs for which the impairment test did not result in any impairments.

2024 PARAMETER	Spain CGU	Mexico CGU
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	basic	11.65%	16.33%
<b>WACC</b>	break-even	12.87%	26.72%
	delta	1.23%	10.39%
	basic	2.00%	1.90%
<b>G-rate</b>	break-even	0.58%	-12.63%
	delta	-1.42%	-14.53%
<b>Reduction in gross operating profit BP and TV</b>	break-even	-9.51%	-35.10%

Below are the results for 2023.

2023 PARAMETER		Italy CGU	Spain CGU	Mexico CGU	Balkans CGU
	basic	11.48%	11.15%	15.79%	16.99%
<b>WACC</b>	break-even	13.63%	14.18%	36.96%	53.26%
	delta	2.15%	3.03%	21.17%	36.27%
	basic	1.90%	2.00%	2.00%	2.00%
<b>G-rate</b>	break-even	-0.61%	-1.53%	-33.50%	-88.03%
	delta	-2.51%	-3.53%	-35.50%	-90.03%
<b>Reduction in gross operating profit BP and TV</b>	break-even	-11.57%	-21.37%	-51.80%	-64.31%

#### 14. Intangible assets

Intangible assets come to 2,984 thousand euros (2,079 thousand euros at 31 December 2023). Below are details on changes thereto:

Figures in thousands of euros				
	Industrial patents and intellectual property rights	Concessions, licences, trademarks and similar rights	Other	Total
<b>Balance at 31 Dec. 2022</b>	<b>368</b>	<b>11</b>	<b>1,555</b>	<b>1,934</b>
Investments	259	-	1,228	1,487
Amortisation	(286)	(3)	(1,048)	(1,337)
Other movements	5	-	(10)	(5)
<b>Balance at 31 Dec. 2023</b>	<b>346</b>	<b>8</b>	<b>1,725</b>	<b>2,079</b>
Investments	272	-	2,085	2,357
Amortisation	(253)	(2)	(1,191)	(1,446)
Other movements	(5)	-	(1)	(6)
<b>Balance at 31 Dec. 2024</b>	<b>360</b>	<b>6</b>	<b>2,618</b>	<b>2,984</b>

Industrial patents and intellectual property rights

This item mainly includes the costs incurred to purchase of the company management software.

Concessions, licences, trademarks and similar rights

This item mainly includes the costs incurred by the Parent to register trademarks.

Other

This item includes deferred costs that, due to their different nature, do not fit under any of the other items of this category. More specifically, the item includes: (i) the costs incurred by the subsidiary Alkemy Play S.r.l., including through the subsidiary Alkemy Play D.o.o., in relation to the programming and development of a web platform dedicated to the supply of digital services for small and medium enterprises and (ii) the costs relating to the internal implementation of software and platforms inherent to the conduct of the commercial business of the Group companies, for which reference is made to note 2 of these consolidated financial statements for details on increases in the year.

Accumulated amortisation for the various assets, coming to 3,876 thousand euros at 31 December 2024 (2,434 thousand euros at 31 December 2023) changed in the course of the year mainly as a result of amortisation for the year.

**15. Investments in associates and other companies**

The item totals 5 thousand euros, in line with the balance at 31 December 2023.

The amount refers to the investment in the consortium company ICT SUD S.c.r.l., held by the Parent.

**16. Other financial assets**

Other non-current financial assets amounted to 33 thousand euros (245 thousand euros as of 31 December 2023) and are mainly related to derivative financial instruments concerning hedging transactions entered into in connection with certain medium/long-term bank loans, as described in the preceding paragraphs.. The 212 thousand euros decrease is mostly related to the effects of their fair value losses.

**17. Deferred tax assets**

Deferred tax assets amount to 2,765 thousand euros (1,818 thousand euros at 31 December 2023).

Their overall increase for the year of 947 thousand euros is mainly attributable to a 995 thousand euros recognition of previous tax losses that were carried forward.

They are detailed below:

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Figures in thousands of euros



	Temporary differences at 31 Dec. 2024	Tax effect 31 Dec. 2024	Temporary differences at 31 Dec. 2023	Tax effect 31 Dec. 2023
Personnel expense	958	263	950	245
Loss allowance and provision for other risks	3,278	788	1,530	369
Prior year losses	4,257	1,023	223	53
Tax assets	2,619	427	2,835	706
Consolidation adjustments and other items	367	263	1195	445
<b>Total</b>	<b>11,479</b>	<b>2,765</b>	<b>6,733</b>	<b>1,818</b>

They arise on the temporary differences between the carrying amounts of the assets and liabilities used in order to prepare the financial statements and the respective tax bases (mainly loss allowances and outstanding directors' fees), as well as on tax losses that can be carried forward.

Deferred tax assets are recognised when it is considered, on the basis of forecasts for future results, that their recovery in future years is reasonably certain.

#### 18. Other non-current assets

Other non-current assets come to 595 thousand euros (295 thousand euros at 31 December 2023) and mainly relate to guarantee deposits for leased offices and amounts disbursed to guarantee contractual obligations undertaken by Alkemy Iberia S.L.U. with certain customers.

### Current assets

#### 19. Trade receivables

Trade receivables come to 39,939 thousand euros (45,929 thousand euros at 31 December 2023), as detailed below:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Italy	27,334	28,057
EU	6,499	6,717
Non-EU	6,107	11,155
<b>Total trade receivables</b>	<b>39,939</b>	<b>45,929</b>

There are no amounts due after one year.

Trade receivables are stated net of a loss allowance of 2,624 thousand euros (1,582 thousand euros at 31 December 2023). The loss allowance was calculated on the basis of the lifetime expected credit losses from initial recognition and during subsequent measurements. The estimate is mainly prepared by determining the average expected credit losses, based on historical indicators. For some categories,

characterised by specific risk elements, specific valuations are instead made on the individual positions.

Below are year changes to the loss allowance:

Figures in thousands of euros	
<b>Balance at 31 Dec. 2023</b>	<b>(1,582)</b>
Accruals	(1,222)
Uses	137
Others	42
<b>Balance at 31 Dec. 2024</b>	<b>(2,624)</b>

The accrual to the loss allowance in the year amounted to 1,222 thousand euros (613 thousand euros in 2023) and related to specific positions in litigation or deemed doubtful.

## 20. Other financial assets

Other current financial assets amount to 26 thousand euros and refer to the current portion of the aforementioned derivative financial instruments that were taken out as an interest rate hedge for certain long-term loans.

## 21. Tax assets

Tax assets come to 1,630 thousand euros (2,258 thousand at 31 December 2023) and are detailed as follows:

Figures in thousands of euros		
	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
VAT asset	637	936
Tax credit	437	818
Deferred tax assets	506	415
Other tax assets	50	89
<b>Total tax assets</b>	<b>1,630</b>	<b>2,258</b>

The tax asset for 437 thousand euros mainly refers to technological innovation projects for investments made by the Spanish subsidiary Innocv Solutions S.L.. The related decrease of 381 thousand euros is connected to the obtainment of the reimbursement in 2024.

It is noted that at the end of this year and the previous year, there are no tax assets due beyond 5 years.

## 22. Other current assets

Other current assets of 2,423 thousand euros (2,470 thousand euros at 31 December 2023) are detailed as follows:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Government grants	1,689	1,848
Impairment of government grants	(745)	(497)
Prepayments	623	742
Other	856	377
<b>Total other current assets</b>	<b>2,423</b>	<b>2,470</b>

Government grants decreased by 159 thousand euros, mainly as a result of payments received during the year. In this regard, it should be noted that as of the date of preparation of this report, the Parent has received confirmation of the payment of approximately 806 thousand in government grants from the granting authority (Ministry of Employment).

During the year, the Parent recognised impairment of 248 thousand euros to cover government grants considered no longer collectable.

Other amounted to 856 thousand euros and increased by 479 thousand, mainly due to the increase in amounts due from certain employees of the parent, in relation to tax withholdings incurred as a result of the assignment of treasury shares, in execution of the provisions of the 2020-2023 LTIP.

It is noted that at the end of this year and the previous year, there are no other current assets due beyond 5 years.

There is no accrued income.

Prepayments total 623 thousand euros and are summarised below:

Figures in thousands of euros			
	31 2024	Dec. 31 2023	Dec.
Costs for services for customers	402	338	
IT costs	71	154	
Hire, rental and licence costs	56	19	
Insurance	10	17	
Stock exchange costs	-	4	
Other	84	210	
<b>Total prepayments</b>	<b>623</b>	<b>742</b>	

### 23. Cash and cash equivalents

The balance of 10,684 thousand euros (12,029 thousand euros at 31 December 2023) is detailed below:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Bank deposits	10,683	12,025
Cash on hand	1	4
<b>Total cash and cash equivalents</b>	<b>10,684</b>	<b>12,029</b>

Generation and use of cash flows for the year are analysed in the statement of cash flows.

## **Liabilities and equity**

### **Non-current liabilities**

#### **24. Equity**

Changes in and a breakdown of equity at 31 December 2023 and 2024 are given in the changes to the equity items, to which you are referred.

#### **Share capital**

The Parent's share capital comes to 596 thousand euros (unchanged from the previous year end), is fully paid-up and is comprised of 5,685,460 shares (unchanged from the previous year end), with no par value.

#### **Treasury shares**

The reserve for treasury shares comes to 1 thousand euros, for a total of 58 treasury shares, accounting for 0.001% of share capital (1,776 thousand euros for a total of 149,315 treasury shares or 2.63% of share capital at 31 December 2023). The period change is due (i) to the purchase of treasury shares worth 43 thousand euros, in the number of 3,500 treasury shares and (ii) for 1,818 thousand euros, in the number of 152,757, to the assignment of treasury shares to the Chairman, CEO, a Director and some managers of the Parent in execution of the "Long Term Incentive Plan", in connection with the remaining 50% of the shares accrued by them on the result from 2020 to 2023.

#### **Legal reserve**

The legal reserve amounts to 202 thousand euros (unchanged from 31 December 2023).

#### **Other reserves**

Other Reserves come to 32,170 thousand euros (33,426 thousand euros at 31 December 2023), as follows:

- share premium reserve of 27,372 thousand euros (unchanged on 31 December 2023);
- the FTA reserve of 147 thousand euros (unchanged from 31 December 2023);
- the reserve for tax alignment of goodwill of 4,478 thousand euros (unchanged from 31 December 2023);
- actuarial gains of 383 thousand euros (391 thousand euros at 31 December 2023); the item relates to the discounting of post-employment benefits, envisaged by IAS 19;
- the translation reserve of 84 thousand euros (160 thousand euros at 31

December 2023).

Last year, the item also included 1,166 thousand euros as reserve for Long-Term Incentive Plan, which was subsequently eliminated due to the full implementation of the provisions of the incentive plan for the 2020-2023 financial years, with the aforementioned assignment of treasury shares.

### **Retained earnings**

Retained earnings come to 14,449 thousand euros (11,332 thousand euros at 31 December 2023); the change for the year is mainly due to:

- for +3,463 thousand euros due to the allocation of the profit for the previous year, in accordance with the resolution passed by the shareholders' meeting of the Parent on 29 April 2024;
- for +298 thousand euros due to fair value gain on put option liabilities;
- for -652 thousand euros due to the reduction deriving from the difference in the carrying value of the mentioned 152,757 treasury shares assigned in execution of the "Long Term Incentive Plan" and the carrying amount of such in the Long Term Incentive Plan, determined on the basis of the contractual provisions.

### **25. Equity attributable to non-controlling investors**

Equity attributable to non-controlling interests comes to 500 thousand euros (473 thousand euros at 31 December 2023) and mainly refers to the portion pertaining to the non-controlling investors of the subsidiaries in the Balkans area.

### **26. Financial liabilities**

Current and non-current financial liabilities come to 21,080 thousand euros (23,627 thousand euros at 31 December 2023) and are broken down below by due dates:

- 9,775 thousand euros (12,007 thousand euros at 31 December 2023) related to non-current financial liabilities;
- 11,305 thousand euros (11,620 thousand euros at 31 December 2023) related to current financial liabilities.

There are financial liabilities due after 5 years, for the amount of 78 thousand euros.

The reduction in financial liabilities by 2,547 thousand euros is mainly due to:

- the loans agreed in the year and better described below (+5,680 thousand euros);
- the net effect of invoice discounting during the year and of the related repayments, for +89 thousand euros.
- repayments made during the year (-8,164 thousand euros).

Unless otherwise specified, the financial liabilities, all held by the Parent Alkemy S.p.A.,

are detailed below:

Figures in thousands of euros					
Bank	Year of disbursement	Original amount	Term	31 Dec. 2024	31 Dec. 2023
Unicredit	2024	4,500	5 years	4,483	-
Intesa Sanpaolo	2022	5,000	5 years	3,452	4,755
Unicredit (invoice discounting and factoring)	2023-2024	-	-	3,426	3,154
Banco di Desio e della Brianza	2023	3,000	5 years	2,823	3,013
Credem (invoice discounting)	2023	-	-	1,316	207
Credem	2023	1,500	3 years	979	1,503
Intesa Sanpaolo	2020	3,500	5 years	891	2,097
Unicredit	2021	3,500	4 years	878	2,069
Mediocredito Centrale (11 loans)	2019-2023	1,290	Sundry	679	851
Unicredit	2024	500	1 year	500	-
Intesa Sanpaolo (invoice discounting)	2024	-	-	411	-
Santander (Innocv, 2 loans)	2020-2024	1,192	Sundry	325	373
Banco BPM	2022	1,000	3 years	278	649
CDTI (Innocv, 2 loans)	2021-2024	419	Sundry	248	1,415
Banca popolare di Sondrio (DGI)	2021	480	5.5 years	213	320
Finlombarda (DGI)	2021	320	5.5 years	142	213
Ministerio de Economia (Alkemy Iberia)	2015-2017	116	Sundry	35	52
Mediocredito Italiano	2019	7,000	5 years	-	883
Intesa Sanpaolo	2019	1,000	5 years	-	269
Founders loan (Kreativa)	2022	14	-	-	100
DGI (invoices advance)	2023	-	-	-	1,072
Innocv (invoices advance)	2023	-	-	-	632
<b>Total financial liabilities</b>				<b>21,080</b>	<b>23,627</b>

It should be noted that the weighted average rate of current bank loans and borrowings is 4.2% and the average spread of variable-rate loans is 1.6%.

There are caps (at fixed rate, already paid) and collar options in place in connection with some medium-term loans agreed from 2020 onwards to hedge the risk of future rises in interest rates, in connection with an equal number of loans that are worth approximately 83% of the bank loans and borrowings in place at 31 December 2024.

Two loans (6,276 thousand euro at 31 December 2024) envisage compliance with two covenants and, in particular: (i) Leverage Ratio, i.e., Net Financial Position/Gross operating profit <3, to be calculated annually and (ii) Gearing Ratio, i.e., ratio of Net Financial Position and Equity <1. The Company obtained a waiver for compliance with the Leverage Ratio from the two lending banks in 2024.

Please also note that the aforementioned Takeover Bid had no effect on the maturity of the outstanding loans.

## 27. Net financial debt

In accordance with the requirements laid down by CONSOB communication of 28 July 2006 and in compliance with the ESMA update in regard to the "Guidelines on disclosure obligations under the Prospectus Regulation" and with CONSOB's "Warning no. 5/21" dated 29 April 2021, below is the Group's net financial debt at 31 December 2024:

		Figures in thousands of euros
	31 Dec. 2024	31 Dec. 2023
A Cash	10,684	12,029
B Cash equivalents	-	-
C Other current financial assets	-	86
<b>D Cash and cash equivalents (A + B + C).</b>	<b>10,684</b>	<b>12,115</b>
E Current financial liabilities (including debt instruments but excluding the current portion of non-current financial liabilities)	10,478	11,472
F Current portion of non-current financial liabilities	5,534	6,460
<b>G Current financial debt (E + F)</b>	<b>16,012</b>	<b>17,932</b>
<b>H Net current financial debt (G - D)</b>	<b>5,328</b>	<b>5,817</b>
I Non-current financial liabilities (excluding the current portion and debt instruments)	20,513	25,956
J Debt instruments	-	-
K Trade payables and other non-current liabilities	-	-
<b>L Non-current financial debt (I + J + K)</b>	<b>20,513</b>	<b>25,956</b>
<b>M Total financial debt (H + L)</b>	<b>25,841</b>	<b>31,773</b>

Current financial liabilities include the lease liabilities for current rights of use, put option liabilities, the aforementioned advances on invoices obtained during the year and the current portion of loans and borrowings from other financial backers.

Non-current financial liabilities include the non-current portion of bank loans and borrowings, lease liabilities, earn-out liabilities and the non-current portion of loans and borrowings from other financial backers.

## 28. Lease liabilities

Current and non-current lease liabilities total 5,624 thousand euros (6,506 thousand euros at 31 December 2023) and are broken down below by due dates:

- 3,540 thousand euros (4,396 thousand euros at 31 December 2023) is non-current;
- 2,084 thousand euros (2,110 thousand euros at 31 December 2023) is current.

The year-on-year decrease of 882 thousand euros was mainly due to the combined effect of reimbursements made during the year totalling 2,333 thousand euros and the signing of new contracts and adjustments to existing contracts totalling 1,482



thousand euros.

There are lease liabilities due after 5 years, for the amount of 261 thousand euros.

## **29. Put option and earn-out liabilities**

The current and non-current liabilities to non-controlling interests and for earn-outs total 9,821 thousand euros (13,755 thousand euros at 31 December 2023) and refer, for the current portion, to the commitment relating to the acquisition of the residual portion of the investment in the subsidiaries XCC S.r.l. for a total of 2,623 thousand euros, comprising a contractual structure of put and call options between the Parent and the non-controlling investors, as well as, for the non-current portion, the earn-outs to be paid to the previous owners of Innocv S.L., equal to 7,198 thousand euros (10,328 thousand euros at 31 December 2023).

As is frequently the case in purchases of controlling investments, the contractual arrangements include a put option in favour of the remaining non-controlling investors and a call option in favour of Alkemy. The liabilities to non-controlling investors are recognised with a balancing entry in goodwill in the case of companies acquired, whereas for companies established with non-controlling investors, the put option liability is recognised as a reduction in equity. In accordance with the provisions of IAS 32, the assignment of a put option in fact requires the initial recognition of a liability corresponding to the estimated redemption value, expected when the option is exercised, discounted at a factor calculated on the basis of the risk-free rate and credit spread of Alkemy and whose recalculation at 31 December 2024 was obtained using the present value of the redemption price method, with the help of an independent expert.

The earn-out liability that arose in 2022 refers to the acquisition of Innocv and, in accordance with IFRS 3, was measured at the acquisition-date fair value. This value has been adjusted to the fair value at the closing date of the financial statements, recognising the change as profit and loss with the help of an independent expert.

The decrease of 3,934 thousand euros is due to:

- -4,215 thousand euro relating to the exercise of the option on 14% of the share capital of XCC S.r.l. (620 thousand euros) and the payment of contractually agreed earn-outs to the former shareholders of Innocv Solutions S.L. (3,595 thousand euros);
- fair value losses of -298 thousand euros on put options;
- fair value gains of +92 thousand euros on earn-out payables;
- +487 thousand euros relating to interest related to the simple passage of time (unwinding of the discounting of the exercise price).

We report that, following the aforementioned Takeover Bid launched on the Parent's share capital, the effects thereof were measured on the expiry of the existing Put Options and Earn-outs.

In particular, the agreement in place with the non-controlling investors of XCC S.r.l. provides for a specific clause to anticipate the exercising of the PUT options in the

event of a "change of control", which can be activated by both parties in the event of a successful Takeover Bid between 90 and 120 days from the approval of the financial statements as at and for the year ended 31 December 2024. In accordance with the provisions of IAS 1, the liability relating to this instrument was classified as a current liability. In the event that neither party activates this clause, the put option would be exercised in 2026 at the natural maturity date and the current valuation of this liability is approximately 3.3 million euros.

It should also be noted that the agreement in place with the former shareholders of Innocv S.L. also provided for the latter's right to request an advance payment of the accrued earnouts, to be settled within 20 days from the occurrence of the "change of control" event. This right was not exercised.

### 30. Employee benefits

Employee benefits come to 7,125 thousand euros (6,477 thousand euros at 31 December 2023) and refer to the post-employment benefits of employees in service.

Changes of the year were as follows:

Figures in thousands of euros	
<b>Balance at 31 Dec. 2022</b>	<b>5,543</b>
Accruals	1,817
Actuarial (gains)/losses	(115)
Utilisation of the year	(768)
<b>Balance at 31 Dec. 2023</b>	<b>6,477</b>
Accruals	1,765
Actuarial (gains)/losses	10
Utilisation of the year	(1,127)
<b>Balance at 31 Dec. 2024</b>	<b>7,125</b>

In accordance with IAS 19, this liability is recognised as a defined benefit plan and measured using the projected unit credit method, in line with the following economic-financial assumptions:

<b>Economic-financial assumptions</b>	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
Discount rate	3.38%	3.17%
Remuneration increase rate	3%	Inflation + 2%
Increase in the cost of living	2%	2023: 5.6%, 2024: 2.4% and 2025 2%

The following demographic assumptions have also been made:

- for the probability of death, those determined by the General State Accountancy called RG48, broken down by gender;
- for the probability of incapacity, those, broken down by gender, adopted in the INPS model for 2010 projections;

- for retirement age, it was assumed that active employees would stop working as soon as they reach the first pre-requisite for retirement as set forth in the mandatory general insurance scheme;
- for the probability of leaving work for reasons other than death, annual frequencies have been considered of 2.50% for XCC and DGI and 12.5% for all the other companies;
- for the probability of advances being paid, a year-on-year value has been assumed of 3.00%.

As part of the measurement of post-employment benefits in compliance with IAS 19, in regard to the discount rate, reference was made to the iBoxx Eurozone Corporates AA 10+ index, at the measurement date.

According to that required by the revised version of IAS 19, we have analysed sensitivity to changes in the main actuarial assumptions.

The most significant assumptions were increased and decreased, namely average annual discount rate, average inflation rate and turnover rate respectively by half, a quarter and two percentage points. The results have not shown any significant change.

### **31. Provisions**

Provisions come to 22 thousand euros (107 thousand euros at 31 December 2023) and relate to:

- 10 thousand euros accrued in the year by the Parent for contingent liabilities relating to social security contributions; At 31 December 2023, this provision comes to 40 thousand euros, entirely used during the year;
- 12 thousand euros for that which was already set aside in 2022 by the Mexican subsidiary Alkemy Latam S.A., following a claim for compensation for damages made by a customer;

The additional amount in 2023 of Alkemy Iberia S.L.U. in the amount of 54 thousand euros related to a potential labour dispute and was released following the closure of the proceedings in a manner that was favourable to the company.

### **32. Deferred tax liabilities**

Deferred tax liabilities amounted to 19 thousand euros and their amount is in line with the previous year (18 thousand euros as at 31 December 2023).

### **33. Other liabilities**

Other non-current liabilities amounted to 30 thousand euros and related to the aforementioned derivative contracts entered into as an interest rate hedge for certain medium- and long-term loans.

## Current liabilities

### 34. Trade payables

Trade payable come to 17,954 thousand euros (16,196 thousand euros at 31 December 2023).

Below is a breakdown of trade payables by geographical segment

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Italy	9,972	8,580
EU	4,246	3,136
Non-EU countries	3,736	4,481
<b>Total trade payables</b>	<b>17,954</b>	<b>16,196</b>

### 35. Tax liabilities

Tax liabilities come to 2,159 thousand euros (3,174 thousand euros at 31 December 2023) and include liabilities for tax that is both certain and quantified, in relation to VAT, income tax and withholdings applied as a tax substitute; the breakdown is as follows:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Current tax liabilities	337	206
Withholdings	1,259	1,248
VAT	536	1,695
Other tax liabilities	27	25
<b>Total tax liabilities</b>	<b>2,159</b>	<b>3,174</b>

The decrease in tax payables is mainly attributable to lower VAT liabilities compared to the previous year, as a result of lower amounts invoiced in December 2024, compared to the same month in 2023.

The Parent and the Italian subsidiaries DGI S.r.l, XCC S.r.l. and Alkemy Play S.r.l. participate in the national tax consolidation scheme.

### 36. Other current liabilities

Other current liabilities come to 14,129 thousand euros (12,743 thousand euros at 31 December 2023), detailed as follows:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Social security charges	2,596	2,311
Due to employees	6,665	5,249
Accrued expenses and deferred income	4,780	4,766
Other liabilities	88	417
<b>Total other liabilities</b>	<b>14,129</b>	<b>12,743</b>

Due to employees includes the amounts due to employees, directors and collaborators; the item includes accruals for 2024 not yet paid, in relation to bonuses, holidays, paid leave and 14th month salaries. Its increase is related to the aforementioned anticipation of the effects of the LTIP 2024-2026. This liability will be settled in 2025 through the allocation of the Company's shares to the beneficiaries of the plan. Please refer to the section 'Significant events during the year' in the Report on Operations.

Other liabilities amounted to 88 thousand euros (417 thousand euros as of 31 December 2023) and their decrease of 329 thousand euros is mainly attributable to the elimination of the outstanding liability of 233 thousand euros due to the former non-controlling investors of DGI S.r.l., as per contractual provisions.

Accrued expenses and deferred income are recognised on an accruals basis. At 31 December 2024, there were no accruals or deferrals with a residual term of more than five years.

Accrued expenses come to zero (31 thousand euros at 31 December 2023).

Deferred income totals 4,780 thousand euros (4,735 thousand euros at 31 December 2023) and essentially relates to revenues from the core business pertaining to 2025 but invoiced in 2024.

### **37. Guarantees given and other commitments**

#### **Guarantees given**

At 31 December 2024, the Parent had five insurance sureties for a value of 1,168 thousand euros issued in favour of the same number of customers in order to guarantee the Parent's correct performance of its contractual obligations.

At the closing date of these consolidated financial statements, there are no commitments in place.

### **38. Related party transactions**

Related party transactions are part of the Parent's routine business and were settled

at arm's length and no atypical or unusual transactions were noted.

The tables below show the trade and financial transactions carried out in 2024 by and between the Parent and its subsidiaries and other related parties.

Trade transactions between the Parent and the subsidiaries

The Parent has carried out the following related party transactions:

Figures in thousands of euros				
Trade transactions	Assets	Liabilities	Revenue	Costs
Alkemy play S.r.l.	544	(18)	297	(212)
Alkemy Iberia S.L.U.	3	(26)	18	(77)
Alkemy South America S.L.	-	(3)	-	-
Alkemy Latam S.A.	-	-	160	-
Alkemy SEE D.o.o.	248	(118)	-	(13)
Kreativa D.o.o.	13	-	-	-
Experience Cloud Consulting S.r.l.	71	(102)	162	(607)
Design Group Italia S.r.l.	125	(352)	340	(2,140)
Innocv Solutions S.L.	3	-	-	-
<b>Total</b>	<b>1,007</b>	<b>(619)</b>	<b>977</b>	<b>(3,049)</b>

It should be noted that, as partial impairment of the trade receivables due from Alkemy Play S.r.l., a loss allowance of 523 thousand euros was recognised to cover past and future losses expected by the subsidiary.

As permitted by Articles 117 to 128 of the Consolidated Law on Income Tax, the Parent opted for the national tax consolidation scheme with the subsidiaries DGI S.r.l., XCC S.r.l. and Alkemy Play S.r.l.. In this respect, the Parent also has an amount due to subsidiaries for the tax consolidation scheme of 139 thousand euros.

Financial transactions between the Parent and the subsidiaries

Financial transactions with subsidiaries are interest-bearing, carried out at arm's length and regulated by written agreements signed by the parties. The table below shows the financial transactions carried out between the Company and its subsidiaries in 2024, indicating interest accrued (income):

Figures in thousands of euros				
Financial transactions	Assets	Liabilities	Revenue	Costs
Alkemy South America S.L.	-	(960)	-	(23)
Alkemy SEE D.o.o.	330	-	5	-
Kreativa D.o.o.	350	-	13	-
Experience Cloud Consulting S.r.l.	852	-	44	-
<b>Total</b>	<b>1,532</b>	<b>(960)</b>	<b>62</b>	<b>(23)</b>

We report that dividends due to the Parent at 31 December 2024 total 974 thousand euros and relate entirely to the subsidiary Alkemy Iberia S.L.U..

#### **Fees paid to directors, statutory auditors and key management personnel**

The fees paid in 2024 to the Parent's Board of Directors totalled 906 thousand euros (872 thousand euros in 2023), whilst those due to the Board of Statutory Auditors came to 60 thousand euros (same amount in 2023). The fees due to the Board of Directors also include the remuneration of the Chief Executive Officer for the role of key management personnel.

The fees due to the other five key managers in service at 31 December 2024 came to 799 thousand euros (company cost of 1,116 thousand euros) compared with 770 thousand euros in 2023 (company cost of 1,078 thousand euros).

Please note that key management personnel also received 836 thousand euros for the aforementioned settlement of the Long Term Incentive Plan ("LTIP") 2020-2023 and 144 thousand euros for the advance payment of the effects of the LTIP 2024-2026.

#### **39. Contingent liabilities and main disputes**

The Group does not have any significant contingent liabilities for which information has not been disclosed in this report which are not covered by suitable provisions.

In 2022, the Mexican subsidiary Alkemy Latam S.A. received a claim for damage compensation from a customer, for the coverage of which the Company has in place risk provisions of 12 thousand euros, including potential legal fees.

#### **40. Events after the reporting period**

On 23 January 2025, an Extraordinary Shareholders' Meeting was convened and resolved to increase the share capital by 30 April 2025, for a maximum amount of 10,783.40 euro, by allocating the corresponding amount drawn from retained earnings to capital, and by issuing a maximum of 107,834 new ordinary shares of the Company, with no indication of par value. These new shares are to be allocated free of charge to employees of the Alkemy group who are beneficiaries of the 'Long Term Incentive Plan 2024-2026' approved by the Shareholders' Meeting of 27 April 2023.

On 22 February 2025, some sale and purchase agreements were signed between Retex S.p.A. and certain minority shareholders of the Company for a total of 1,435,895 Alkemy shares, representing approximately 25.26% of the currently issued share capital. The execution of the Sale and Purchase Agreement is unconditional and will be executed on 31 March 2025 for a consideration of 12 euro per share. The shareholding in Alkemy jointly held by Retex S.p.A. and Mr Duccio Vitali will exceed the 90 per cent threshold set out in Art. 108(2) of Legislative Decree no. 58/1998.

On 26 February 2025, the Company's Board of Directors approved the merger project with DGI S.r.l.. The transaction is due to take effect on 1 August 2025.

In March 2025, Unicredit S.p.A. disbursed a medium/long-term bank loan for a term of 36 months, for a nominal amount of 4,000 thousand, to support working capital. Repayment is on a straight-line basis once a quarter. The interest rate applied is the 3M Euribor, increased by a spread of 1.80 points. At the time of the loan disbursement, an up-front fee of 20 thousand euros was withheld;

In March 2025, Finlombarda S.p.A. also approved the disbursement of a medium/long-term bank loan for a term of 60 months, for a nominal amount of 3,000 thousand, to support working capital. Repayment is on a straight-line basis once a quarter. The interest rate applied will be the 3M Euribor, increased by a spread of between 1.30 and 1.80 basis points, which is yet to be confirmed. At disbursement, an up-front fee was withheld of 0,5% (15 thousand euros);

Milan, 27 March 2025

On behalf of the Board of Directors  
the Chief Executive Officer  
Duccio Vitali



# Alkemy Group

## Information in accordance with Art. 149-duodecies of the CONSOB Issuers' Regulation

The table below, prepared in accordance with Art. 149-duodecies of the CONSOB Issuers' Regulation, shows the fees for 2024 for audit and non-audit services provided by the independent auditors appointed or by entities belonging and not belonging to its network.

Figures in thousands of euros

Service provider	Beneficiary	Notes	Fees for 2024
<b>Audit and attestation services</b>			
KPMG S.p.A.	Parent - Alkemy S.p.A.	<b>[1]</b>	195
KPMG network companies	Subsidiaries		126
<b>Other services</b>			
KPMG S.p.A.	Parent - Alkemy S.p.A.	<b>[1] - [2]</b>	2
<b>Total</b>			<b>323</b>

**[1]** See the chart attached to the financial statements of Alkemy S.p.A.

**[2]** Includes the preparation of the Income tax, IRAP and 770 forms

## Annex 1

### THE ALKEMY GROUP COMPANIES at 31 December 2024

Below is a list of companies and significant equity investments of the Group with the information required by Consob communication no. 6064293 of 28 July 2006.

The list indicates the companies divided by type of control and consolidation method.

For each company, moreover, the following information is given: business name, registered office and share/quota capital. The percentage held by Alkemy, directly or indirectly, is also shown.

Figures expressed in thousands

Business name	Registered office	Currency	Share/quota capital (in local currency)	Held by	Percentage of control
<b>Parent</b>					
Alkemy S.p.A.	Milan	Euro	596		
<b>Subsidiaries consolidated on a line-by-line basis:</b>					
Alkemy Play S.r.l.	Milan	Euro	10	Alkemy S.p.A.	75
Design Group Italia I.D. S.r.l.	Milan	Euro	119	Alkemy S.p.A.	100
eXperience Cloud Consulting S.r.l.	Rome	Euro	10	Alkemy S.p.A.	65
Innocv Solutions S.L.	Madrid	Euro	246	Alkemy S.p.A.	100
Alkemy South America S.L.	Madrid	Euro	89	Alkemy S.p.A.	100
Alkemy Iberia S.L.U.	Madrid	Euro	6	Alkemy S.p.A.	100
Alkemy SEE D.o.o.	Belgrade	Serbian dinar	48,402	Alkemy S.p.A.	70
Alkemy Latam S.A.	Mexico City	Mexican peso	427	Alkemy South America S.L.	100
Kreativa D.o.o.	Belgrade	Serbian dinar	1,168	Alkemy SEE D.o.o.	36
Alkemy Play D.o.o.	Belgrade	Serbian dinar	625	Alkemy Play S.r.l.	75
Design Group Italia Corp.	New York	USD	10	Design Group Italia I.D. S.r.l.	100

## Annex 2

### INCOME STATEMENT PREPARED IN ACCORDANCE WITH CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

In compliance with the provisions of Consob resolution no. 15519 of 27 July 2006 and Consob communication no. DEM/6064293 of 28 July 2006, below is the Income Statement with separate indication of related party transactions.

Figures in thousands of euros				
	2024	related parties	2023	related parties
Revenue	111,957	-	115,037	-
Other income	3,379	-	4,121	-
<b>Total revenue and other income</b>	<b>115,336</b>	<b>-</b>	<b>119,158</b>	<b>-</b>
Services, goods and other operating costs	(54,080)	-	(52,566)	-
- of which non-recurring	(528)	-	(39)	-
Personnel expense	(56,060)	(3,828)	(54,674)	(1,950)
- of which non-recurring	(2,198)	(1,941)	(1,187)	-
<b>Total costs and other operating costs</b>	<b>(110,140)</b>	<b>(3,828)</b>	<b>(107,240)</b>	<b>(1,950)</b>
<b>Gross operating profit</b>	<b>5,196</b>	<b>(3,828)</b>	<b>11,918</b>	<b>(1,950)</b>
Amortisation/depreciation	(4,484)	-	(4,189)	-
Provisions and impairment losses	(13,655)	-	(839)	-
<b>Operating profit (loss)</b>	<b>(12,943)</b>	<b>(3,828)</b>	<b>6,890</b>	<b>(1,950)</b>
Other financial income	865	-	1,118	-
Other financial expense	(2,892)	-	(3,169)	-
<b>Pre-tax profit (loss)</b>	<b>(14,970)</b>	<b>(3,828)</b>	<b>4,839</b>	<b>(1,950)</b>
Income taxes	238	-	(1,304)	-
<b>Profit/(loss) for the year</b>	<b>(14,732)</b>	<b>(3,828)</b>	<b>3,535</b>	<b>(1,950)</b>

## STATEMENT OF FINANCIAL POSITION PREPARED IN ACCORDANCE WITH CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

In compliance with the provisions of Consob resolution no. 15519 of 27 July 2006 and Consob communication no. DEM/6064293 of 28 July 2006, below is the Statement of Financial Position with separate indication of related party transactions.

Figures in thousands of euros

<b>Assets</b>	<b>31 Dec. 2024</b>	<b>related parties</b>	<b>31 Dec. 2023</b>	<b>related parties</b>
Property, plant and equipment	1,864		1,939	
Right-of-use assets	5,406		6,274	
Goodwill	42,766		54,871	
Intangible assets	2,984		2,079	
Equity investments	5		5	
Other financial assets	33	-	245	-
Deferred tax assets	2,765		1,818	
Other assets	595		295	
<b>Non-current assets</b>	<b>56,418</b>	<b>-</b>	<b>67,526</b>	<b>-</b>
Trade receivables	39,939	-	45,929	-
Other financial assets	26		107	
Tax assets	1,630		2,258	
Other assets	2,423	355	2,470	-
Cash and cash equivalents	10,684		12,029	
<b>Current assets</b>	<b>54,702</b>	<b>355</b>	<b>62,793</b>	<b>-</b>
<b>Total assets</b>	<b>111,120</b>	<b>355</b>	<b>130,319</b>	<b>-</b>

Figures in thousands of euros

<b>Liabilities and Equity</b>	<b>31 Dec. 2024</b>	<b>related parties</b>	<b>31 Dec. 2023</b>	<b>related parties</b>
<b>Equity</b>				
Share capital	596		596	
Reserves	46,820		43,184	
Profit/(loss) for the year	(14,759)		3,463	
<b>Equity attributable to owners of the parent</b>	<b>32,657</b>		<b>47,243</b>	
Equity attributable to non-controlling investors	500		473	
<b>Total equity</b>	<b>33,157</b>		<b>47,716</b>	
<b>Non-current liabilities</b>	<b>27,709</b>	<b>-</b>	<b>32,558</b>	<b>-</b>
Financial liabilities	9,775		12,007	
Lease liabilities	3,540		4,396	
Put option and earn-out liabilities	7,198		9,553	
Employee benefits	7,125		6,477	
Provisions	22		107	
Deferred tax liabilities	19		18	
Other liabilities	30		-	
<b>Current liabilities</b>	<b>50,254</b>	<b>1,662</b>	<b>50,045</b>	<b>-</b>
Financial liabilities	11,305		11,620	
Lease liabilities	2,084		2,110	
Put option and earn-out liabilities	2,623		4,202	
Trade payables	17,954	-	16,196	-
Tax liabilities	2,159		3,174	
Other liabilities	14,129	1,662	12,743	-
<b>Total liabilities</b>	<b>77,963</b>	<b>1,662</b>	<b>82,603</b>	<b>-</b>
<b>Total liabilities and equity</b>	<b>111,120</b>	<b>1,662</b>	<b>130,319</b>	<b>-</b>

**ATTESTATION ON THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND INTEGRATED**

1. We the undersigned, Duccio Vitali, Chief Executive Officer and Claudio Benasso, the manager in charge of financial reporting of Alkemy S.p.A., having also taken into account the provisions of Art. 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 dated 24 February 1998, hereby certify:

- the adequacy, considering the Company's characteristics, and
- the effective application

of the administrative and accounting procedures for the preparation of the consolidated financial statements, during 2024.

2. It is also attested that the consolidated financial statements:

- are consistent with the underlying books and accounting records;
- have been prepared in accordance with the International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and the Council of 19 July 2002;
- give a true and fair view of the financial position , financial performance and cash flows of the issuer and the group of companies included in the scope of consolidation.

3. Finally, it is certified that the Report on Operations contains a reliable analysis of the business outlook and results of operations, the financial position of the Company and group of companies included in the scope of consolidation and a description of the main risks and uncertainties to which they are exposed.

Milan, 27 March 2025

Chief Executive Officer

Manager in charge of financial reporting

signed by Duccio Vitali

signed by Claudio Benasso

**ATTESTATION OF THE CONSOLIDATED SUSTAINABILITY STATEMENT  
PURSUANT TO ART. 81-TER PARAGRAPH 1 OF CONSOB REGULATION NO.  
11971 OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND INTEGRATED**

We the undersigned, Duccio Vitali, Chief Executive Officer and Claudio Benasso, the manager in charge of financial reporting of Alkemy S.p.A., having also taken into account the provisions of Art. 154-bis, paragraph 5, of Legislative Decree no. 58 dated 24 February 1998, hereby certify that the sustainability report included in the report on operations was drafted:

- in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024;
- with the specifications adopted in accordance with Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Milan, 27 March 2025

Chief Executive Officer

Manager in charge of financial reporting

signed by Duccio Vitali  
Benasso

signed by Claudio



(The accompanying translated consolidated financial statements of the Alkemy Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

# Alkemy Group

**Consolidated financial statements as at and for the year ended 31 December 2024**

(with independent auditors' report thereon)

KPMG S.p.A.

31 March 2025





KPMG S.p.A.  
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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

## **Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014**

*To the shareholders of  
Alkemy S.p.A.*

### **Report on the audit of the consolidated financial statements**

#### **Opinion**

We have audited the consolidated financial statements of the Alkemy Group (the "group"), which comprise the statement of financial position as at 31 December 2024, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Alkemy Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

#### **Basis for opinion**

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Alkemy S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Alkemy Group**

Independent auditors' report

31 December 2024

## Key audit matters

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

### Recoverability of the carrying amount of goodwill

Notes to the consolidated financial statements: note "Measurement criteria – Intangible assets – Goodwill", "Measurement criteria – Intangible assets – Impairment" and note 13 "Goodwill"

Key audit matter	Audit procedures addressing the key audit matter
<p>The consolidated financial statements at 31 December 2024 include goodwill of €42,766 thousand, net of impairment losses of €12,106 thousand. The parent's directors allocated goodwill to the cash-generating units ("CGUs") that they identified, namely, the Italy, Spain, Mexico and the Balkans CGUs.</p> <p>The parent's directors tested the reporting-date carrying amount for impairment by comparing it to its recoverable amount. They estimated the recoverable amount based on value in use, calculated using the discounted cash flow model.</p> <p>The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about:</p> <ul style="list-style-type: none"><li>the expected cash flows, calculated by taking into account the general economic performance and that of the company's sector, the actual cash flows for recent years and the projected growth rates;</li><li>the financial parameters used to calculate the discount rate.</li></ul> <p>For the above reasons, we believe that the recoverability of goodwill is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>updating our understanding of the process adopted to prepare the impairment test approved by the parent's board of directors;</li><li>understanding the process adopted to prepare the group's 2025-2027 business plan approved by the parent's board of directors and supplemented with the 2024 provisional figures, from which the expected cash flows used for impairment testing have been derived;</li><li>analysing the reasonableness of the main assumptions used by the parent's directors to prepare the forecasts;</li><li>checking any discrepancies between the previous year business plans' forecast and actual figures, in order to check the accuracy of the estimation process adopted;</li><li>analysing the accuracy of the expected cash flows underlying the impairment test and the main assumptions used;</li><li>involving experts of the KPMG network in the assessment of the reasonableness of the impairment testing and related assumptions, including by means of a comparison with external data and information;</li><li>checking the sensitivity analysis presented in the notes in relation to the main assumptions used for impairment testing;</li><li>assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.</li></ul>



**Alkemy Group**

*Independent auditors' report*

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### **Measurement of put option liabilities**

*Notes to the consolidated financial statements: note "Measurement criteria - Financial instruments, Put option liabilities" and note 29 "Put option and earn-out liabilities"*

<b>Key audit matter</b>	<b>Audit procedures addressing the key audit matter</b>
<p>The consolidated financial statements at 31 December 2024 include put option liabilities of €2,623 thousand, relating to contractual arrangements entitling the non-controlling investors in a subsidiary to sell its equity investments to the group.</p> <p>At 31 December 2024, the group's put option liabilities have been recognised at the options' strike prices.</p> <p>Assisted by an independent expert, the parent's directors estimated the carrying amount of the put option liabilities on the basis of the formulae provided for in the arrangements, discounting the resulting amount at the parent's borrowing rate.</p> <p>The above model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about:</p> <ul style="list-style-type: none"> <li>the subsidiary's expected cash flows, calculated by taking into account the general economic performance and that of the subsidiary's sector, the actual cash flows for recent years and the projected growth rates;</li> <li>the financial parameters used to calculate the discount rate.</li> <li>other variables governed by the individual arrangements with the non-controlling investors.</li> </ul> <p>For the above reasons, we believe that the measurement of the put option liabilities is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>updating our understanding of the process adopted by the parent to measure the put option liabilities;</li> <li>analysing the contractual arrangements signed with the non-controlling investors;</li> <li>analysing the reasonableness of the assumptions used by the parent's directors to prepare the acquired businesses' forecasts;</li> <li>checking any discrepancies between the investees' previous year business plans' forecast and actual figures, in order to check the accuracy of the estimation process adopted;</li> <li>analysing the accuracy of the expected cash flows underlying the measurement of the subsidiary's financial liability and the main assumptions used;</li> <li>involving experts of the KPMG network in the assessment of the reasonableness of the estimation model and related assumptions, including by means of a comparison with external data and information;</li> <li>assessing the appropriateness of the disclosures provided in the notes about the measurement of put option liabilities.</li> </ul>

### **Measurement of earn-out liabilities**

*Notes to the consolidated financial statements: note "Measurement criteria - Business combinations", "Measurement criteria - Put option liabilities" and note 29 "Put option and earn-out liabilities"*

<b>Key audit matter</b>	<b>Audit procedures addressing the key audit matter</b>
<p>The consolidated financial statements of the Alkemy Group at 31 December 2024 include earn-out liabilities of €7,198 thousand, which represent the financial liability for the contingent consideration that the parent will have to pay to the sellers for its investment in Innocv Solutions S.L.. These liabilities are recognised as part of business combinations and measured at fair value. They are remeasured at each reporting date on the basis of the formulae and algorithms contractually</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>updating our understanding of the process adopted by the parent to measure the earn-out liabilities;</li> <li>analysing the purchase agreement stipulating the earn-out's calculation and settlement methods and how the liabilities' fair value is to be checked;</li> <li>assessing the main assumptions used to determine the fair value by analysing the acquired business' expected cash flows;</li> </ul>



**Alkemy Group**

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provided for and discounted at the parent's borrowing rate.

The contractual arrangement includes four price variables, one of which has generated the first share of earn-out paid to the former sellers during 2024. The other three generated the earn-out liabilities recognised in the consolidated financial statements at 31 December 2024.

The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about:

- the acquired businesses' expected cash flows;
- the financial parameters used to calculate the discount rate;
- other variables governed by the purchase agreement.

For the above reasons, we believe that the measurement of earn-out liabilities is a key audit matter.

- involving experts of the KPMG network in the assessment of the reasonableness of the valuation methods and related assumptions;
- assessing the appropriateness of the disclosures provided in the notes.

---

***Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements***

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

***Auditors' responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 consolidated financial statements.



**Alkemy Group**

*Independent auditors' report*

*31 December 2024*

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

### ***Other information required by article 10 of Regulation (EU) no. 537/14***

On 25 June 2019, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2019 to 31 December 2027.



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We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

## **Report on other legal and regulatory requirements**

### ***Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815***

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

### ***Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98***

The parent's directors are responsible for the preparation of the group's report on operations and report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the consistency of the report on operations, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2024.



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Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the section of the directors' report which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Milan, 31 March 2025

KPMG S.p.A.

(signed on the original)

Alain Rigamonti  
Director of Audit



(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

# Alkemy Group

**Consolidated sustainability statement**  
**31 December 2024**

(with independent auditors' report thereon)

KPMG S.p.A.

31 March 2025





KPMG S.p.A.  
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**(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## **Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010**

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

### **Conclusion**

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2024 consolidated sustainability statement of the Alkemy Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the report on operations (the "consolidated sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2024 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "European Taxonomy (Reg. EU 2020/852 and related Delegated Regulations)" section of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 852 of 18 June 2020 (the "taxonomy regulation").

### **Basis for conclusion**

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under SSAE (Italia) are further described in the "*Auditors' responsibilities for the sustainability assurance engagement*" section of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.



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Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

### **Other matters**

The “European Taxonomy (Reg. EU 2020/852 and related Delegated Regulations)” section included in the 2024 consolidated sustainability statement presents the 2023 comparative information required by article 8 of the taxonomy regulation, which has not been subjected to an assurance engagement.

### **Responsibilities of the directors and board of statutory auditors (“Collegio Sindacale”) of Alkemy S.p.A. (the “parent”) for the consolidated sustainability statement**

The directors are responsible for designing and implementing the procedures to identify the information included in the consolidated sustainability statement in accordance with the ESRS (the “materiality assessment process”) and for the description of these procedures in the “*Description of the processes to identify and assess material impacts, risks and opportunities - IRO-1*” section of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in section “European Taxonomy (Reg. EU 2020/852 and related Delegated Regulations)” with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree’s provisions.

### **Inherent limitations in preparing the consolidated sustainability statement**

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group’s actions that are not necessarily expected to occur.

Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

The disclosures provided by the group about Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of



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information used for determining both qualitative and quantitative Scope 3 emissions information from value chain.

### ***Auditors' responsibilities for the sustainability assurance engagement***

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to check disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the sustainability limited assurance engagement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

### ***Summary of the work performed***

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the consolidated sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process; Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
  - considered the interests and opinions of the stakeholders involved;
  - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
  - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined.



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- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement, including of the reporting boundary, through interviews and discussions with the group's personnel and selected procedures on documentation;
- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error;
- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement, including:
  - for information gathered at group level:
    - with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures on documentation;
    - with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis;
  - for information gathered for some subsidiaries, which we selected on the basis of their business and contribution to the metrics of the consolidated sustainability statement, we performed some procedures to obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the metrics;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible economic activities and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the consolidated sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the consolidated sustainability statement with the ESRS;
- we obtained the representation letter.

Milan, 31 March 2025

KPMG S.p.A.

(signed on the original)

Alain Rigamonti  
Director of Audit

# **Alkemy S.p.A.**

Financial statements  
as at and for the year ended 31 December  
2024

## Financial statements

### Income statement

		Figures expressed in euros	
	Notes	2024	2023
Revenue	1	59,071,768	58,112,202
Other income	2	980,868	2,378,508
<b>Total operating revenue and other income</b>		<b>60,052,636</b>	<b>60,490,710</b>
Services, goods and other operating costs	3	(29,765,153)	(25,383,817)
- of which non-recurring		(386,893)	(28,669)
Personnel expense	4	(31,627,185)	(29,362,563)
- of which non-recurring		(2,029,965)	(924,081)
<b>Total costs and other operating costs</b>		<b>(61,392,338)</b>	<b>(54,746,380)</b>
<b>Gross operating profit</b>		<b>(1,339,702)</b>	<b>5,744,330</b>
Amortisation/depreciation	5	(2,831,014)	(2,752,589)
Provisions and impairment losses	6	(16,164,902)	(205,098)
<b>Operating profit</b>		<b>(20,335,618)</b>	<b>2,786,643</b>
Net gains (losses) on equity investments	7	649,358	1,691,259
Net gains (losses) on options	8	1,120,459	1,657,040
Other financial income	9	283,626	497,477
Other financial expense	10	(1,594,647)	(1,777,127)
<b>Pre-tax profit (loss)</b>		<b>(19,876,822)</b>	<b>4,855,292</b>
Income taxes	11	1,118,771	(430,656)
<b>Profit (loss) for the year</b>		<b>(18,758,051)</b>	<b>4,424,636</b>
<b>Earnings (loss) per share</b>	12		
Basic		(3.33)	0.80
Diluted		(3.33)	0.80

The notes given below are an integral part of these financial statements.

In accordance with CONSOB Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the Consolidated Statement of Financial Position are highlighted in the specific table of the Consolidated Statement of Financial Position given in annex 2 and are also described in the paragraph on "Related party transactions" in the Report on Operations

## Statement of comprehensive income

Figures expressed in euros			
	Note	2024	2023
Profit (loss) for the year		(18,758,051)	4,424,636
Items that will not be reclassified to profit or loss			
Actuarial gains (losses)		(62,389)	152,908
Related tax		14,973	(36,698)
Total	26	(47,416)	116,210
Other comprehensive income (expense) net of tax		(47,416)	116,210
Comprehensive income		(18,805,467)	4,540,846

The notes given below are an integral part of these financial statements.

## Statement of financial position

Figures expressed in euros			
<b>Assets</b>	<b>Notes</b>	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
Property, plant and equipment	13	1,258,537	1,392,674
Right-of-use assets	14	3,652,820	4,661,544
Goodwill	15	3,084,682	18,102,969
Intangible assets	16	1,492,781	1,150,694
Equity investments	17	39,754,764	40,420,167
Other financial assets	18	1,103,689	1,821,901
Deferred tax assets	19	1,542,070	546,132
Other assets	20	286,851	205,303
<b>Non-current assets</b>		<b>52,176,194</b>	<b>68,301,384</b>
Trade receivables	21	25,627,286	28,965,237
Other financial assets	22	1,853,824	267,102
Tax assets	23	571,310	364,589
Other assets	24	2,748,740	2,178,187
Cash and cash equivalents	25	6,244,758	6,075,698
<b>Current assets</b>		<b>37,045,918</b>	<b>37,850,813</b>
<b>Total assets</b>		<b>89,222,112</b>	<b>106,152,197</b>

The notes given below are an integral part of these financial statements.

In accordance with CONSOB Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the Consolidated Statement of Financial Position are highlighted in the specific table of the Consolidated Statement of Financial Position given in annex 2 and are also described in the paragraph on "Related party transactions" in the Report on Operations



## Statement of financial position

Figures expressed in euros			
Liabilities and Equity	Note	31 Dec. 2024	31 Dec. 2023
<b>Equity</b>	26		
Share capital		595,534	595,534
Reserves		44,773,958	40,445,563
Profit/(loss) for the year		(18,758,051)	4,424,636
<b>Equity attributable to owners of the parent</b>		<b>26,611,441</b>	<b>45,465,733</b>
Financial liabilities	27	9,186,223	10,024,345
Lease liabilities	29	2,354,386	3,407,191
Earn-out liabilities	30	7,198,023	6,802,177
Employee benefits	31	5,758,730	5,153,562
Provisions	32	10,000	40,000
Deferred tax liabilities	33	11,685	6,440
Other liabilities	34	30,477	417,653
<b>Non-current liabilities</b>		<b>24,549,524</b>	<b>25,851,368</b>
Financial liabilities	27	11,892,001	10,585,409
Lease liabilities	29	1,458,005	1,401,442
Earn-out liabilities	30	-	3,525,711
Trade payables	35	12,167,451	9,731,844
Tax liabilities	36	873,421	1,073,787
Other liabilities	37	11,670,269	8,516,903
<b>Current liabilities</b>		<b>38,061,147</b>	<b>34,835,096</b>
<b>Total liabilities</b>		<b>62,610,671</b>	<b>60,686,464</b>
<b>Total liabilities and equity</b>		<b>89,222,112</b>	<b>106,152,197</b>

The notes given below are an integral part of these financial statements.

In accordance with CONSOB Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the Consolidated Statement of Financial Position are highlighted in the specific table of the Consolidated Statement of Financial Position given in annex 2 and are also described in the paragraph on "Related party transactions" in the Report on Operations

## Statement of Cash Flows

Figures expressed in euros			
	Notes	31 Dec. 2024	31 Dec. 2023
<b>Cash flow from operating activities</b>			
Profit/(loss) for the year		(18,758,051)	4,424,636
Dividends and other loss (gain) on equity investments	7	(649,358)	(1,691,259)
Expense on (income from) options	8	(1,120,459)	(1,657,040)
Other financial income	9	(283,626)	(497,477)
Other financial expense	10	1,594,647	1,777,127
Income taxes	11	(1,118,771)	430,656
Amortisation/depreciation	5	2,831,014	2,752,589
Provisions and impairment losses	6	16,164,902	205,098
Cost for share-based payments	4	1,841,501	212,346
Other non monetary elements		-	(163,730)
Decrease (increase) in trade receivables	21	2,242,928	(1,784,681)
Increase (decrease) in trade payables	35	2,435,607	(781,191)
Decrease (increase) in other assets	24, 25	(435,901)	498,128
Increase (decrease) in other liabilities	36, 37	1,359,704	2,208,669
<b>Cash flows from operating activities</b>		<b>6,104,137</b>	<b>5,933,871</b>
Net interest paid	9, 10	(825,896)	(723,750)
Income tax paid	11	-	(309,395)
<b>Net cash flows from operating activities</b>		<b>5,278,241</b>	<b>4,900,726</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment and intangible assets	13, 16	(1,487,179)	(1,244,612)
Decrease (increase) in financial assets		(150,000)	(420,315)
Decrease (increase) in associated company	17	(620,392)	(2,646,039)
Dividends received	24	1,705,252	3,172,956
<b>Net cash flows used in investing activities</b>		<b>(552,319)</b>	<b>(1,138,010)</b>
<b>Cash flows from financing activities</b>			
Change in financial liabilities	27	620,350	(417,879)
Change in financial liabilities pursuant to IFRS 16	29	(1,539,304)	(1,420,332)
Change in treasury shares	26	(43,037)	(120,264)
Put option payment	30	(3,594,871)	-
<b>Net cash flows from (used in) financing activities</b>		<b>(4,556,862)</b>	<b>(1,958,475)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>169,060</b>	<b>1,804,241</b>
<b>Opening balance</b>		<b>6,075,698</b>	<b>4,271,457</b>
<b>Closing balance</b>		<b>6,244,758</b>	<b>6,075,698</b>

The notes given below are an integral part of these condensed interim consolidated financial statements.

The statement of cash flows was prepared in accordance with the indirect method.

## Statement of changes in equity

Figures expressed in euros								
	Notes	Share capital	Treasury shares	Legal reserve	Other reserves	Retained earnings	Profit/(loss) for the year	Total equity
<b>Balance at 31 Dec. 2022</b>		<b>595,534</b>	<b>(1,792,817)</b>	<b>202,489</b>	<b>33,375,795</b>	<b>6,191,921</b>	<b>2,423,612</b>	<b>40,996,534</b>
Allocation of profit/loss for the year		-	-	-	-	2,423,612	(2,423,612)	-
Repurchase of treasury shares	26	-	(120,264)	-	-	-	-	(120,264)
Assignment of treasury shares	26	-	137,244	-	-	(47,288)	-	89,956
Change in long-term incentive plan reserves	4	-	-	-	(46,554)	-	-	(46,554)
Other movements	4	-	-	-	5,215	-	-	5,215
Other comprehensive income/(expense)	26	-	-	-	116,210	-	-	116,210
Profit (loss) for the year		-	-	-	-	-	4,424,636	4,424,636
<b>Balance at 31 Dec. 2023</b>		<b>595,534</b>	<b>(1,775,837)</b>	<b>202,489</b>	<b>33,450,666</b>	<b>8,568,245</b>	<b>4,424,636</b>	<b>45,465,733</b>

Figures expressed in euros								
	Notes	Share capital	Treasury shares	Legal reserve	Other reserves	Retained earnings	Profit/(loss) for the year	Total equity
<b>Balance at 31 Dec. 2023</b>		<b>595,534</b>	<b>(1,775,837)</b>	<b>202,489</b>	<b>33,450,666</b>	<b>8,568,245</b>	<b>4,424,636</b>	<b>45,465,733</b>
Allocation of profit/loss for the year		-	-	-	-	4,424,636	(4,424,636)	-
Repurchase of treasury shares	26	-	(43,037)	-	-	-	-	(43,037)
Assignment of treasury shares	26	-	1,818,184	-	-	(652,410)	-	1,165,774
Change in long-term incentive plan reserves	4	-	-	-	(1,165,772)	-	-	(1,165,772)
Other movements	4	-	-	-	(5,790)	-	-	(5,790)
Other comprehensive income/(expense)	26	-	-	-	(47,416)	-	-	(47,416)
Profit (loss) for the year		-	-	-	-	-	(18,758,051)	(18,758,051)
<b>Balance at 31 Dec. 2024</b>		<b>595,534</b>	<b>(690)</b>	<b>202,489</b>	<b>32,231,688</b>	<b>12,340,471</b>	<b>(18,758,051)</b>	<b>26,611,441</b>

The notes given below are an integral part of these financial statements.

## **Notes to the financial statements**

### **General information**

Alkemy S.p.A. (hereinafter the "Company", the "Parent" or "Alkemy") works to improve the market position and competitiveness of large and medium enterprises, innovating and transforming the business model to keep pace with the evolution of technology and new consumer conduct. The Company integrates into its offer, competences in the areas of strategy, communication, performance, technology and data management, developing complete digital transformation projects that cover the whole of the value chain, from strategy to implementation.

The Company has its registered and administrative office at Via San Gregorio 34, Milan, Italy and is registered with the Milan Company Register under Economic and Administrative Index (REA) no. 1835268.

The Company is managed and coordinated by Retex S.p.A. - a Benefit corporation. In compliance with the provisions of Art. 2497 bis of the Civil Code, please refer to Appendix 2 containing a summary of the main data from this company's latest financial statements.

Since 17 December 2019, the shares of Alkemy S.p.A. have been listed on the STAR segment of the EURONEXT Milan stock market ("MTA") organised and managed by Borsa Italiana.

These financial statements are prepared in euros, which is the currency of the economy in which the Company operates. The Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and the Statement of Changes in Equity are presented in units of euros, while the figures given in the Notes, are all expressed in thousands of euros.

As Parent, Alkemy has also prepared the consolidated financial statements of the Alkemy Group at 31 December 2024.

Alkemy's draft separate financial statements at 31 December 2024 were approved by the Board of Directors on 27 March 2025, which also authorised their publication.

### **Accounting policies**

#### **Basis of preparation and going concern**

The financial statements of Alkemy S.p.A. at 31 December 2024, were prepared in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. The IFRS are understood to also be all the international accounting standards reviewed ("IAS"), all the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The first set of separate financial statements prepared in accordance with the International Financial Reporting Standards ("IFRS") were the 2018 separate financial

statements, when the Company voluntarily adopted these standards in accordance with Italian Legislative Decree no. 38/2005.

During the preparation of this annual financial report, a specific analysis was carried out on the Group's ability to continue to operate as a going concern, for a period of twelve months from the date of this financial report, considering the results achieved during the year and future financial commitments. In particular, the forecast analyses showed that the Group will need to obtain new loans in the amount of about 10 million euro in 2025, in addition to the loans already in place, to support ordinary and extraordinary requirements.

As of the date of preparation of this Annual Financial Report, the Parent Company has already obtained a first medium-term bank loan and confirmation that will obtain a second loan in April next year; the sum of these two loans covers 70% of the requirements dependent on third parties. The Group is also in negotiations with other banks to obtain additional financing to be activated in due course. On the basis of current discussions with the lending institutions we have spoken to, there is no evidence to indicate future difficulties in obtaining the remaining 30% financing.

Based on these considerations, the Board of Directors, including in virtue of the Group's solid structure, the results for the next 12 months forecasted in the 2025 budget and for the next two financial years, and the well-established relations with banks, do not envisage any significant uncertainties regarding the use of the going concern assumption in the preparation of these financial statements.

### **Format and contents of the financial statements**

The financial statements have the following characteristics:

- the income statement classifies revenue and costs by nature;
- the statement of financial position is prepared and separately presents both current and non-current assets and current and non-current liabilities;
- the statement of cash flows is drawn up in accordance with the indirect method.

The format used, as described above, is that considered best able to represent the elements that determined the Company's financial position, financial performance and cash flows. This format is the same used for the presentation of the consolidated financial statements of the Alkemy Group.

In order to fulfil the requirements set out in CONSOB Resolution no. 15519 of 27 July 2006 of the financial statements, specific income statement and statement of financial position tables have been prepared to show any significant related party transactions, and any transactions that can be classified as non-recurring, atypical and/or unusual, are indicated on the tables and then highlighted in the notes.

### **Measurement criteria**

#### **Non-current assets**

## **Property, plant and equipment**

The property, plant and equipment used to supply goods and services or for administrative purposes, are recognised at purchase or production cost, net of accumulated depreciation and any impairment losses.

Costs incurred after purchase are capitalised only if they increase the future economic benefits applying to the asset to which they refer. They are depreciated in connection with the residual useful life of the asset to which they refer. All the other costs are recognised in the income statement when incurred.

Ordinary maintenance charges are charged in full to the income statement. Maintenance costs increasing the value of the assets are allocated to the asset to which they refer and depreciated using the applicable rates.

In accordance with and pursuant to Art. 10 of Italian Law no. 72 of 19 March 1983, as also recalled by the subsequent monetary revaluation laws, it is noted that no monetary revaluation has been made for the fixed assets still held.

Leasehold improvements are classified under property, plant and equipment according to the nature of the cost incurred and are depreciated over the shorter period of time between that of the future usefulness of the expenses incurred and the residual term of the lease, taking into account any renewal period, if such depends on the lessee.

Depreciation is charged from when the asset is available for use and is calculated on a straight-line basis throughout the estimated useful life of the asset, as follows:

Buildings	3%
Plant and machinery	20% - 25%
Telephone systems	20%
Equipment	20%
Electronic machines	20%
Hardware	15% - 20%
Furniture and furnishings	12%
Other assets	10% - 25%

Land is not depreciated, as it has an indefinite useful life.

With regard to the procedures carried out in relation to the verification of the potential recoverability of this item, please refer to the paragraph on "Impairment".

## **Leases (right-of-use assets and lease liabilities)**

### Accounting model for the lessor

At the commencement date, the Company recognises the right-of-use assets and lease liabilities. The right-of-use asset is initially measured at cost, including the amount of the initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date.

The right-of-use asset is thereafter depreciated on a straight-line basis from the commencement date to the end of the lease term, unless the lease should transfer ownership of the underlying asset to the Company at the end of the lease or, considering the cost of the right-of-use asset, it is expected that the Company will exercise the purchase option. In this case, the right-of-use asset will be amortised throughout the useful life of the underlying asset, determined on the same basis as for properties and machinery.

The Company measures the lease liability at the present value of lease payments not paid at the commencement date, which includes fixed payments (including in-substance fixed payments) and variable lease payments, which depend on an index or rate.

The lease liability is measured at amortised cost, using the effective interest criterion and is remeasured in the event of any change to future payments due for the lease as a result of a change in the index or rate, an extension or termination or in the event of a revision of payments due for the lease.

If the lease liability is reassessed, the Company adjusts the right-of-use asset accordingly. If the carrying amount of the right-of-use asset is reduced to zero, the Company recognises the change in profit or loss.

With regard to the procedures carried out in relation to the verification of the potential recoverability of this item, please refer to the paragraph on "Impairment".

## **Intangible assets**

### **Goodwill**

In accordance with IFRS 3 (Business combinations), goodwill is recognised at the date of acquisition (also carried out through merger or conferral) of businesses or business units; it is determined as the difference between the price paid for the purchase and the fair value of the identifiable assets acquired, net of identifiable liabilities assumed.

After its initial recognition, goodwill is measured at cost net of accumulated impairment losses.

Goodwill is not amortised insofar as it has an indefinite useful life; rather, it is tested for impairment once a year or more frequently if any specific events suggest that it may have suffered impairment. The test carried out is described on the paragraph on "Impairment". Impairment losses on goodwill cannot be reversed, not even in application of specific laws.

### **Intangible assets with a finite useful life**

Other intangible assets purchased or produced internally are recognised as assets in accordance with IAS 38 - *Intangible Assets*, when it is likely that their use will generate future economic benefits and when their cost can be reliably determined.

These assets are measured at purchase or production cost and amortised on a straight-line basis throughout their useful life, thereby meaning the estimated period during which the assets will be used by the company.

More specifically, trademarks are amortised over a period of 10 years, whilst “Industrial patents and intellectual property rights” and other intangible assets are amortised over five years.

Intangible assets with a finite useful life are tested for impairment if specific events suggest that they may have been impaired. The test carried out is described on the paragraph on “Impairment”.

Development costs can be capitalised as long as the cost is reliably able to be determined and it can be shown that the asset is able to produce future economic benefits. Intangible assets that are generated internally deriving from the development of Group products (such as IT solutions) are recognised under assets but only where all the following conditions are met:

- the asset can be identified (such as, for example, software or new processes);
- it is likely that the asset created will generate future economic benefits and the cost of developing the asset can be reliably measured.

These intangible assets are amortised according to their marketing or use.

### **Equity investments**

Investments in subsidiaries and associates are recognised at cost, adjusted for impairment losses.

The positive difference, emerging at the time of purchase, between the cost of purchase and the portion of equity at current values of the investee pertaining to the Company, is included in the carrying amount of the equity Investment.

Investments in other companies are measured at fair value, if can be determined. When equity investments are not listed and their fair value cannot be determined reliably, they are measured at cost and adjusted for impairment losses.

### **Impairment**

At each reporting date, the Company reviews the carrying amount of its property, plant and equipment and intangible assets (including goodwill) to determine if there is any indication that they may be impaired.

To this end, the Company considers both internal and external sources of information. With regard to internal sources, the Company considers evidence that the economic performance of the asset is, or will be, better than is expected. With regard to external sources, on the other hand, the Company considers the following: the market price trend of the assets, any changes in the market or legal environment, the trend in market interest rates and the cost of capital used to value investments, and, finally, if the carrying amount of the net assets exceeds market capitalisation.



Should this be the case, their recoverable amount is estimated in order to calculate the potential amount of the impairment. The recoverable amount of goodwill is instead estimated each year and whenever there is indication of impairment.

In order to identify any impairment losses, assets are grouped into the smallest identifiable group of assets generating cash flows, largely independent of cash flows generated by other assets or groups of assets ("CGUs" or "Cash-Generating Units"). Goodwill acquired through a business combination is allocated to the CGU that is expected to benefit from the synergies of the merger.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value, net of the costs of decommissioning. In order to determine the value in use, estimated expected cash flows are discounted using a discount rate that reflects current market valuations of the time value of money and specific risks of the asset or CGU.

If the recoverable amount of an asset (or of a cash-generating unit) is estimated to be lower than the relative carrying amount, the carrying amount of the asset is reduced to the lower recoverable amount. The impairment is recognised in profit or loss.

When there is no longer any reason for an impairment loss to be maintained, the carrying amount of the asset (or of the cash generating unit), with the exception of goodwill, is reinstated in accordance with the new estimate of its recoverable amount; however, this amount cannot exceed the net carrying amount that the asset would have had if the impairment loss had not been recognised, net of any amortisation/depreciation that should have been calculated before the previous impairment. The impairment gain is recognised in profit or loss.

Investments in subsidiaries are tested for impairment each year or, if necessary, more frequently. When there is evidence that these investments have become impaired, an impairment loss is recognised in profit or loss. If the share pertaining to the Company of the losses of the subsidiary exceeds the carrying amount of the equity investment, the carrying amount of said is impaired to zero and the portion of any additional losses is recognised under liabilities, as a provision, to the extent to which the Company has any legal or constructive obligation to cover the subsidiary's losses. If the impairment subsequently ceases to exist or decreases, the impairment loss is reversed through profit or loss.

### **Financial instruments**

The financial instruments held by the company are included in the following captions:

- non-current assets: Equity investments, Other financial assets, Other non-current assets;
- current assets: Trade receivables, Other financial assets, Other current assets, Cash and cash equivalents;
- non-current liabilities: Non-current financial liabilities, Other non-current

liabilities;

- current liabilities: Trade payables, Current financial liabilities, Other current liabilities.

#### Financial liabilities

Financial liabilities include loans and borrowings, other financial liabilities, including derivatives and lease liabilities

In accordance with IFRS 9, they also include trade payables and other liabilities.

Financial liabilities other than derivatives are initially recognised at fair value; thereafter they are measured at amortised cost.

Financial liabilities hedged by derivatives intended to cover the risk of a change in the liability (fair value hedges), are measured at fair value, as established by IFRS 9 for hedge accounting: gains and losses deriving from subsequent fair value adjustments, limited to the hedged item, are recognised as profit and loss and offset against the effective portion of the loss or gain deriving from the corresponding fair value measurements of the hedge.

Financial liabilities hedged by derivatives aiming to cover the risk of changes in cash flows (cash flow hedges) remain measured at amortised cost, in the manner established by IFRS 9 for hedge accounting.

#### Derivatives

Derivatives are initially recognised at fair value and, after purchase, measured differently depending on whether or not they are defined as "hedges" in accordance with IFRS 9.

In line with that established by IFRS 9, derivatives can be recognised according to the methods established for hedge accounting only when, upon taking out a hedge, there is the formal designation and documentation of its hedging relationship, where it is expected that the hedge will be highly effective during the various accounting periods for which it is designated.

If derivatives are entered into as hedges, but not formally designated in hedge accounting, gains or losses on the fair value measurement of the derivative are recognised immediately in the income statement.

#### Financial assets

Financial assets represented by debt securities are classified and measured both on the basis of the Company's business model adopted for their management and the cash flows associated with each of said assets.

The business models for financial assets (other than trade receivables) have been defined on the basis of the logics for the use of liquidity and financial instrument management techniques; the aim is to ensure a suitable level of financial flexibility

and the best possible management - in terms of risk/return - of immediately-available financial resources, as per the strategic guidelines.

As envisaged by IFRS 9, the following business models are adopted:

- Hold to Collect: financial instruments used to absorb temporary cash surpluses; they are low risk and are held mainly to maturity; they are measured at amortised cost;
- Hold to Collect and Sell: monetary instruments or bonds used to absorb short/medium-term cash surpluses; they are low risk and held, as a rule, to maturity or alternatively sold to cover specific needs for liquid funds; they are measured at fair value through other comprehensive income (FVOCI);
- all other financial assets that do not meet the criteria for classification amongst instruments measured at amortised cost or FVOCI (fair value through other comprehensive income) are measured at fair value through profit or loss (FVTPL).

Financial assets are tested for impairment based on expected credit losses (ECL).

#### Fair value measurement

Fair value is the price that would be received, at the measurement date, for the sale of an asset or that would be paid for the transfer of a liability in a normal transaction between market participants on the main (or most advantageous) market to which Company has access at that time. The fair value of a liability reflects the effect of a risk of default.

Where available, the Company measures the fair value of an instrument using the listed price of that instrument on an active market. A market is active when the transactions relative to the asset or liability take place with sufficient frequency and volumes to provide useful information to determining the price continuously.

For lack of a price listed on an active market, the Group uses measurement techniques, using observable input data and minimising the use of non-observable input data. The chosen measurement technique includes all factors that market participants would consider in appraising the price of the transaction.

In the absence of observable input data, unobservable input data are used.

#### **Cash and cash equivalents**

Cash and equivalents are recognised, depending on their nature, at nominal amount or amortised cost.

Other cash and cash equivalents consist of highly-liquid, short-term financial commitments that are readily convertible into cash, known and with a negligible risk of change to their value; their original maturity, at the time of purchase, is not more than 3 months.

### **Issued capital**

Share capital is recognised at nominal value, less any share capital proceeds to be received.

### **Treasury shares**

Treasury shares are recognised for an amount that corresponds to their purchase cost, in an equity reserve at the same time the shares are purchased. The reserve is eliminated, following a resolution by the shareholders' meeting to cancel treasury shares, and the share capital is simultaneously reduced by the nominal amount of the shares cancelled. Any difference between the carrying amount of the reserve and the nominal amount of the shares cancelled is recognised as increase or decrease in equity. In the event of the disposal of treasury shares, any difference between the carrying amount of the reserve and the realisable value of the shares disposed of, is recognised as an increase or decrease in another item of equity.

### **Stock Option Plans**

Stock option plans, with the assignment of options whose exercise entails the delivery of shares, are measured at fair value determined at the plan grant date. This fair value is taken to profit or loss in the vesting period envisaged by the plan, with the corresponding increase in equity.

The remuneration component deriving from stock option plans with underlying Alkemy S.p.A. shares, but relative to employees of other Group companies, is recognised as a grant related to assets in favour of the subsidiaries of which the beneficiaries of the stock option plans are employees and consequently recognised as an increase in the related value of the equity investments, with a direct balancing entry in equity.

### **Share-based payments (share-based incentive plans)**

Employee benefits (–the LTIP) include, as they are substantially a form of remuneration they assume, the cost of share-based incentive plans. The cost of the incentive is determined with reference to the fair value of the instruments attributed and the forecast number of shares that will effectively be assigned; the portion pertaining to the year is determined *pro rata temporis* throughout the vesting period, i.e. the period running between the grant date and the date of assignment. The fair value of the shares underlying the incentive plan is determined at the grant date, taking into account forecast achievement of the performance parameters associated with market conditions and is not rectified in subsequent years; when the benefit is obtained, the forecast relative to these conditions is reflected by adjusting the number of shares to effectively be assigned, throughout the vesting period.

### **Earn-out liabilities**

The earn-out liabilities deriving from company acquisitions are measured at fair value. Fair value gains or losses on the subsequent measurement of the liability are immediately taken to profit or loss.

### **Employee benefits**

The Italian post-employment benefits (TFR) are considered a "defined benefit" plan.

The company's obligations are determined separately for each plan, estimating the present value of future benefits accrued by the employees during the current and previous years. This calculation is carried out using the projected unit credit method.

The components of the defined benefits are recorded as follows:

- the components for remeasuring the liabilities, which include actuarial gains and losses, are recognised immediately under "Other comprehensive income (expense)";
- service costs are recognised in profit or loss;
- net financial expense on defined benefit liabilities is recognised in profit or loss under financial expense.

The remeasurement components recognised under "Other comprehensive income (expense)" are never reclassified to the income statement in subsequent periods.

### **Provisions**

The company recognises provisions for risks and charges when it has a legal or constructive obligation, in regard to a past event, and it is likely that resources will be necessary to fulfil the obligation, which can be reliably estimated.

Provisions are recognised when the company has an obligation as a result of a past event and it is likely that it will be required to fulfil such obligation. Provisions are made on the basis of the best estimate of the costs involved in fulfilling such obligation at the reporting date and are discounted when the effect is significant.

### **Recognition of revenue and costs**

Revenue is measured taking into account the price specified in the contract with the customer. The company records revenues when it transfers control over the assets or service, i.e. when the performance obligations contained in the contracts with the customers are fulfilled.

If the revenue of a specific contract must be estimated, as it relates to projects still in progress, it is recognised in relation to the progress of the contract at the reporting date, on the basis of the ratio of the costs incurred for the contract up to the reporting date to the estimated total contract costs.

Costs are allocated according to criteria similar to that used to recognise revenues and in any case on an accruals basis.

### **Government grants**

They are recognised when there is reasonable certainty that all conditions envisaged for their obtainment are met and they will therefore be disbursed.

Grants related to income are recognised in profit or loss, with a systematic criterion in the years in which the Company recognises as costs the related expenses that the grant is intended to offset.

Grants related to assets that refer to property, plant and equipment are recognised as deferred income and taken to profit or loss over the time frame corresponding to the useful life of the relevant asset.

### **Financial income and expense**

Financial income and expense are recognised in the income statement during the year in which they accrued.

### **Dividends received**

Dividends received from investees are recognised in the income statement when the right to receive the relevant payment is established.

### **Tax**

The parent Alkemy S.p.A. and its subsidiaries XCC S.r.l., DGI S.r.l. and Alkemy Play S.r.l. have exercised the option for the "National tax consolidation scheme" pursuant to Articles 117 *et seq.* of Italian Presidential Decree no. 917/86 (the Consolidated Law on Income Tax), which allows IRES tax to be determined on a tax base that coincides with the algebraic sum of the taxable income of the individual companies. Transactions, in addition to the mutual responsibilities and commitments of the consolidating company and subsidiaries, are defined by the tax consolidation scheme agreement.

Current tax represents the estimated amount of income tax due, calculated on taxable profit for the year, determined by applying current tax rates or tax rates that are substantively in force at the reporting date and any adjustments to the amount relative to previous years.

#### *Deferred tax assets and liabilities*

Deferred tax assets and liabilities are calculated according to the liability method, on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax values.

Deferred tax assets are recognised on all deductible temporary differences and any tax losses carried forward, to the extent that it is probable that there will be adequate future tax profits that can make their use applicable.

Deferred tax assets and liabilities are not recorded on:

- temporary differences relative to the initial recognition of assets or liabilities in a transaction other than a business combination, which does not impact the accounting profit (or loss) nor the taxable profit (or tax loss);
- temporary differences relative to investments in subsidiaries, associates and joint ventures to the extent to which the Group can control the time-frames for the reversal of the temporary differences and it is likely that in the foreseeable future, the temporary difference will not be cancelled;
- taxable temporary differences relative to the initial recognition of goodwill.

The carrying amount to be recorded of deferred tax assets is reviewed at each year-end date and reduced to the extent to which the amount is no longer likely to be recovered. Unrecognised deferred tax assets are reassessed annually at the end of each reporting period and a previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have already been enacted by the end of the reporting period.

### **Dividends**

Dividends are recognised in the reporting period in which their distribution is resolved.

### **Earnings per share**

Basic earnings per share are calculated by dividing the Company's profit (loss) by the weighted average of outstanding shares during the year, excluding any treasury shares held in the portfolio.

Diluted earnings per share are obtained by means of the adjustment of the weighted average of outstanding shares, so as to take into account all the potential ordinary shares with a diluting effect.

The Company's profit (loss) is also adjusted to consider the effects, net of tax, of the conversion.

### **Translation of foreign currency amounts**

Revenue and costs relating to transactions in foreign currencies are recognised at the exchange rate in force at the date of the transaction.

Assets and liabilities denominated in foreign currencies are recognised at the closing rate. Exchange gains and losses are classified as financial items.

### **Use of estimates**

The preparation of the separate financial statements and notes thereto in accordance with the IFRS requires company management to make estimates and assumptions that impact the carrying amount of recognised assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date as well as the amount of revenue and costs for the year.

Actual figures may differ, even significantly, from these estimates following possible changes to the factors considered in their determination.

In particular, the estimates are used to measure goodwill, to recognise lease liabilities, put&call liabilities and determine loss allowances, provisions for inventory write-downs, amortisation/depreciation and impairment losses of assets, employee benefits, tax, provisions for risks and charges and other provisions.

The estimates and assumptions are reviewed periodically, and any changes are immediately reflected in profit or loss.

### **Collateral**

The term “collateral” is used to refer to the guarantee obligations given to or received by the company with reference to a certain contract that envisages that the guarantor shall specifically answer with the

assets given as guarantee.

### **New standards, amendments and interpretations applicable from the annual period starting on or after 1 January 2024**

Below is a list of the standards, amendments, interpretations and improvements in force starting 1 January 2024, for which there has been no significant impact on the Group's 2024 Annual Financial Report:

***Lease liability in a sale and leaseback (Amendments to IFRS 16)***: (published in November 2023).

***Classification of liabilities as current and non-current (Amendments to IAS 1) and Non-current liabilities with covenants (Amendments to IAS 1)***: (published in December 2023);

***Supplier Financing Arrangements (Amendments to IAS 7 and IFRS 7)*** (published in May 2023).

### **IFRS and IFRIC accounting standards, amendments and interpretations approved by the European Union, not yet applicable and not adopted in advance by the Company as at 31 December 2024**

Below are the standards, amendments, interpretations and improvements to be applied in the future:



**Lack of exchangeability (Amendments to IAS 21):** (published in August 2023). The amendments apply to annual reporting periods starting on or after 1 January 2025.

The foregoing standards and amendments are not expected to have any significant impact on the Company.

Below are amendments not yet approved at the reporting date:

**IFRS 14 Regulatory deferral accounts** (published in January 2014). Endorsement process suspended pending the new standard on rate-regulated activities;

**IFRS 18 Presentation and disclosure in financial statements:** (published in April 2024). Endorsement date to be set;

**IFRS 19 Subsidiaries without public accountability: disclosures:** (published in May 2024). Endorsement date to be set;

**Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)** (published in September 2014). Endorsement process suspended pending conclusion of the IASB project on the equity method;

**Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7):** (published in May 2024). Endorsement date to be set;

**Annual improvements - Volume 11:** (published in July 2024). Endorsement date to be set;

**Contracts referencing nature-dependent electricity (Amendments to IFRS 9 and IFRS 7):** (published in December 2024); Endorsement date to be set.

### **Financial risk management**

Under the scope of its operations, the Company is exposed to financial risks connected with:

- credit risk;
- liquidity risk;
- market risk and, specifically, interest rate and currency risks.

Below is information about the Company's exposure to each of the above risks; reference is made to the more extensive description given in the Report on Operations for a description of how financial risks are monitored in order to prevent any potential negative effects thereof, and take corrective action.

### **Credit risk**

Credit risk is the exposure to potential losses deriving from the failure by commercial or financial counterparties to fulfil the commitments made.

The Company's credit risk essentially relates to the amount of trade receivables due

for the provision of services.

The very nature of the services provided means that the Company has no significant concentration of the credit risk and is subject to moderate credit risk, insofar as debtors are large, highly-solvent private companies.

Exposure to credit risk at 31 December 2024 and 31 December 2023 is as follows:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Non-current financial assets	1,104	1,822
Other non-current assets	287	205
Trade receivables	27,106	29,600
Current financial assets	1,854	267
Other current assets	2,749	2,178
<b>Total exposure</b>	<b>33,099</b>	<b>34,073</b>
Loss allowance	(1,479)	(635)
<b>Total exposure net of the loss allowance</b>	<b>31,620</b>	<b>33,438</b>

(\*) the table does not include tax assets and equity investments

Below is a breakdown of financial assets at 31 December 2024 and 31 December 2023, grouped by category and due date:

	Figures in thousands of euros								
	Carrying amount 31 Dec. 2024	Failing due	Past due					Total past due	Loss allowance
			0 - 30	30 - 90	90 - 180	180-365	More than		
Non-current financial assets	1,104	1,104	-	-	-	-	-	-	-
Other non-current assets	287	287	-	-	-	-	-	-	-
Trade receivables	25,627	22,620	888	993	427	574	1,604	4,486	(1,479)
Current financial assets	1,854	1,854	-	-	-	-	-	-	-
Other current assets	2,749	2,749	-	-	-	-	-	-	-
<b>Total financial assets (*)</b>	<b>31,620</b>	<b>28,613</b>	<b>888</b>	<b>993</b>	<b>427</b>	<b>574</b>	<b>1,604</b>	<b>4,486</b>	<b>(1,479)</b>

(\*) the table does not include tax assets and equity investments

	Figures in thousands of euros								
	Carrying amount 31 Dec. 2023	Failing due	Past due					Total past due	Loss allowance
			0 - 30	30 - 90	90 - 180	180-365	More than		
Non-current financial assets	1,822	1,822	-	-	-	-	-	-	-
Other non-current assets	205	205	-	-	-	-	-	-	-
Trade receivables	28,965	22,208	3,042	1,642	836	597	1,275	7,392	(635)
Current financial assets	267	267	-	-	-	-	-	-	-
Other current assets	2,178	2,178	-	-	-	-	-	-	-
<b>Total financial assets (*)</b>	<b>33,438</b>	<b>26,681</b>	<b>3,042</b>	<b>1,642</b>	<b>836</b>	<b>597</b>	<b>1,275</b>	<b>7,392</b>	<b>(635)</b>

(\*) the table does not include tax assets and equity investments

### Liquidity risk

The Company's financial management is characterised by procedures aimed at regulating the collection and payment duties, controlling and avoiding any critical liquidity positions.

Throughout 2024, the Company met its current financial needs and partly those tied to extraordinary transactions by means of use of Own Funds and loans, as well as through the use of short-term bank facilities. In any case, the Company has suitable bank facilities, aimed at managing any short-term financial needs. Even for 2025, forecasts point to the use of credit lines and financing to meet expected obligations, including on the basis of resolutions and approvals at the time of drafting this financial report. For more details on the assessments made by the directors on the presumption that the business will continue as a going concern, including in relation to this aspect, please refer to the section 'Basis of preparation and going concern'.

Financial liabilities at 31 December 2024 and 31 December 2023, including interest payable, divided up by contractual due date, are as follows:

Figures in thousands of euros						
	Carrying amount 31 Dec. 2024	Contractual financial flows	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years
Bank loans and borrowings	20,118	21,214	11,464	4,043	5,708	-
Loans and borrowings from other financial backers	960	980	980	-	-	-
Put option and earn-out liabilities	7,198	7,600	280	7,320	-	-
Lease liabilities	3,812	3,989	1,549	1,330	1,110	-
<b>Total financial liabilities</b>	<b>32,088</b>	<b>33,783</b>	<b>14,273</b>	<b>12,693</b>	<b>6,818</b>	<b>-</b>

Figures in thousands of euros						
	Carrying amount 31 Dec. 2023	Contractual financial flows	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years
Bank loans and borrowings	19,450	20,912	10,148	5,102	5,636	26
Earn-out liabilities	10,328	11,200	3,916	326	6,958	-
Loans and borrowings from other financial backers	1,160	1,189	1,189	-	-	-
Lease liabilities	4,808	5,065	1,512	1,392	2,146	14
<b>Total financial liabilities</b>	<b>35,746</b>	<b>38,365</b>	<b>16,765</b>	<b>6,820</b>	<b>14,740</b>	<b>40</b>

As regards trade payables and other liabilities, the cash flows expected from the related contracts are within 12 months.

Financial liabilities at 31 December 2024 and 31 December 2023, as resulting from the statement of financial position, divided up by contractual due date, are as follows:

Figures in thousands of euros						
	Carrying amount 31 Dec. 2024	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years	5
Bank loans and borrowings	20,118	10,932	3,723	5,463	-	

Loans and borrowings from other financial backers	960	960	-	-	-
Put option and earn-out liabilities	7,198	-	7,198	-	-
Lease liabilities	3,812	1,458	1,276	1,078	-
<b>Total financial liabilities</b>	<b>32,088</b>	<b>13,350</b>	<b>12,197</b>	<b>6,541</b>	<b>-</b>

Figures in thousands of euros						
	Carrying amount 31 Dec. 2023	Current portion	from 1 to 2 years	from 2 to 5 years	More than 5 years	5
Bank loans and borrowings	19,450	9,426	4,692	5,307	26	
Earn-out liabilities	10,328	3,526	-	6,802	-	
Loans and borrowings from other financial backers	1,160	1,160	-	-	-	
Lease liabilities	4,808	1,401	1,324	2,069	14	
<b>Total financial liabilities</b>	<b>35,746</b>	<b>15,513</b>	<b>6,016</b>	<b>14,178</b>	<b>40</b>	

Two loans (6,276 thousand euro at 31 December 2024) envisage compliance with two covenants and, in particular: (i) Leverage Ratio, i.e., Net Financial Position/gross operating profit <3, to be calculated annually and (ii) Gearing Ratio, i.e., ratio of Net Financial Position and Shareholders' Equity <1. The Company obtained a waiver for compliance with the Leverage Ratio from the two lending banks in 2024.

### **Market risk**

The market risk to which the Company is exposed consists of the risk of changes to interest rates and the currency risk.

### **Interest rate risk**

The Company is exposed to the risk of changes in interest rates in connection with the variable rate indexed medium- and long-term loans payable.

There are caps in place (at fixed rate, already paid), in connection with some medium-term loans agreed from 2020 onwards to hedge the risk of future rises in interest rates, in connection with an equal number of loans that are worth approximately 86% of the bank loans and borrowings in place at 31 December 2024.

Financial liabilities of 32,088 thousand euros at 31 December 2024 and 35,746 thousand euros at 31 December 2023 include variable rate loans respectively for 12,806 thousand euros at 31 December 2024 and 13,728 thousand euros at 31 December 2023.

The financial instruments exposed to the interest rate risk have been subjected to sensitivity analysis, which shows the effects on pre-tax profit (loss) that would have been recorded in terms of changes to borrowing costs in the event of an increase and decrease of 50 basis points in the Euribor interest rates applied to the financial liabilities.

The effects are shown in the tables below:

	Figures in thousands of euros	
	<b>+ 50 basis points</b>	<b>- 50 basis points</b>
Greater (lesser) interest on variable rate loans - 2024	70	(70)
<b>Total</b>	<b>70</b>	<b>(70)</b>

	Figures in thousands of euros	
	<b>+ 50 basis points</b>	<b>- 50 basis points</b>
Greater (lesser) interest on variable rate loans - 2023	63	(63)
<b>Total</b>	<b>63</b>	<b>(63)</b>

The Company is also, to a marginal extent, exposed to the currency risk on amounts expressed in currencies other than the euro.

### **Financial assets and liabilities measured at fair value**

Based on the requirements of IFRS 13 "*Fair value measurement*", the following disclosure is provided.

The fair value of trade receivables and liabilities and other financial assets and liabilities is approximately the nominal amount recognised.

The fair value of amounts due to and from banks, as well as to and from related companies does not differ from the recognised amounts, insofar as the credit spread has been kept constant.

In relation to the financial instruments recognised in the statement of financial position at fair value, IFRS 7 requires these amounts to be classified on the basis of a level hierarchy that reflects the materiality of the input used in determining the fair value. The following levels can be distinguished:

Level 1 – quoted prices observed on the active market for assets and liabilities;

Level 2 – inputs other than the quoted prices above, which can be observed directly (prices) or indirectly (derived from prices) on the market;

Level 3 – inputs that are based on observable market figures.

With reference to the values presented at 31 December 2024 and 31 December 2023, the tables below show the fair value hierarchy for the company's assets and liabilities measured at fair value:

Figures in thousands of euros			
	Level 1	Level 2	Level 3
<i>Assets measured at fair value</i>			
Put and call options	-	-	1,376
Hedging derivatives	-	50	-
<i>Liabilities measured at fair value</i>			
Earn-out liabilities	-	-	(7,198)
Hedging derivatives	-	(30)	-
<b>Balance at 31 Dec. 2024</b>	<b>-</b>	<b>20</b>	<b>(5,822)</b>

Figures in thousands of euros			
	Level 1	Level 2	Level 3
<i>Assets measured at fair value</i>			
Put and call options	-	-	451
Hedging derivatives	-	257	-
<i>Liabilities measured at fair value</i>			
Earn-out liabilities	-	-	(10,328)
Put and call options	-	-	(418)
<b>Balance at 31 Dec. 2023</b>	<b>-</b>	<b>257</b>	<b>(10,295)</b>

## Other information

### Government grants

As envisaged by Article 1, paragraphs 125-129 of Italian Law no. 124/2017 (the "2017 Competition Law"), subsequently supplemented by the "Security" Decree Law (no. 113/2018) and the "Simplification" Decree Law (no. 135/2018), under the scope of transparency obligations in connection with financing and economic grants of any type received from the public administrations and similar or equivalent subjects, these amounts are disclosed and in 2024, the Company received grants related to income of 148 thousand euros. The table below gives details of data relating to the providers and the amount of cash disbursements:

Figures in thousands of euros		
Provider	2024 amount collected	Reason
Ministry of Education, University and Research	130	SecureOpenNet project
Lombardy Region	18	Training
	<b>148</b>	

Grants for the above project refer entirely to research and development carried out by the Company in previous years.

A complete disclosure of income from government grants is given in Note 2.

## Notes to the financial statements

### Income statement

#### 1. Revenue

Revenues relate entirely to sales of services and come to 59,072 thousand euros (58,112 thousand euros in 2023), of which 976 thousand euros to related parties (663 thousand euros in 2023):

Turnover for 2024 is up 960 thousand euros on the previous year (+1.7%). This increase is mainly attributable to the effect of the different mix of services rendered.

The breakdown of revenue by geographical segment is not significant insofar as almost all revenue is with domestic customers.

#### 2. Other income

Other income totals 981 thousand euros (2,379 thousand euros at 31 December 2023), as follows:

	Figures in thousands of euros	
	2024	2023
Capitalisation of costs	636	594
Government grants	65	1,452
Tax credit	0	250
Other revenue	280	83
<b>Total other revenue</b>	<b>981</b>	<b>2,379</b>

Income on the capitalisation of costs amounted to 636 thousand euros (594 thousand euros at 31 December 2023) and mainly related to the internal implementation of software and platforms related to the Company's business activities, particularly the development of an AI reporting platform, software based on Deep Learning and Big Data technologies.

Other revenues amounted to 280 thousand euros (83 thousand euros as of 31 December 2023), with the majority of 233 thousand euros attributable to the elimination of the residual debt to the former controlling investors of DGI S.r.l., as per contractual provisions.

#### 3. Services, goods and other operating costs

Services, goods and other operating costs comes to 29,765 thousand euros (25,384 thousand euros in 2023), as detailed below:

	Figures in thousands of euros	
	2024	2023
Services	29,590	25,192
Purchase of goods	108	102
Lease costs	23	35
Other operating costs	44	55
<b>Total</b>	<b>29,765</b>	<b>25,384</b>

### Services

Costs for services come to 29,590 thousand euros (25,192 thousand euros in 2023) and are detailed below:

	Figures in thousands of euros	
	2024	2023
Services for customers	14,761	12,090
Media services for customers	10,428	8,902
Marketing services	658	560
Restaurant vouchers	547	554
Maintenance services	464	418
Travel and transfer expenses	433	428
Consultancy and legal expenses	404	339
Costs for non-recurring services	387	29
Other consultancy	335	701
Insurance	215	178
Audit and attestation fees	196	137
Condominium and supervisory expenses	161	161
Postal, telephone and data transmission services	130	142
Cleaning expenses	103	119
Administrative services	91	158
Payslip processing	86	83
Utilities	72	86
Statutory Auditors' fees	62	62
Banking services	57	45
<b>Total services</b>	<b>29,590</b>	<b>25,192</b>

Services mainly include commercial costs incurred for services provided to customers, media space, costs for third party services, distribution costs and costs for collaborators.

"Services for customers" refers to external costs incurred to execute contracts with customers and mainly includes media space, marketing services, commercial services, IT consultancy and the cost of professionals dedicated to specific orders. The overall increase in costs for services is related to the different services rendered to customers, as a result of the different mix of sales by the Company, with a negative impact on margins.

Costs for non-recurring services amounted to 387 thousand euros (29 thousand euros in 2023) and related to non-routine consultancy and legal expenses related to the aforementioned Takeover Bid.



**Purchase of goods**

Costs for the purchase of goods total 108 thousand euros (102 thousand euros in 2023) and mainly regard the purchase of consumables for the office.

**Operating leases**

Costs for operating leases come to 23 thousand euros (35 thousand euros in 2023) and relate to costs that, by nature, do not come under the scope of application of IFRS 16.

**Other operating costs**

Other operating costs come to 44 thousand euros (56 thousand euros in 2023) and mainly regard entertainment costs and, to a lesser extent, fines, stamp duty and tax.

**4. Personnel expense**

Personnel expense comes to 31,627 thousand euros (29,363 thousand euros in 2023) and consist of the following:

	Figures in thousands of euros	
	<b>2024</b>	<b>2023</b>
Wages and salaries	21,762	20,478
Non-recurring personnel expense	2,030	924
Directors' fees	391	557
Social security expenses	6,064	5,757
Costs for defined benefit plans	1,345	1,408
Cost for share-based payments	27	218
Other personnel expense	8	21
<b>Total personnel expense</b>	<b>31,627</b>	<b>29,363</b>

This item includes all costs incurred during the year, directly or indirectly relating to employees and directors.

The item "Non-recurring personnel costs" mainly includes (i) 1,806 thousand euros related to costs for the early execution of the effects of the 2024-2026 Long-Term Incentive Plan, as a consequence of the presentation of the aforementioned Takeover on the Company's shares and in compliance with the Plan's regulation and (ii) 135 thousand euros related to an extraordinary fee paid to a director.

455 employees were on the workforce at 31 December 2024, as compared with 445 in the previous year.

The average number of employees during the year was 449 (448 in 2023).

The table below shows the average number of employees in 2023, divided up by category.

	<b>2024</b>	<b>2023</b>
Managers	16	14
Middle managers	66	60
Office employees	367	374
<b>Total</b>	<b>449</b>	<b>448</b>

The 5.2% increase in average wages and salaries per employee, net of directors' fees, costs for share-based payments and non-recurring personnel expense, is mainly due to contract and merit-based raises paid in the course of 2024.

## **5. Amortisation/depreciation**

Amortisation/depreciation comes to 2,830 thousand euros (2,752 thousand euros in 2023) and refers to:

- 1,551 thousand euros (1,452 thousand euros in 2023) for the depreciation of right-of-use assets;
- 813 thousand euros (785 thousand euros in 2023) for the amortisation of intangible assets.
- 466 thousand euros (515 thousand euros in 2023) for the depreciation of property, plant and equipment;

## **6. Provisions and impairment losses**

Amortisation/depreciation comes to 16,165 thousand euros (205 thousand euros in 2023) and consists of:

- 15,018 thousand euros for the impairment of goodwill (see Note 15);
- 888 thousand euros for credit losses on trade receivables;
- 249 thousand euros for the impairment of government grants;
- 10 thousand euros for the provision for risks and charges.

## **7. Gains (losses) on equity investments**

Net gains on equity investments come to 649 thousand euros (1,691 thousand euros in 2023) and refer to:

- -1,493 thousand for the losses on the equity investments held in Alkemy Iberia S.L.U and Alkemy Play S.r.l. of 591 thousand and 902 thousand, respectively). See note 17;
- +2,142 thousand euros for dividends resolved by Alkemy South America S.L. and Alkemy Iberia S.L.U., in the amount of 1,168 thousand euros and 974 thousand euros, respectively.

## **8. Gains and losses on options**

"Net gains on options amount to 1,120 thousand euros (net gains of 1,657 thousand

euros in 2023) and relate for (i) 1,342 thousand euros to the fair value gain on the derivatives representing the rights related to the acquisition of the residual portion of the investment in the subsidiaries, comprising a contractual structure of put and call options between the Company and the non-controlling investors, and for (ii) -222 thousand euros to the fair value loss on hedging transactions entered into in connection with certain financial liabilities outstanding at 31 December 2024.

As is frequently the case in purchases of controlling investments, the contractual arrangements include a put option in favour of the remaining non-controlling investors and a call option in favour of Alkemy. Options are classified according to fair value and relative maturity.

These derivative instruments amounted to 1,376 thousand euros (32 thousand euros in 2023) and referred to the option for the acquisition of the remaining shares (35%) in the subsidiary XCC S.r.l. (see note 22).

## 9. Other financial income

Other financial income comes to 284 thousand euros (497 thousand euros in 2023) and is detailed below:

	Figures in thousands of euros	
	2024	2023
Interest income from subsidiaries	62	45
Exchange gain	16	10
Earn-out gain	-	127
Other financial income	206	315
<b>Total financial income</b>	<b>284</b>	<b>497</b>

Other financial income comes to 206 thousand euros and relate almost entirely to premiums on the aforementioned variable interest rate hedging transactions for certain medium/long-term bank loans.

## 10. Other financial expense

Other financial expense comes to 1,595 thousand euros and are essentially in line with the previous year (1,777 thousand euros in 2023) and is detailed below:

	Figures in thousands of euros	
	2024	2023
Interest expense on loans	679	726
Interest on earn-out liabilities	465	516
Interest on leases	112	125
Interest expense on employee benefits (IAS 19)	172	199
Exchange losses	33	33
Interest expense on short tem loans	56	113
Other financial expense	78	65
<b>Total other financial expense</b>	<b>1,595</b>	<b>1,777</b>

## 11. Income taxes

Tax has been calculated in compliance with current tax legislation and is detailed below:

	Figures in thousands of euros	
	2024	2023
Current income tax	(220)	89
Current IRAP	-	84
Previous years' tax	77	24
Change in deferred tax assets	(981)	252
Change in deferred tax liabilities	5	(18)
<b>Total taxes</b>	<b>(1,119)</b>	<b>431</b>

Below is a reconciliation of the theoretical and effective tax charge:

Figures in thousands of euros		
	2024	2023
<b>Pre-tax profit (loss)</b>	<b>(19,877)</b>	<b>4,855</b>
Current tax rate	24%	24%
<b>Theoretical tax expense (income)</b>	<b>(4,770)</b>	<b>1,165</b>
Temporary differences deductible in subsequent years:	1,075	129
Temporary differences reversed from previous years	(177)	(377)
Permanent differences	3,652	(829)
<b>Income from tax consolidation</b>	<b>(220)</b>	<b>89</b>
Effective rate on the income statement	1%	2%

Permanent differences are mainly attributable to the tax reversal of impairment of goodwill, equity investments, and trade receivables from Alkemy Play S.r.l., made during the year.

## 12. Earnings (loss) per share

Basic earnings per share are calculated by dividing the Company's profit (loss) by the weighted average of outstanding shares during the year, thereby excluding treasury shares held in the portfolio.

In the calculation of diluted earnings per share, the weighted average of outstanding shares takes into account the conversion of any instruments with a diluting effect (none at 31 December 2024).

The calculation of earnings per share is shown in the table below:

Figures expressed in units of euros		
	2024	2023
<b>Profit</b>		
Profit/(loss) for the year	(18,758,051)	4,424,636

Profit (loss) for the year, attributable to ordinary shares	(18,758,051)	4,424,636
<b>Number of shares</b>		
Average number of outstanding ordinary shares	5,636,803	5,535,771
Adjusted average number of ordinary shares	5,636,803	5,535,771
Basic earnings per share	(3.33)	0.80
Diluted earnings per share	(3.33)	0.80

For further details, please refer to note 26 on equity.

## Statement of financial position

### Assets

### Non-current assets

#### 13. Property, plant and equipment

The item totals 1,259 thousand euros (1,393 thousand euros at 31 December 2023); changes in the last two years are shown below:

	Figures in thousands of euros			
	Lands and buildings	Plant and machinery	Other assets	Total
<b>Balance at 31 Dec. 2022</b>	<b>65</b>	<b>14</b>	<b>1,502</b>	<b>1,581</b>
Investments	-	6	345	351
Depreciation	(4)	(3)	(509)	(516)
Other movements	(1)	(1)	(21)	(23)
<b>Balance at 31 Dec. 2023</b>	<b>60</b>	<b>16</b>	<b>1,317</b>	<b>1,393</b>
Investments	-	2	328	330
Depreciation	(4)	(3)	(459)	(466)
Other movements	-	-	2	2
<b>Balance at 31 Dec. 2024</b>	<b>56</b>	<b>15</b>	<b>1,188</b>	<b>1,259</b>

Land and buildings include a property owned in Rende (CS), where an office of the Company is located.

Other assets mainly includes computers and IT equipment purchased for Company employees, as well as furniture and furnishings of the company Milan office and secondary offices.

Increases are mainly due to the purchase of computers and IT equipment.

Accumulated depreciation, which at 31 December 2024 came to a total of 3,017 thousand euros (3,194 thousand euros at 31 December 2023), changed during the year mainly due to the amortisation/depreciation during the year (466 thousand euros) and the scrapping of certain assets that had already been completely amortised/depreciated (-645 thousand euros).

#### 14. Right-of-use assets

Right-of-use assets come to 3,653 thousand euros (4,662 thousand euros at 31

December 2023), as shown by the following detailed table:

Figures in thousands of euros			
	Buildings	Other assets	Total
<b>Balance at 31 Dec. 2022</b>	<b>3,089</b>	<b>670</b>	<b>3,759</b>
Investments	1,704	652	2,356
Depreciation	(1,026)	(426)	(1,452)
Other movements	-	(1)	(1)
<b>Balance at 31 Dec. 2023</b>	<b>3,767</b>	<b>895</b>	<b>4,662</b>
Investments	106	436	542
Depreciation	(1,064)	(487)	(1,551)
Other movements	-	1	1
<b>Balance at 31 Dec. 2024</b>	<b>2,809</b>	<b>845</b>	<b>3,653</b>

“Buildings” refers to the right of use of offices and its increase mainly relates to charge adjustments in accordance with contracts.

“Other assets” includes right-of-use of company cars and increases in the year mainly relate to the signing of new rental contracts, also to replace those that expired during the year.

Accumulated depreciation, coming to 6,099 thousand euros at 31 December 2024 (4,563 thousand euros at 31 December 2023) changed in the course of the year essentially as a result of depreciation for the year.

## 15. Goodwill

Goodwill, arising from mergers of subsidiaries carried out in past years, amounted to 3,085 thousand euros (18,103 thousand euros as at 31 December 2023) and changed by -15,018 thousand euros as a result of the impairment recognised during the year.

As goodwill has an indefinite useful life, it is not amortised but rather tested for impairment once a year, or more frequently if events or changes in circumstances suggest a possible loss.

In order to assess a possible impairment loss, the recoverability of goodwill was assessed using its value in use, determined by applying the discounted cash flow model. If the recoverable amount exceeds carrying amount of goodwill, no impairment loss is recognised; otherwise, the difference between the carrying amount and the recoverable amount, as resulting from the impairment test, determines the amount of the adjustment to be made.

The main assumptions on which the recoverable amount is calculated regard the discount rate, the use of the latest budgets and medium-term forecasts and the projected growth rate at the end of the explicit forecasting period.

Discounting regarded expected cash flows as resulting from the 2025-2027 three-year plan approved by the Board of Directors on 20 March 2025, which was based on the preliminary data at 31 December 2024.

The terminal value was calculated using the “perpetual income” method determined by the normalised cash flow projection relative to the first year after the explicit

forecasting period, assuming a growth rate of 1.80% (1.90% in 2023).

In discounting cash flows, the Company adopted a discount rate that expresses the weighted average cost of capital (WACC) comprising a weighted average of the cost of capital and the cost of debt.

More specifically, with reference to the valuations relative to 31 December 2024, the Company used a discounting rate of 10.96% (11.51% in 2023).

This discount rate includes an "execution risk rate" to take into account the effects of the Company's underperformance compared to the plan forecasts of 30 June 2024.

The results of the impairment test showed that the carrying value of goodwill exceeded its recoverable amount, and therefore an impairment loss of 15,018 thousand euros was recognised to reflect this difference.

This result is a consequence of the results forecasts in the 2025-2027 three-year plan, which are lower than those projected in the two three-year plans approved in 2024, as a result of the underperformance during the year, which will also impact the next three years.

## 16. Intangible assets

Intangible assets amount to 1,492 thousand euros (1,151 thousand euros at 31 December 2023). Below are details on changes in intangible assets:

Figures in thousands of euros				
	Industrial patents and intellectual property rights	Concessions, licences, trademarks and similar rights	Other	Total
<b>Balance at 31 Dec. 2022</b>	<b>322</b>	<b>11</b>	<b>684</b>	<b>1,017</b>
Investments	228	-	695	923
Depreciation	(248)	(3)	(533)	(784)
Other movements	-	-	(5)	(5)
<b>Balance at 31 Dec. 2023</b>	<b>302</b>	<b>8</b>	<b>841</b>	<b>1,151</b>
Investments	316	-	838	1,154
Depreciation	(224)	(2)	(587)	(813)
<b>Balance at 31 Dec. 2024</b>	<b>394</b>	<b>6</b>	<b>1,092</b>	<b>1,492</b>

### Industrial patents and intellectual property rights

This item mainly includes the costs incurred for the purchase of company management software, the increase in which is primarily due to the purchase of new software licenses and new firewalls.

### Concessions, licences, trademarks and similar rights

This item mainly includes costs incurred to register trademarks.

### Other

This item includes deferred costs that, due to their different nature, do not fit under

any of the other items of this category. In particular, the item includes the costs relating to the internal implementation of software and platforms relative to the conduct of the Company's commercial business; for information see note 2 of these financial statements where details are given on the period increases.

Accumulated amortisation, coming to 2,551 thousand euros at 31 December 2024 (1,738 thousand euros at 31 December 2023) changed in the course of the year as a result of depreciation for the year.

## 17. Equity investments

Equity investments amount to 39,755 thousand euros (40,420 thousand euros at 31 December 2023); they are detailed as follows:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Investments in subsidiaries	39,750	40,415
Investments in other companies	5	5
<b>Total equity investments</b>	<b>39,755</b>	<b>40,420</b>

The list of equity investments in subsidiaries with the indication of the related share/quota capital, equity and percentage of investment is as follows:

Figures in thousands of euros							
Company name	Registered office	Currency	Capital in euros	Equity euros	in Profit (loss) euros	in % held	
Alkemy Play S.r.l.	Milan – Via San Gregorio 34	Euro	10	(454)	(227)	75%	
Alkemy SEE D.o.o.	Serbia – Belgrade - Sime Igumanova 64	Serbian dinar	413	426	(1)	70%	
Alkemy Iberia S.L.U.	Spain - Madrid - Paseo de Recoletos, 27	Euro	6	632	114	100%	
Innocv solutions S.L.	Spain - Madrid - Paseo de Recoletos, 27	Euro	246	4,923	1,554	100%	
Alkemy America S.L.	South Spain - Madrid - Paseo de Recoletos, 27	Euro	89	1,348	1,020	100%	
eXperience Consulting S.r.l.	Cloud Rome - Via del Commercio 36	Euro	10	1,680	683	65%	
Design Group I.D. S.r.l.	Italia Milan – Via A. Aleardi 12/14	Euro	119	1,736	(2)	100%	

The changes and breakdown of the investments in subsidiaries is as follows:

Figures in thousands of euros				
	31 Dec. 2023	Increases	Impairment losses	31 Dec. 2024
Alkemy South America S.L.	4,218	-	-	4,218



Alkemy Play S.r.l.	695	207	(902)	-
Alkemy SEE D.o.o.	357	-	-	357
XCC S.r.l.	1,401	620	-	2,021
DGI S.r.l.	5,251	-	-	5,251
Innocv Solutions S.L.	15,131	-	-	15,131
Alkemy Iberia S.L.U.	13,363	-	(591)	12,772
<b>Total equity investments</b>	<b>40,415</b>	<b>827</b>	<b>(1,493)</b>	<b>39,750</b>

The increases in the carrying amount of the investments in subsidiaries come to 827 thousand euros, as follows:

- 620 thousand euros for the purchase of 14% of the subsidiary XCC S.r.l.;
- 207 thousand euros for the waiver of part of the trade receivable due to Alkemy Play S.r.l. to cover previous losses accrued by the company;

The carrying amount of the investments has been specifically tested for impairment to verify the potential recovery of such amounts.

The test was carried out comparing the carrying amount of the investment with its value in use, determined by discounting net cash flows from business, less the total net debt of the investees.

The period considered covers the three years 2025-2027. The net flows thus determined have been discounted at the weighted average cost of capital (WACC), diversified depending on the company to take into account the various local factors, without prejudice to the general structure of calculation as detailed in Note 15.

More specifically, the discounting rate used was 10.49% for DGI, 12.01 for Alkemy Play, 10.56% for XCC (11.29% for DGI and Alkemy Play, 11.44% for XCC in 2023), 16.33% for Alkemy South America (15.79% in 2023), 18.29% for Alkemy SEE (16.99% in 2023), 12.22% for Alkemy Iberia (11.15% in 2023) and 10.90% for INNOCV (11.15% in 2023).

This discount rate includes an "execution risk rate" to take into account the effects of the companies' underperformance compared to the plan forecasts of 30 June 2024. The terminal value was calculated using the "perpetual income" method determined by the normalised cash flow projection relative to the first year after the explicit forecasting period, assuming a growth rate of 1.80% for the companies in Italy, 1.90% for Alkemy SEE and Alkemy South America, 2% for the Spain areas (in 2023 it was 1.90% for the companies in the Italy area and 2% for the Spain area/Mexico and Balkans area).

The test carried out revealed the need to write down the equity investments held in Alkemy Iberia and Alkemy Play.

This result is a consequence of the results forecasts in the 2025-2027 three-year plan, which are lower than those projected in the two three-year plans approved in 2024, as a result of the underperformance during the year, which will also impact the next three years.

It should be noted that for Alkemy Play, even though forecasts remain positive, a greater importance was given to the company's historical results, therefore the entire

value of the equity investment was impaired.

A sensitivity analysis has also been carried out, hypothesising changes in the WACC discounting rate with an increase/decrease of 1 percentage point, matched with an increase/decrease of 1 percentage point of the perpetual g-rate.

The following table summarises the results for equity investments that were not impaired:

2024 PARAMETER		WACC	G-rate	Reduction in gross operating profit BP and TV
Alkemy South America S.L.	basic	16.33%	1.90%	
	break-even	18.44%	-0.73%	-10.80%
	delta	2.12%	-2.63%	
Alkemy SEE D.o.o.	basic	18.29%	1.90%	
	break-even	28.42%	-12.76%	-28.60%
	delta	10.13%	-14.66%	
XCC S.r.l.	basic	10.56%	1.80%	
	break-even	23.40%	-15.84%	-42.50%
	delta	12.84%	-17.64%	
DGI S.r.l.	basic	10.49%	1.80%	
	break-even	12.70%	-0.83%	-13.40%
	delta	2.21%	-2.63%	
Innocv Solutions S.L.	basic	10.90%	2.00%	
	break-even	14.43%	-3.42%	-27.60%
	delta	4.53%	-5.42%	

2023 PARAMETER		WACC	G-rate	Reduction in gross operating profit BP and TV
Alkemy South America S.L.	basic	15.79%	2.00%	
	break-even	40.80%	-43.20%	-55.10%
	delta	25.01%	-45.20%	
Alkemy Play S.r.l.	basic	11.29%	1.90%	
	break-even	24.08%	-16.32%	-44.91%
	delta	12.79%	-18.22%	
Alkemy SEE D.o.o.	basic	16.99%	2.00%	
	break-even	37.20%	-32.00%	-50.10%
	delta	20.21%	-34.00%	
XCC S.r.l.	basic	11.44%	1.90%	
	break-even	16.40%	-4.20%	-21.00%
	delta	4.96%	-6.10%	
DGI S.r.l.	basic	11.29%	1.90%	
	break-even	18.34%	-7.16%	-30.71%
	delta	7.05%	-9.06%	
Innocv Solutions S.L.	basic	11.15%	2.00%	
	break-even	13.92%	-1.20%	-19.93%
	delta	2.76%	-3.20%	
Alkemy Iberia S.L.U.	basic	11.15%	2.00%	
	break-even	13.63%	-0.86%	-18.02%
	delta	2.48%	-2.86%	

## 18. Other financial assets

Other non-current financial assets come to 1,104 thousand euros (1,822 thousand

euros at 31 December 2023) and are detailed below:

Figures in thousands of euros		
	31 Dec. 2024	31 Dec. 2023
Loans to subsidiaries	1,080	1,382
Derivatives	24	440
<b>Total other financial assets</b>	<b>1,104</b>	<b>1,822</b>

Non-current derivative instruments amount to 24 thousand euros (440 thousand euros as at 31 December 2023) and refer to non-current derivatives taken out as an interest rate hedge for certain outstanding loans.

The interest-bearing loans to the subsidiaries amount to a total of 1,532 thousand euros (1,382 thousand euros as at 31 December 2023, of which 452 thousand euros is classified as other current financial assets (see note 22) and the remainder is classified as other no-current financial assets, the details are as follows:

- 852 thousand euros (852 thousand euros as of 31 December 2023) to the subsidiary XCC S.r.l., of which 400 thousand euros is classified as other non-current financial assets and 452 thousand euros is classified as other current financial assets; the loan disbursed in multiple instalments tranches starting in 2021 is interest bearing at a variable rate of 1.5%+Euribor 12months;
- 330 thousand euros (330 thousand euros at 31 December 2023) to the subsidiary Alkemy SEE D.o.o.; the loan disbursed in 2018 and 2021 bears interest at a rate of 1.5%;
- 350 thousand euros to the subsidiary Kreativa D.o.o. (200 thousand euros as at 31 December 2023); the loan is interest bearing at a rate of 4.5%.

## 19. Deferred tax assets

Deferred tax assets amount to 1,542 thousand euros (546 thousand euros at 31 December 2023).

Below is a breakdown of deferred tax assets:

Figures in thousands of euros				
	Temporary differences at 31 December 2024	Tax effect 31 Dec. 2024	Temporary differences at 31 December 2023	Tax effect 31 Dec. 2023
Loss allowance	717	172	487	117
Provision for the impairment of special financing grants	745	179	497	119
Directors' fees	738	177	738	177
Post-employment benefits	-	-	35	8

ACE	33	8	220	53
Tax losses that can be carried forward	4,145	995	244	59
Other assets	46	11	52	13
<b>Total</b>	<b>6,424</b>	<b>1,542</b>	<b>2,274</b>	<b>546</b>

The balance includes deferred tax assets determined on the temporary differences between the carrying amount of the assets and liabilities taken in order to prepare the financial statements and the respective values.

The increase in this item compared to the previous year is related to the recognition of the tax effect of losses accrued during the year.

Deferred tax assets are recognised when it is considered, on the basis of forecasts for future results, that they are reasonably certain of being recovered in future years.

## 20. Other non-current assets

Other non-current assets come to 287 thousand euros (205 thousand euros at 31 December 2022) and relate to guarantee deposits.

## Current assets

## 21. Trade receivables

Trade receivables come to 25,627 thousand euros (28,965 thousand euros at 31 December 2023), as detailed below:

	Figures in thousands of euros	
	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
Third parties	24,621	27,463
Related parties	1,006	1,502
<b>Total trade receivables</b>	<b>25,627</b>	<b>28,965</b>

There are no amounts due after one year.

Below is a breakdown of trade receivables by geographical segment:

	Figures in thousands of euros	
	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
Italy	24,506	25,489
EU	608	320
Non-EU	513	3,156
<b>Total trade receivables</b>	<b>25,627</b>	<b>28,965</b>

Trade receivables are stated net of a loss allowance of 1,479 thousand euros (635 thousand euros at 31 December 2023). The loss allowance was calculated on the

basis of the lifetime expected credit losses from initial recognition and during subsequent measurements. The estimate is mainly prepared by determining the average expected credit losses, based on historical indicators. For some categories, characterised by specific risk elements, specific valuations are instead made on the individual positions.

The decrease in trade receivables compared to the previous year is related to the reduction in the amounts invoiced in the second half of 2024, particularly in the last quarter, as well as the higher provision for bad debts made in the year.

Below are year changes to the loss allowance:

	Figures in thousands of euros
<b>Balance at 31 Dec. 2023</b>	<b>(635)</b>
Accruals	(888)
Uses	44
Others	(0)
<b>Balance at 31 Dec. 2024</b>	<b>(1,479)</b>

Uses for the year refer to receivables that were no longer collectible and for which there was already a loss allowance at the end of the previous year.

## 22. Other financial assets

Other current financial assets amounted to 1,854 thousand euros (267 thousand euros as of 31 December 2023), with 1,376 thousand euros attributable to the option right on the remaining shares of the subsidiary XCC S.r.l. still to be acquired (35%) and 452 thousand euros to the current portion of the loan granted to XCC S.r.l.

We report that, following the aforementioned Takeover Bid launched on the Parent's share capital, the effects thereof were measured on the expiry of the existing option rights.

In particular, the agreement in place with the minority shareholders of XCC S.r.l. provides for a specific clause to anticipate the exercising of the PUT options in the event of a "change of control", which can be activated by both parties in the event of a successful Takeover Bid between 90 and 120 days from the approval of the financial statements as of 31 December 2024. In the event that neither party activates this clause, the option would be exercised in 2026 at the natural maturity date and the current valuation of the respective right for the year is approximately 0.6 million euros.

## 23. Tax assets

Tax assets come to 571 thousand euros (365 thousand at 31 December 2023) and are detailed as follows:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Current tax assets	299	269
Tax asset	-	20
VAT asset	227	-
Other tax assets	45	76
<b>Total tax assets</b>	<b>571</b>	<b>365</b>

The increase in assets from the tax authorities is attributable to the increase in the VAT credit, related to the invoicing dynamics of December 2024.

It is noted that at the end of this year and the previous year, there are no tax assets due beyond 5 years.

#### 24. Other current assets

Other assets come to 2,749 thousand euros (2,178 thousand euros at 31 December 2023), detailed as follows:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Government grants	1,575	1,701
Impairment of government grants	(745)	(497)
From Subsidiaries	974	537
Prepayments	382	382
Other	563	55
<b>Total other current assets</b>	<b>2,749</b>	<b>2,178</b>

Amounts due from subsidiaries refer to dividends resolved by Alkemy Iberia S.L.U. and not yet collected during the year. In this regard, it should be noted that as of the date of preparation of this financial report, the Company has received confirmation of the payment of approximately 806 thousand euros in public grants from the granting authority (Ministry of Employment).

Note that government grants decreased by 126 thousand euros due to payments received of an equal amount. During the year, the Company recognised further credit losses of 248 thousand euros to cover assets for government grants considered no longer collectable.

It is noted that at the end of this year and the previous year, there are no other current assets due beyond 5 years.

There is no accrued income.

Prepayments come to 382 thousand euros (382 thousand euros at 31 December 2023), as summarised below:

Figures in thousands of euros			
	<b>31 2024</b>	<b>Dec. 31 2023</b>	<b>Dec.</b>
Costs for services for customers	204	213	
Hire, rental and licence costs	53	19	
IT costs	37	77	
Insurance	4	12	
Stock exchange costs	-	4	
Other	84	57	
<b>Total prepayments</b>	<b>382</b>	<b>382</b>	

## 25.Cash and cash equivalents

The balance of liquid funds and equivalents, equal to 6,245 thousand euros (6,076 thousand euros at 31 December 2023) is detailed below:

Figures in thousands of euros		
	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
Bank deposits	6,245	6,076
<b>Total cash and cash equivalents</b>	<b>6,245</b>	<b>6,076</b>

Generation and use of cash flows for the year are analysed in the statement of cash flows.

## **Liabilities and equity**

### **Equity**

#### **26. Equity**

Changes in and a breakdown of equity for 2023 and 2024 are given in the changes to the equity items, to which you are referred.

#### **Share capital**

The Company's share capital comes to 596 thousand euros (no change on 31 December 2023) and is fully paid-up.

#### **Legal reserve**

The legal reserve amounts to 202 thousand euros (unchanged from 31 December 2023).

#### **Treasury shares**

The reserve for treasury shares comes to 1 thousand euros, for a total of 58 treasury shares, accounting for 0.001% of share capital (1,776 thousand euros for a total of 149,315 treasury shares or 2.63% of share capital at 31 December 2023). The period change is due (i) to the purchase of treasury shares worth 43 thousand euros, in the number of 3,500 treasury shares and (ii) for 1,818 thousand euros, in the number of 152,757, to the assignment of treasury shares to the Chairman, CEO, a Director and some managers of the Parent in execution of the "Long Term Incentive Plan", in connection with the remaining 50% of the shares accrued by them on the result from 2020 to 2023.

#### **Other reserves**

Other reserves come to 32,232 thousand euros (33,451 thousand euros at 31 December 2023), as follows:

- share premium reserve of 27,372 thousand euros (unchanged on 31 December 2023);
- the reserve for tax alignment of goodwill of 4,478 thousand euros (unchanged on 31 December 2023);
- FTA reserve of 301 thousand euros (no change on 31 December 2023);
- net gains recognised in equity of 81 thousand euros (net gains of 129 thousand euros at 31 December 2023); the item relates to the discounting of post-employment benefits, envisaged by IAS 19.

Last year, the item also included 1,166 thousand euro as reserve for Long-Term Incentive Plan, which was subsequently eliminated due to the full implementation of the provisions of the incentive plan for the 2020-2023 financial years, with the aforementioned assignment of treasury shares.



## Retained earnings

Retained earnings come to 12,340 thousand euros (8,568 thousand euros at 31 December 2023); the period change is due to:

- +4,425 thousand euros as a result of the allocation of the profit for the previous year, in accordance with the resolution passed by the shareholders' meeting of the Parent on 29 April 2024;
- -652 thousand euros due to the difference between the carrying amount of the above-mentioned 152,757 treasury shares assigned in execution of the Long-Term Incentive Plan and their carrying amount in the Long-Term Incentive Plan, calculated on the basis of the applicable contractual provisions.

Below is a schedule showing the classification of reserves according to availability:

Figures in thousands of euros					
	Amount	Possible use	Available portion	Summary of uses in the last three years:	
				to cover losses	for other reasons
<b>Share capital</b>	596				
<b>Equity-related reserves:</b>					
Reserve for treasury shares	(1,776)	-	-		
<b>Income-related reserves:</b>					
Legal reserve	202	B	202		
Share premium reserve	27,372	A, B, C	27,372		
Retained earning	12,340	A, B, C	12,340		
<b>Other reserves:</b>					
IAS 19 Reserve	81	-	-		
Reserve for the release of goodwill	4,478	-	-		
FTA reserve	301	-	-		
Non-distributable portion			5,658		
Residual distributable portion			39,711		
<b>Loss for the year</b>	(18,758)				
<b>Total</b>	<b>26,611</b>			-	-

A: capital increase; B: loss coverage; C: shareholder distribution; D: other statutory restrictions

## Non-current liabilities

### 27. Financial liabilities

Current and non-current financial liabilities come to 21,078 thousand euros (20,610 thousand euros at 31 December 2023) and are broken down below by due dates:

- 9,186 thousand euros (10,024 thousand euros at 31 December 2023) refer to non-current financial liabilities;
- 11,892 thousand euros (10,585 thousand euros at 31 December 2023) related to current financial liabilities.

We report that there are no financial liabilities due beyond 5 years.

The decrease in financial liabilities (469 thousand euros) is mainly due to:

- repayments made during the year for - 6,152 thousand euros;
- the multi-year bank loans agreed in the year and better described below for +4,980 thousand euros;
- the net effect of invoice discounting during the period and the related repayments, for +1,793 thousand euros.

Financial liabilities are illustrated below:

Figures in thousands of euros					
Bank	Year of disbursement	Original amount	Term	31 Dec. 2024	31 Dec. 2023
Unicredit	2024	4,500	5 years	4,483	-
Intesa Sanpaolo	2022	5,000	5 years	3,452	4,755
Unicredit (invoice discounting and factoring)	2023-2024	-	-	3,427	3,155
Banco di Desio e della Brianza	2023	3,000	5 years	2,823	3,013
Credem (invoice discounting)	2023	-	-	1,316	207
Credem	2023	1,500	3 years	979	1,503
Intra-group financing (Alkemy South America)	2024	960	1 year	960	1,160
Intesa Sanpaolo	2020	3,500	5 years	891	2,097
Unicredit	2021	3,500	4 years	878	2,069
Mediocredito Centrale (11 loans)	2019-2023	1,290	Sundry	679	851
Unicredit	2024	500	1 year	500	-
Intesa Sanpaolo (invoice discounting)	2024	-	-	411	-
Banco BPM	2022	1,000	3 years	278	649
Mediocredito Italiano	2019	7,000	5 years	-	883
Intesa Sanpaolo	2019	1,000	5 years	-	269
<b>Total financial liabilities</b>				<b>21,078</b>	<b>20,610</b>

It should be noted that the weighted average rate of current bank loans and borrowings is 4.2% and the average spread of variable-rate loans is 1.6%.

There are caps (at fixed rate, already paid) and 2 collar options in place in connection with some medium-term loans agreed from 2020 onwards to hedge the risk of future rises in interest rates, in connection with an equal number of loans that are worth approximately 86% of the bank loans and borrowings in place at 31 December 2024.

Two loans (6,276 thousand euro at 31 December 2024) envisage the respect for two covenants and, in particular: (i) Leverage Ratio, i.e., Net Financial Position/gross operating profit <3, to be calculated annually and (ii) Gearing Ratio, i.e., ratio of Net Financial Position and Equity <1. The Company obtained a waiver for compliance with the Leverage Ratio from the two lending banks in 2024.

## 28.Net financial position

In accordance with the requirements laid down by CONSOB communication of 28 July 2006 and in compliance with the ESMA update in regard to the "Guidelines on disclosure obligations under the Prospectus Regulation" and with CONSOB's "Warning no. 5/21" dated 29 April 2021, below is the Group's net financial debt at 31 December 2024:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
A Cash	6,245	6,076
B Cash equivalents	-	-
C Other current financial assets	-	-
<b>D Cash and cash equivalents (A + B + C)</b>	<b>6,245</b>	<b>6,076</b>
E Current financial liabilities (including debt instruments but excluding the current portion of non-current financial liabilities)	8,072	9,456
F Current portion of non-current financial liabilities	5,278	6,057
<b>G Current financial liabilities (E + F)</b>	<b>13,350</b>	<b>15,513</b>
<b>H Net current financial liabilities (G - D)</b>	<b>7,105</b>	<b>9,437</b>
I Non-current financial liabilities (excluding the current portion and debt instruments)	18,739	20,234
J Debt instruments	-	-
K Trade payables and other non-current liabilities	-	-
<b>L Non-current financial liabilities (I + J + K)</b>	<b>18,739</b>	<b>20,234</b>
<b>M Total financial debt (H + L)</b>	<b>25,844</b>	<b>29,671</b>

Current financial liabilities include the lease liabilities, the mentioned advances on invoices obtained during the year and the current portion of financial payables to banks and payables to other financial backers.

Non-current financial liabilities include the non-current portion of bank loans and borrowings, the lease liabilities and earn-out liabilities.

## 29. Lease liabilities

Current and non-current lease liabilities total 3,812 thousand euros (4,808 thousand euros at 31 December 2023) and are broken down below according to due dates:

- 2,354 thousand euros (3,407 thousand euros at 31 December 2023) is non-current;
- 1,458 thousand euros (1,401 thousand euros at 31 December 2023) is current.

Note that there are no lease liabilities due beyond 5 years.

The decrease from the previous year is mainly attributable to the payment of fees during the year.

## 30. Earn-out liabilities

Earn-out liabilities come to 7,198 thousand euros (10,328 thousand euros at 31 December 2023) and relate to the non-current financial liabilities due to the former non-controlling investor of Innocv Solutions S.L..

These earn-out liabilities have been recorded at fair value on the basis of the formulae and calculation algorithm established by contract and are discounted at the

valuation date using a discounting rate that reflects the company's cost of debt, with the help of an independent expert. The contractual agreement envisages four variable price components that generated the financial liability for the earn-out.

The change from the previous year comprises -3,595 thousand euros for the payment of a first part of the contractually agreed earn-outs, 373 thousand euros for the recognition of interest for the year, and 92 thousand euros as the e fair value valuation of earn-out liabilities.

### 31. Employee benefits

Employee benefits come to 5,759 thousand euros (5,154 thousand euros at 31 December 2023) and refer entirely to the post-employment benefits of employees.

Changes in the year were as follows:

Figures in thousands of euros	
<b>Balance at 31 Dec. 2022</b>	<b>4,508</b>
Accruals	1,408
Actuarial (gains)/losses	(153)
Utilisation of the year	(609)
<b>Balance at 31 Dec. 2023</b>	<b>5,154</b>
Accruals	1,345
Actuarial (gains)/losses	62
Utilisation of the year	(802)
<b>Balance at 31 Dec. 2024</b>	<b>5,759</b>

In accordance with IAS 19, this provision is recognised as a defined benefit plan and measured using the projected unit credit method, in accordance with the following economic-financial hypotheses:

<b>Economic-financial assumptions</b>	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
Discount rate	3.38%	3.17%
Remuneration increase rate	3%	Inflation + 2%
Increase in the cost of living	2%	5.6% (2023), 2.4% (2024), 2% (2025)
Annual rate of increase in post-employment benefits	3%	5.6% (2023), 2.4% (2024), 2% (2025)

The following demographic assumptions have also been made:

- for the probability of death, those determined by the General State Accountancy, broken down by gender;
- for the probability of incapacity, those, broken down by gender, adopted in the INPS model for 2010 projections;
- for retirement age, it was assumed that active employees would stop working as soon as they reach the first pre-requisite for retirement as set forth in the mandatory general insurance scheme;
- for the probability of leaving work for reasons other than death, on the basis of statistics supplied by the Company, 12.5% has been considered;

- for the probability of advances being paid, a year-on-year value has been assumed of 3.00%.

As part of the measurement of post-employment benefits in compliance with IAS 19, in regard to the discount rate, reference was made to the iBoxx Eurozone Corporates AA 10+ index, at the measurement date.

According to that required by the revised version of IAS 19, we have analysed sensitivity to changes in the main actuarial assumptions.

The most significant assumptions were increased and decreased, namely average annual discount rate, average inflation rate and turnover rate respectively by half, a quarter and two percentage points. The results have not shown any significant change.

### **32. Provisions**

Provisions amount to 10 thousand euros (40 thousand euros at 31 December 2023). The amount set aside in the previous year was fully utilised in 2024 to cover the relevant contingent liabilities. In 2024, an additional provision of 10 thousand euros was set aside to cover tax risks.

### **33. Deferred tax liabilities**

Deferred tax liabilities come to 12 thousand euros (6 thousand euros at 31 December 2023) and refer to temporary differences between the carrying amount of assets and liabilities taken for the preparation of the financial statements and the respective tax figures.

### **34. Other non-current liabilities**

Other non-current liabilities come to 30 thousand euros (418 thousand euros at 31 December 2023) and relate to derivatives entered as an interest rate hedge for certain medium- and long-term loans.

Last year, the item included the derivative financial instrument related to the acquisition of the remaining 35% interest in the subsidiary XCC S.r.l..

## **Current liabilities**

### **35. Trade payables**

Trade payables amounted to 12,167 thousand euros (9,372 thousand euros as at 31 December 2023), up from the previous year due to the different mix of services rendered to customers.

Below is a breakdown of trade payables by geographical segment

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Italy	9,476	8,177
EU	1,977	1,157
Non-EU countries	714	398
<b>Total trade payables</b>	<b>12,167</b>	<b>9,732</b>

### 36. Tax liabilities

Tax liabilities come to 873 thousand euros (1,074 thousand euros at 31 December 2023).

It includes liabilities for tax that is both certain and quantified, and liabilities in connection with withholdings applied at source, as tax substitute; the breakdown is as follows:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Withholdings	864	677
VAT	-	397
Other tax liabilities	9	-
<b>Total tax liabilities</b>	<b>873</b>	<b>1,074</b>

The decrease in tax liabilities is mainly due to the decrease in VAT liabilities, following the lower invoicing in December 2024 compared to the same month in the previous year.

Together with the subsidiaries XCC S.r.l., DGI S.r.l. and Alkemy Play S.r.l., the Company has opted for the national tax consolidation scheme.

### 37. Other current liabilities

Other current liabilities come to 11,670 thousand euros (8,517 thousand euros at 31 December 2023), detailed as follows:

	Figures in thousands of euros	
	31 Dec. 2024	31 Dec. 2023
Social security charges	2,014	1,683
Due to employees	5,470	3,633
Accrued expenses and deferred income	3,889	2,585
Other liabilities	297	616
<b>Total other liabilities</b>	<b>11,670</b>	<b>8,517</b>

Amounts due to employees include those due to employees, directors and contractors; this item includes salaries in December and the accruals for 2024 that have not yet been paid in respect of bonuses, holidays, paid leave and 14th month's pay, as well as the balancing entry for costs related to the aforementioned early execution of the LTIP 2024-2026, following the Takeover Bid (1,662 thousand euros).

This liability will be settled in 2025 through the allocation of the Company's shares to the beneficiaries of the plan. Please refer to the section 'Significant events during the year' in the Report on Operations.

Accrued expenses and deferred income are recognised on an accruals basis. At 31 December 2024, there were no accruals or deferrals with a residual term of more than five years.

Accrued expenses come to zero (31 thousand euros at 31 December 2023).

Deferred income totals 3,889 thousand euros (2,554 thousand euros at 31 December 2023) and essentially relates to revenue from the core business pertaining to 2025 but invoiced in 2024.

### 38. Guarantees given and other commitments

At 31 December 2024, there are five insurance sureties for 1,140 thousand euros issued in favour of the same number of customers, to guarantee the correct fulfilment, by the Company, of its contractual obligations.

We report that the company signed a letter of patronage in favour of the subsidiary DGI S.r.l. with Banca Popolare di Sondrio, to guarantee a loan up to a maximum amount of 1,500 thousand euros. As at 31 December 2024, no utilisation resulted from this letter of patronage.

At the closing date of these financial statements, there are no commitments in place.

### 39. Related party transactions

Related party transactions are part of the company's routine business and were settled at arm's length and no atypical or unusual transactions were noted.

The tables below show the commercial and financial transactions carried out in 2024 by and between the Parent and its subsidiaries and other related parties.

#### Trade transactions between the Parent and the subsidiaries

The Company has carried out the following related party transactions:

Figures in thousands of euros				
Trade transactions	Assets	Liabilities	Revenue	Costs
Alkemy play S.r.l.	544	(18)	297	(212)
Alkemy Iberia S.L.U.	3	(26)	18	(77)
Alkemy South America S.L.	-	(3)	-	-
Alkemy Latam S.A.	-	-	160	-
Alkemy SEE D.o.o.	248	(118)	-	(13)
Kreativa D.o.o.	13	-	-	-
Experience Cloud Consulting S.r.l.	71	(102)	162	(607)
Design Group Italia S.r.l.	125	(352)	340	(2,140)
Innocv Solutions S.L.	3	-	-	-
<b>Total</b>	<b>1,007</b>	<b>(619)</b>	<b>977</b>	<b>(3,049)</b>

It should be noted that, as partial impairment of amounts due from Alkemy Play S.r.l., a loss allowance of 523 thousand euro was recognised to cover past and future losses expected by the subsidiary.

As permitted by Articles 117 to 128 of the Consolidated Law on Income Tax, the Parent opted for the national tax consolidation scheme with the subsidiaries DGI S.r.l., XCC S.r.l. and Alkemy Play S.r.l.. In this respect, the Parent also has an amount due to subsidiaries for the tax consolidation scheme of 139 thousand euros.

#### Financial transactions between the Parent and the subsidiaries

Financial transactions with subsidiaries are interest-bearing, carried out at arm's length and regulated by written agreements signed by the parties. The table below shows the financial transactions carried out between the Company and its subsidiaries in 2024, indicating interest accrued (income):

Figures in thousands of euros				
Financial transactions	Assets	Liabilities	Revenue	Costs
Alkemy South America S.L.	-	(960)	-	(23)
Alkemy SEE D.o.o.	330	-	5	-
Kreativa D.o.o.	350	-	13	-
Experience Cloud Consulting S.r.l.	852	-	44	-
<b>Total</b>	<b>1,532</b>	<b>(960)</b>	<b>62</b>	<b>(23)</b>

Note that dividends due to the Parent at 31 December 2024 total 974 thousand euros and relate entirely to the subsidiary Alkemy Iberia S.L.U..

#### **Fees paid to directors, statutory auditors and key management personnel**

The fees paid in 2024 to the Parent's Board of Directors totalled 906 thousand euros (872 thousand euros in 2023), whilst those due to the Board of Statutory Auditors came to 60 thousand euros (same amount in 2023). The fees due to the Board of Directors also include the remuneration of the Chief Executive Officer for the role of key management personnel.

The fees due to the other five key managers in force at 31 December 2024 came to 799 thousand euros (company cost of 1,116 thousand euros) compared with 770 thousand euros in 2023 (company cost of 1,078 thousand euros).

Please note that key management personnel also received 836 thousand euro for the aforementioned settlement of the Long Term Incentive Plan ("LTIP") 2020-2023 and 144 thousand euro for the advance payment of the effects of the LTIP 2024-2026.

#### **40. Contingent liabilities and main disputes**



The Company does not have any significant liabilities for which information has not been disclosed in this report and which are not covered by suitable provisions.

#### **41. Events after the reporting period**

On 23 January 2025, an Extraordinary Shareholders' Meeting was convened and resolved to increase the share capital by 30 April 2025, for a maximum amount of 10,783.40 euro, by allocating the corresponding amount drawn from retained earnings to capital, and by issuing a maximum of 107,834 new ordinary shares of the Company, with no indication of par value. These new shares are to be allocated free of charge to employees of the Alkemy group who are beneficiaries of the 'Long Term Incentive Plan 2024-2026' approved by the Shareholders' Meeting of 27 April 2023.

On 22 February 2025, some sale and purchase agreements were signed between Retex S.p.A. and certain minority shareholders of the Company for a total of 1,435,895 Alkemy shares, representing approximately 25.26% of the currently issued share capital. The execution of the Sale and Purchase Agreement is unconditional and will be executed on 31 March 2025 for a consideration of 12 euro per share. The shareholding in Alkemy jointly held by Retex S.p.A. and Mr Duccio Vitali will exceed the 90 per cent threshold set out in Art. 108(2) of Legislative Decree no. 58/1998.

On 26 February 2025, the Company's Board of Directors approved the merger project with DGI S.r.l.. The transaction is due to take effect on 1 August 2025.

In March 2025, Unicredit S.p.A. disbursed a medium/long-term bank loan for a term of 36 months, for a nominal amount of 4,000 thousand, to support working capital. Repayment is on a straight-line basis once a quarter. The interest rate applied is the 3M Euribor, increased by a spread of 1.80 points. At the time of the loan disbursement, an up-front fee of 20 thousand euros was withheld;

In March 2025, Finlombarda S.p.A. also approved the disbursement of a medium/long-term bank loan for a term of 60 months, for a nominal amount of 3,000 thousand, to support working capital. Repayment is on a straight-line basis once a quarter. The interest rate applied will be the 3M Euribor, increased by a spread of between 1.30 and 1.80 basis points, which is yet to be confirmed. At disbursement, an up-front fee was withheld of 0.5% (15 thousand euros);

#### **42. Coverage of the loss for the year**

We believe we have thus duly informed you on the Company's performance and propose you cover the loss for 2024 recorded by Alkemy S.p.A. of 18,758,051 euros, through the use of retained earnings and/or other reserves.

Milan, 27 March 2025

On behalf of the Board of  
Directors  
the Chief Executive Officer  
Duccio Vitali

# Alkemy S.p.A.

## Information in accordance with Art. 149-duodecies of the CONSOB Issuers' Regulation

The table below, prepared in accordance with Art. 149-duodecies of the CONSOB Issuers' Regulation, shows the fees for 2024 for audit and non-audit services provided by the independent auditors appointed or by entities belonging and not belonging to its network.

Figures in thousands of euros

Service provider	Notes	Fees for 2024
<b>Audit and attestation services</b>		
KPMG S.p.A.	[1]	195
<b>Other services</b>		
KPMG S.p.A.	[2]	2
<b>Total</b>		<b>197</b>

[1] Includes the limited review of the consolidated non-financial statement and audit of the financial reporting package for the purposes of the consolidated financial statements of Retex S.p.A.

[2] Includes the presentation of Income, IRAP and 770 forms

## Annex 1

### INCOME STATEMENT PREPARED IN ACCORDANCE WITH CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

In compliance with the provisions pursuant to Consob resolution no. 15519 of 27 July 2006 and Consob communication no. DEM/6064293 of 28 July 2006, below is the Consolidated Income Statement with separate indication of related party transactions.

Figures expressed in euros				
	2024	related parties	2023	related parties
Revenue	59,071,768	977,000	58,112,202	663,000
Other income	980,868		2,378,508	
<b>Total operating revenue and other income</b>	<b>60,052,636</b>	<b>977,000</b>	<b>60,490,710</b>	<b>663,000</b>
Services, goods and other operating costs	(29,765,153)	(3,049,000)	(25,383,817)	(813,000)
- of which non-recurring	(386,893)	-	(28,669)	-
Personnel expense	(31,627,185)	(3,828,000)	(29,362,563)	(1,950,000)
- of which non-recurring	(2,029,965)	(1,941,000)	(924,081)	-
<b>Total costs and other operating costs</b>	<b>(61,392,338)</b>	<b>(6,877,000)</b>	<b>(54,746,380)</b>	<b>(2,763,000)</b>
<b>Gross operating profit</b>	<b>(1,339,702)</b>	<b>(5,900,000)</b>	<b>5,744,330</b>	<b>(2,100,000)</b>
Amortisation/depreciation	(2,831,014)		(2,752,589)	
Provisions and impairment losses	(16,164,902)		(205,098)	
<b>Operating profit</b>	<b>(20,335,618)</b>	<b>(5,900,000)</b>	<b>2,786,643</b>	<b>(2,100,000)</b>
Net gains (losses) on equity investments	649,358	2,142,000	1,691,259	1,691,259
Net gains (losses) on options	1,120,459		1,657,040	
Other financial income	283,626	62,000	497,477	44,000
Other financial expense	(1,594,647)	(23,000)	(1,777,127)	(17,000)
<b>Pre-tax profit (loss)</b>	<b>(19,876,822)</b>	<b>(3,719,000)</b>	<b>4,855,292</b>	<b>(381,741)</b>
Income taxes	1,118,771		(430,656)	
<b>Profit (loss) for the year</b>	<b>(18,758,051)</b>	<b>(3,719,000)</b>	<b>4,424,636</b>	<b>(381,741)</b>

## STATEMENT OF FINANCIAL POSITION PREPARED IN ACCORDANCE WITH CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

In compliance with the provisions pursuant to Consob resolution 15519 of 27 July 2006 and Consob communication no. DEM/6064293 of 28 July 2006, below is the Statement of Financial Position with separate indication of related party transactions.

Figures expressed in euros				
Assets	31 Dec. 2024	related parties	31 Dec. 2023	related parties
Property, plant and equipment	1,258,537		1,392,674	
Right-of-use assets	3,652,820		4,661,544	
Goodwill	3,084,682		18,102,969	
Intangible assets	1,492,781		1,150,694	
Equity investments	39,754,764		40,420,167	
Other financial assets	1,103,689	1,080,000	1,821,901	1,382,000
Deferred tax assets	1,542,070		546,132	
Other assets	286,851		205,303	
<b>Non-current assets</b>	<b>52,176,194</b>	<b>1,080,000</b>	<b>68,301,384</b>	<b>1,382,000</b>
Trade receivables	25,627,286	1,107,000	28,965,237	1,489,000
Other financial assets	1,853,824	452,000	267,102	
Tax assets	571,310		364,589	
Other assets	2,748,740	355,000	2,178,187	536,000
Cash and cash equivalents	6,244,758		6,075,698	
<b>Current assets</b>	<b>37,045,918</b>	<b>1,914,000</b>	<b>37,850,813</b>	<b>2,025,000</b>
<b>Total assets</b>	<b>89,222,112</b>	<b>2,994,000</b>	<b>106,152,197</b>	<b>3,407,000</b>

Figures expressed in euros				
Liabilities and Equity	31 Dec. 2024	related parties	31 Dec. 2023	related parties
<b>Equity</b>				
Share capital	595,534		595,534	
Reserves	44,773,958		40,445,563	
Profit/(loss) for the year	(18,758,051)	(3,719,000)	4,424,636	(381,741)
<b>Total equity</b>	<b>26,611,441</b>	<b>(3,719,000)</b>	<b>45,465,733</b>	<b>(381,741)</b>
<b>Non-current liabilities</b>	<b>24,549,524</b>	<b>-</b>	<b>25,851,368</b>	<b>-</b>
Financial liabilities	9,186,223	-	10,024,345	-
Lease liabilities	2,354,386		3,407,191	
Earn-out liabilities	7,198,023		6,802,177	
Employee benefits	5,758,730		5,153,562	
Provisions	10,000		40,000	
Deferred tax liabilities	11,685		6,440	
Other liabilities	30,477		417,653	
<b>Current liabilities</b>	<b>38,061,147</b>	<b>3,380,000</b>	<b>34,835,096</b>	<b>2,175,000</b>
Financial liabilities	11,892,001	960,000	10,585,409	1,160,000
Lease liabilities	1,458,005		1,401,442	
Earn-out liabilities	-		3,525,711	
Trade payables	12,167,451	619,000	9,731,844	1,015,000
Tax liabilities	873,421		1,073,787	
Other liabilities	11,670,269	1,801,000	8,516,903	-
<b>Total liabilities</b>	<b>62,610,671</b>	<b>3,380,000</b>	<b>60,686,464</b>	<b>2,175,000</b>
<b>Total liabilities and equity</b>	<b>89,222,112</b>	<b>(339,000)</b>	<b>106,152,197</b>	<b>1,793,259</b>

## Annex 2

### THE LATEST FINANCIAL STATEMENTS OF RETEX S.P.A. - A BENEFIT CORPORATION

In compliance with the provisions of Article 2497-bis of the Italian Civil Code, the following is a summary of the main data from the last approved financial statements of Retex S.p.A. - a Benefit corporation, which manages and coordinates Alkemy S.p.A..

#### Income statement

	Figures in euros	
	2023	2022
Revenue	29.099.066	20.837.572
Other income	7.116.327	4.389.851
<b>Total revenue and other income</b>	<b>36.215.393</b>	<b>25.227.423</b>
Services, goods and other operating costs	(22.767.867)	(18.066.998)
Personnel expense	(9.770.259)	(6.477.825)
<b>Total costs and other operating costs</b>	<b>(32.538.126)</b>	<b>(24.544.823)</b>
<b>Gross operating profit</b>	<b>3.677.267</b>	<b>682.600</b>
Amortisation/depreciation	(2.661.557)	(1.843.058)
Provisions and impairment losses	(119.542)	(257.873)
<b>Operating profit (loss)</b>	<b>896.168</b>	<b>(1.418.331)</b>
Net gains on equity investments	1.200.000	1.200.000
Financial income	237.147	175.154
Financial expense	(2.867.957)	(1.400.953)
<b>Pre-tax loss</b>	<b>(534.642)</b>	<b>(1.444.130)</b>
Income taxes	(158.878)	492.565
<b>Loss for the year</b>	<b>(693.520)</b>	<b>(951.565)</b>

## Statement of financial position

Figures in euros		
<b>Assets</b>	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
Intangible assets	6.544.634	5.144.096
Property, plant and equipment	822.971	603.439
Financial assets	32.667.210	33.321.423
<b>Non-current assets</b>	<b>40.034.815</b>	<b>39.068.958</b>
Inventories	1.841.665	2.123.277
Trade receivables	6.974.166	7.232.418
Amounts due from subsidiaries	15.258.245	9.755.232
Amounts due from parents	26.616	23.272
Tax assets	313.899	553.004
Deferred tax assets	62.904	62.904
Other assets	707.879	466.720
Current financial assets	92.964	1.952.227
Cash and cash equivalents	7.222.618	6.364.602
Prepayments and accrued income	1.402.862	842.459
<b>Current assets</b>	<b>33.903.818</b>	<b>29.376.115</b>
<b>Total assets</b>	<b>73.938.633</b>	<b>68.445.073</b>
Figures in euros		
<b>Liabilities and Equity</b>	<b>31 Dec. 2024</b>	<b>31 Dec. 2023</b>
<b>Equity</b>		
Share capital	3.000.000	3.000.000
Reserves	8.495.531	9.502.263
Loss for the year	(693.520)	(951.565)
<b>Total equity</b>	<b>10.802.011</b>	<b>11.550.698</b>
Provisions	22.311	39.733
Post-employment benefits	2.774.345	1.291.157
Bonds	12.530.000	9.550.000
Bank loans and borrowings	13.545.793	16.347.450
Loans and borrowings from other financial backers	3.952.142	2.800.000
Payments on account	2.602.912	4.373.344
Trade payables	6.001.055	4.709.482
Due to subsidiaries	17.985.469	15.013.314
Tax liabilities	1.451.992	1.272.989
Social security liabilities	398.223	249.367
Other liabilities	1.343.963	963.409
Deferred income and accrued charges	528.417	284.130
<b>Liabilities</b>	<b>63.136.622</b>	<b>56.894.375</b>
<b>Total liabilities and equity</b>	<b>73.938.633</b>	<b>68.445.073</b>



**ATTESTATION OF THE FINANCIAL STATEMENTS IN ACCORDANCE WITH  
ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS  
SUBSEQUENTLY AMENDED AND INTEGRATED**

1. We the undersigned, Duccio Vitali, Chief Executive Officer and Claudio Benasso, the manager in charge of financial reporting of Alkemy S.p.A., having also taken into account the provisions of Art. 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 dated 24 February 1998, hereby certify:

- the adequacy, considering the company's characteristics, and
- the effective application

of the administrative and accounting procedures for the preparation of the annual financial statements, during 2024.

2. It is further certified that the financial statements:

- are consistent with the underlying books and accounting records;
  - have been prepared in accordance with the International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and the Council of 19 July 2002;
- are able to give a true and fair view of the financial position, financial performance and cash flows of the issuer

4. Finally, it is certified that the Report on Operations contains a reliable analysis of the business outlook and results of operations, the financial position of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Milan, 27 March 2025

Chief Executive Officer

Manager in charge of financial  
reporting

signed by Duccio Vitali signed by Claudio Benasso



(The accompanying translated separate financial statements of Alkemy S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

# Alkemy S.p.A.

**Separate financial statements as at and for the year ended  
31 December 2024**

(with independent auditors' report thereon)

KPMG S.p.A.

31 March 2025



KPMG S.p.A.  
Revisione e organizzazione contabile  
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**(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## **Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014**

*To the shareholders of  
Alkemy S.p.A.*

### **Report on the audit of the separate financial statements**

#### **Opinion**

We have audited the separate financial statements of Alkemy S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2024, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Alkemy S.p.A. as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

#### **Basis for opinion**

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Alkemy S.p.A.**  
*Independent auditors' report*  
31 December 2024

## **Key audit matters**

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

### **Recoverability of the carrying amount of goodwill**

*Notes to the separate financial statements: note "Measurement criteria – Intangible assets – Goodwill", "Measurement criteria – Intangible assets – Impairment" and note 13 "Goodwill"*

<b>Key audit matter</b>	<b>Audit procedures addressing the key audit matter</b>
<p>The separate financial statements at 31 December 2024 include goodwill of €3,085 thousand, net of impairment losses of €15,018 thousand.</p> <p>The directors tested the reporting-date carrying amount for impairment by comparing it to its recoverable amount. They estimated the recoverable amount based on value in use, calculated using the discounted cash flow model.</p> <p>The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about:</p> <ul style="list-style-type: none"><li>• the expected cash flows, calculated by taking into account the general economic performance and that of the company's sector, the actual cash flows for recent years and the projected growth rates;</li><li>• the financial parameters used to calculate the discount rate.</li></ul> <p>For the above reasons, we believe that the recoverability of goodwill is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>• updating our understanding of the process adopted to prepare the impairment test approved by the company's board of directors;</li><li>• understanding the process adopted to prepare the company's 2025-2027 business plan approved by its board of directors and supplemented with the 2024 provisional figures, from which the expected cash flows used for impairment testing have been derived;</li><li>• analysing the reasonableness of the main assumptions used by the company's directors to prepare the forecasts;</li><li>• checking any discrepancies between the previous year business plans' forecast and actual figures, in order to check the accuracy of the estimation process adopted;</li><li>• analysing the accuracy of the expected cash flows underlying the impairment test and the main assumptions used;</li><li>• involving experts of the KPMG network in the assessment of the reasonableness of the impairment testing and related assumptions, including by means of a comparison with external data and information;</li><li>• checking the sensitivity analysis presented in the notes in relation to the main assumptions used for impairment testing;</li><li>• assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.</li></ul>



**Alkemy S.p.A.**  
Independent auditors' report  
31 December 2024

## Recoverability of equity investments

Notes to the separate financial statements: note "Measurement criteria – Intangible assets - Equity investments", "Measurement criteria – Intangible assets – Impairment" and note 17 "Equity investments"

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2024 include equity investments of €39,755 thousand, mainly related to the investments in the subsidiaries Innocv Solutions S.L. (€15,131 thousand, Alkemy Iberia S.L.U. (€12,772 thousand, net of impairment losses of €591 thousand), Design Group Italia S.r.l. (€5,251 thousand), Alkemy South America S.L. (€4,218 thousand) and eXperience Cloud Consulting S.r.l. (€2,021 thousand).</p> <p>The directors checked the recoverability of these equity investments, by comparing their carrying amounts with their value in use calculated using the discounted cash flow model.</p> <p>The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about:</p> <ul style="list-style-type: none"> <li>the expected cash flows, calculated by taking into account the general economic performance and that of the company's sector, the actual cash flows for past years and the projected growth rates;</li> <li>the financial parameters used to calculate the discount rate.</li> </ul> <p>For the above reasons, we believe that the recoverability of the carrying amount of equity investments is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>updating our understanding of the process adopted to prepare the impairment test approved by the company's board of directors;</li> <li>understanding the process adopted to prepare the company's and its subsidiaries' 2025-2027 business plan for impairment testing purposes, approved by the company's board of directors and supplemented with the 2024 provisional figures, from which the expected cash flows used for impairment testing have been derived;</li> <li>analysing the reasonableness of the main assumptions used by the company's directors to prepare the forecasts;</li> <li>checking any discrepancies between the previous year business plans' forecast and actual figures, in order to check the accuracy of the estimation process adopted;</li> <li>analysing the accuracy of the expected cash flows underlying the impairment test and the main assumptions used;</li> <li>involving experts of the KPMG network in the assessment of the reasonableness of the impairment testing and related assumptions, including by means of a comparison with external data and information;</li> <li>checking the sensitivity analysis presented in the notes in relation to the main assumptions used for impairment testing;</li> <li>assessing the appropriateness of the disclosures provided in the notes about the recoverability of the carrying amount of equity investments and the related impairment test.</li> </ul>

## Measurement of earn-out liabilities

Notes to the separate financial statements: note "Measurement criteria - Earn-out liabilities" and note 30 "Earn-out liabilities"

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2024 include earn-out liabilities of €7,198 thousand, which represent the financial liability for the contingent</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>updating our understanding of the process adopted by the company to measure the earn-out liabilities;</li> </ul>



**Alkemy S.p.A.**  
*Independent auditors' report*  
31 December 2024

Key audit matter	Audit procedures addressing the key audit matter
<p>consideration that the company will have to pay to the sellers for its investment in Innocv Solutions S.L.. These liabilities are measured at fair value on the basis of the formulae and algorithms contractually provided for and discounted at the company's borrowing rate at the measurement date.</p> <p>The contractual arrangement includes four price variables One of which has generated the first share of earn-out paid to the former sellers during 2024. The other three generated the earn-out liabilities recognised in the separate financial statements at 31 December 2024.</p> <p>The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about:</p> <ul style="list-style-type: none"><li>• the acquired businesses' expected cash flows;</li><li>• the financial parameters used to calculate the discount rate;</li><li>• other variables governed by the purchase agreement.</li></ul> <p>For the above reasons, we believe that the measurement of earn-out liabilities is a key audit matter.</p>	<ul style="list-style-type: none"><li>• analysing the purchase agreement stipulating the earn-out's calculation and settlement methods and how the liabilities' fair value is to be checked;</li><li>• assessing the main assumptions used to determine the fair value by analysing the acquired business' expected cash flows;</li><li>• involving experts of the KPMG network in the assessment of the reasonableness of the valuation methods and related assumptions;</li><li>• assessing the appropriateness of the disclosures provided in the notes.</li></ul>

### ***Other matters - Management and coordination***

As required by the law, the company disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own separate financial statements. Our opinion on the separate financial statements of Alkemy S.p.A. does not extend to such data.

### ***Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements***

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian 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 for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.



**Alkemy S.p.A.**

*Independent auditors' report*

*31 December 2024*

### ***Auditors' responsibilities for the audit of the separate financial statements***

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate 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 our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.



**Alkemy S.p.A.**  
*Independent auditors' report*  
31 December 2024

### ***Other information required by article 10 of Regulation (EU) no. 537/14***

On 25 June 2019, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2019 to 31 December 2027.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

## **Report on other legal and regulatory requirements**

### ***Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815***

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2024 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

### ***Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98***

The company's directors are responsible for the preparation of a report on operations and a report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the consistency of the directors' report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.





**Alkemy S.p.A.**

*Independent auditors' report*

*31 December 2024*

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the company's separate financial statements at 31 December 2024.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the section of the directors' report which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Milan, 31 March 2025

KPMG S.p.A.

(signed on the original)

Alain Rigamonti  
Director of Audit

Report by the Board of Auditors to the Shareholders' Meeting pursuant to Article 153 of the Consolidated Law on Finance and Art. 2429, par. 2 of the Italian Civil Code

To the Shareholders' Meeting of Alkemy S.p.A.,

#### Introduction

During the year ended at 31 December 2024, the Board of Auditors of Alkemy S.p.a. (hereinafter also referred to as the “Company” or “Alkemy”) went about its supervisory duties in compliance with the law, observing the standards of conduct of the Board of Auditors as recommended by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (Italian National Board of Registered and Expert Accountants) and the communications given by Consob in relation to corporate control and the work of the Board of Auditors, as well as with the indications given in the Code of Corporate Governance.

the supervisory duties of the Board of Auditors are regulated by Art. 2403 of the Italian Civil Code, by Italian Legislative Decree no. 58/1998 and by Italian Legislative Decree no. 39/2010. The Board has examined the changes made to Italian Legislative Decree no. 39/2010 with Italian Legislative Decree no. 135/2016, in implementation of Directive 2014/56/EU, which amends Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts and European Regulation 537/2014.

As regards financial information, the Board of Auditors has ascertained that the financial statements have been prepared in accordance with the provisions of Art. 4, paragraph 1 of Italian Legislative Decree no. 38 of 28/02/2005, according to the international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Commission.

The Board of Auditors has also verified compliance with the provisions of Italian Legislative Decree no. 125/2024 by overseeing the adequacy of the processes for the production, reporting, measurement and representation of results and information in relation to the transposition in Italy of the European Corporate Sustainability Reporting Directive (CSRD) and, in particular, it verified that the company drafted a Sustainability Statement - prepared and approved by the Administrative Body - in accordance with the provisions of Article 4 of the above-mentioned legislative decree. This Report provides an account of the supervisory activities carried out in 2024 to date, as required by Consob Communication no. DEM/1025564 of 06 April 2001, as subsequently amended and supplemented.

The Board of Auditors in office was appointed by the Shareholders' Meeting on 26 April 2022, in compliance with current provisions of the law and regulations and the Articles of Association; its term ends with the Shareholders' Meeting convened to approve the financial statements at 31 December 2024.

In 2024, the Board of Auditors, in its role as Internal Control and Accounts Auditing Committee, in accordance with Art. 19, 1st paragraph of Italian Legislative Decree no. 39/2010, as amended by Italian Legislative Decree no. 135/2016, performed the specific duties of information, monitoring, control and audits envisaged therein, fulfilling all duties and tasks indicated by said legislation.

The Board of Auditors offered an opinion each time it was asked to do so by the Board of Directors, also in compliance with provisions that, for some decisions, require the prior consultation of the Board of Auditors.

The Board of Auditors reserves the right to send Consob, by the deadline envisaged - as per Consob Communication no. DEM/1025564 of 6.4.2001 - the "Summary sheet of controls carried out by the board of auditors" in 2024.

The appointment to perform the statutory audit in accordance with Italian Legislative Decree no. 58/1998 and Italian Legislative Decree no. 39/2010 is carried out by KPMG S.p.A. (hereinafter also the "Independent Auditing Firm" or "KPMG"), as resolved by the Shareholders' Meeting held on 17 December 2019 for the term of nine years (2019-2027).

Significant events and key aspects

Retex Takeover Bid

On 3 June 2024, Retex S.p.A. - Società Benefit ("Retex") communicated to Consob and the market, pursuant to articles 102 et seq. of the TUF (Consolidated Finance Law), its decision to promote a voluntary, all-inclusive tender offer for the ordinary shares of Alkemy (the "Bid"), while on 24 June Retex formally promoted the Bid by filing the offer document with Consob.

On 17 October 2024, the final payment was made for the Bid, as a result of which Retex came to hold a sufficient number of shares for exercising control over Alkemy pursuant to Article 2359(1)(1) of the Civil Code.

Proposal for the consensual termination of the auditing appointment to KPMG

In its capacity as parent company of the group of companies to which Alkemy (hereinafter, the "Group") belongs, Retex wishes to appoint a single auditing firm for the statutory audit of the accounts of the companies within the scope of consolidation. This will allow, on the one hand, greater effectiveness and efficiency in the performance of the auditing activities and, on the other, will also facilitate accountability for the entire Group as required by current regulations on statutory audits.

This request is mainly based on the fact that, following the execution of the Bid, Alkemy is controlled by Retex pursuant to International Accounting Standard IFRS 10 and has entered the Group's scope of consolidation, representing a significant component therein.

Accordingly, Retex has begun the necessary activities and procedures for the other companies in the Group to also appoint the same auditor as the parent company, i.e. EY S.p.A. ('EY'), which was appointed by the shareholders' meeting of Retex on 21 June 2024 for the statutory auditing of the annual and consolidated financial statements for the three-year period 2024-2026.

Pursuant to Art. 7 of Ministerial Decree. 261/2012, the statutory auditing firm and the audited company may, by mutual agreement, agree to terminate the audit contract prior to the agreed termination date, provided that the continuity of the statutory auditing activity is ensured.

Alkemy has forwarded to the board of auditors: (i) evidence of the fact that the ordinary shareholders' meeting of Alkemy, convened for 30 April 2025, will be called upon to resolve on the consensual early termination of the auditing contract (the "Consensual Termination") between Alkemy S.p.A. and KPMG and (ii) the auditing offer by EY for the period 2025-2033 (the "EY Offer") and (iii) the auditing offer by RSM Società di Revisione e Organizzazione Contabile S.p.A. (the "RSM Offer" and together with the EY Offer, the "Auditing Proposals", attached hereto).

On 27 March 2025, the Board of Auditors issued its opinion on the proposed Consensual Termination of the auditing appointment pursuant to Art. 7 of Ministerial Decree 261/2012 and Art. 13 of Italian Legislative Decree 39/2010 to which we refer you to for more information.

In accordance with Art. 7 of Ministerial Decree 261/2012 and Art. 13 of Legislative Decree 39/2010, the Consensual Termination shall take effect with the appointment of the new statutory auditing firm, therefore, if the shareholders' meeting approves the Consensual Termination proposal, the shareholders will also be called upon to resolve on the appointment of another statutory auditing firm for the period 2025/2033. Article 13(1) of Legislative Decree 39/2010 sets forth that, following a reasoned proposal by the board of auditors, the shareholders' meeting shall appoint the statutory auditing firm to audit the accounts and determine the respective fee payable for the entire duration of the appointment and any adjustment criteria.

Proposal for the appointment of a statutory auditing firm pursuant to Legislative Decree 39/2010 for the financial years ended 31 December of the years 2025 to 2033  
On 27 March 2025, after a process of analysis and an in-depth technical and economic assessment that was independently performed by the Board of Auditors, in agreement with the competent corporate functions, taking into account the geographical and service organisation of the auditing firm, the mix of personnel employed, the specific expertise in the sector, as well as the proposed fees and terms of the appointment, the Board of Auditors identified the auditing firm EY S.p.A. as having the best offer, and consequently proposed that the appointment for the statutory audit pursuant to Legislative Decree 39/2010 for the financial years ended 31 December of the years from 2025 to 2033 be assigned by the shareholders' meeting, subject to determination of the aforesaid fees for the entire period of the appointment, as well as any criteria for adjustment during the course of the appointment, to the auditing firm EY S.p.A.

Recoverability of the value of the goodwill and value of equity investments; valuation of put option and earn-out payables

Please refer to paragraph 7 of the Report below.

Going concern assumption

As explained in paragraph 15 of the Report below, the Directors did not consider there to be any significant uncertainties with regard to the Group's ability to continue operating as a going concern. Our conclusions are based on the evidence we acquired up to the date of this report. However, we cannot exclude that future events or circumstances may result in the Group ceasing to operate as a going concern.

Request for information by CONSOB pursuant to Article 115, paragraph 1 of Legislative Decree no. 58/1998

Please refer to paragraph 3.1 of the Report below.

Management and coordination activities

In a communication sent on 6 December 2024, Retex announced that it had resolved to

commence, as of December 5, 2024, the management and coordination activities, pursuant to articles 2497 and following of the Italian Civil Code, over Alkemy and (ii) to adopt a regulation aimed at defining and regulating in detail the scope and manner of its management and coordination activities over the subsidiary Alkemy.

Monitoring of observance of the law and the articles of association

Article 153 of Italian Legislative Decree no. 58 of 24 February 1998 envisages the obligation for the Board of Auditors to report to the Shareholders' Meeting convened to approve the financial statements, on the supervisory activities carried out and on any omissions or reprehensible events noted; it also has the faculty to make proposals on the financial statements, their approval and the matters coming under its purview.

In compliance, therefore, with the provisions of law and regulations and the recommendations envisaged and in accordance with the provisions of Art. 2429, paragraph 2 of the Italian Civil Code, we would hereby report to you as follows on the work carried out and the conclusions we have drawn.

The Board of Auditors has monitored compliance with the law, the Articles of Association and the provisions of Consob, in particular through the information collected from our attendance of the meetings of the Board of Directors and the Committees. Insofar as we are aware, the Company would appear to have operated in compliance with said rules and would appear to have respected the information obligations.

The Board of Auditors has ascertained the conformity with the law, the Articles of Association and standards of correct administration in the transactions implemented by the company, making sure that they were not clearly imprudent or risky, or indeed in conflict with the resolutions passed by the Shareholders' Meeting, or such as to risk the integrity of the corporate assets; transactions in which Directors have an interest or with other related parties were subjected to the transparency procedures envisaged by applicable provisions.

The Board of Auditors has acquired the information instrumental to going about the supervisory tasks attributed it, by means of: attending meetings of the Board of Directors and the Board Committees, meeting with the Company's management team, meeting with the independent auditor, analysing information flows acquired from the competent corporate structures and additional control activities.

The Board has gone about its supervisory duties, as described below, meeting from time to time also in order to meet with the Independent Auditing Firm and the various corporate departments of Alkemy S.p.A., and attending meetings of the Board of Directors and Committees.

With respect to the verification conducted by the Board of Auditors pursuant to Article 2.6.2., paragraph 7, of the Rules of the Markets organised and managed by Borsa Italiana, with reference to the communications to the market set forth by Article 2.6.2 of the Rules of the Markets organised and managed by Borsa Italiana, to the best of its knowledge and on the basis of the information provided by the Company as well as its participation in the meetings of the corporate bodies, the Board of Auditors is of the opinion that, since the first day of its listing on the MTA, the Company has so far complied with the disclosure obligations set forth in the applicable rules.

We report that:

on 9 April 2020, the Company received from CONSOB a request for information pursuant to Article 115, paragraph 1 of Legislative Decree No. 58/1998 ("TUF") - protocol No. 0315112/20 - in relation to which the Company promptly provided the requested clarifications and documents. The Board of Auditors monitored the follow-up to the aforementioned request and, to date, no complaints been brought against the Company;

on 21 August 2024, Consob sent Alkemy a note prot. 0079789/24 containing a request for information and documents pursuant to Articles 103 paragraph 2 and 115 of the Consolidated Law on Finance (the "Consob Request") concerning both the Company and the independent members of the Board of Directors, including with regard to the fairness opinion issued on 8 August 2024 by Equità SIM S.p.A., as financial advisor appointed by the directors.

Following this Consob Request:

on 27 August 2024, the Chairman of the Board of Directors sent a draft response to Consob's Request to the directors and auditors;

on 28 August 2024, following its meeting, the Board of Auditors forwarded some observations to the Chairman of the Board of Directors on the draft response to Consob Request's and recommended that Alkemy issue a supplementary statement to the Issuer's Statement of 8 August 2024;

on 28 August 2024, the Chairman of the Board of Directors sent Consob a reply to the Consob Request, which only partly took into account the Board of Auditor's observations and recommendation;

on 4 September 2024, Consob requested that Alkemy publish a supplementary statement to the Issuer's Statement, containing certain information and new assessments regarding the fairness of the Bid Price;

on 11 October 2024, the Board of Auditors received the following request from Consob pursuant to Article 115 of the TUF: *"We also request that the Board of Auditors, pursuant to the above-mentioned provision, provide its considerations on the case in question, taking into account that:- paragraph 9 of the aforementioned Article 127-quinquies of the TUF establishes that "If the resolutions amending articles of associations [relating to the introduction of an increase] are adopted during the process of listing the shares on a regulated market ... the relevant clause may provide that for the purposes of continuous ownership ... the possession prior to the date of inclusion in the list may also be taken into account, in line with the general principle of the establishment of the increase in voting rights, as an incentive mechanism for long-term investment and, therefore, as a reward for stable long term shareholding, according to the Explanatory Report to Law Decree No. 91/2014 ("Competitiveness Decree") which introduced the aforementioned Article. 127-quinquies in the TUF, this provision represents a rule of favour to encourage entry into regulated markets, allowing "the immediate operation of the increased voting rights as of the listing"(1) and thus reducing for existing shareholders the "fear of losing control following the listing" ; (1) See Assonime Circular No. 10 of 7 April 2015 "Le azioni a voto plurimo e a voto maggiorato"). 4 - the effects of the immediate recognition of the increase in voting rights decided by the Company in the case under examination with regard to the shareholder StarTip do not appear to be in line with the opinion of CONSOB in its Communication No. 0214548 of 18 April 20192 , where it represented - inter alia - that: "to allow the granting of increased voting rights to be deferred and made conditional to a discretionary choice by shareholders - would have the effect of creating a climate of uncertainty and constant instability in the market with regard to the ownership structure of an issuer, since the same could be subject to change at any time depending on the shareholders' choices as to whether or not to request the granting of increased voting rights. Moreover, this uncertainty does not only concern the number of voting rights of shareholders who, having accrued the right to receive an increase thereto, are legitimately entitled to request whether this increase is actually granted, while also having a say on the voting rights of all the other shareholders, including those who have not registered their shares in the special list: this is due to the fact that the granting of increased voting rights also has a diluting effect on shareholders who do not benefit from this, in a manner that is proportional to the increase in the voting rights of entitled shareholders ... this precariousness in the ownership structure ... would thus produce precisely the opposite effect to the one intended by the lawmaker with the introduction of Art. 127-quinquies of the TUF, i.e. which is to improve the stability of ownership structures by favouring long-term investors through the transparent and conditional allocation of more governance rights ... In particular, a shareholder who has accrued the right to the increased voting rights at the end of the minimum holding period could remain partially "hidden" from the market simply by not requesting the granting of increased voting rights until such time as this increase proves useful (e.g., in the event of a potential takeover of the company or during an extraordinary shareholders' meeting for which it is uncertain whether a quorum will be reached, or after twelve months have elapsed since previous*

*acquisitions, after which time the rules on consolidation takeover bids would no longer be applicable* (emphasis added).

On 18 October 2024, the Board of Statutory Auditors provided a timely advisory opinion (since this did not fall within its specific powers) in relation to the aforementioned request from Consob.

To date, there has been no follow-up or consequence to the Consob Request.

In 2024, the Board of Auditors met 18 times and attended 23 meetings of the Board of Directors and one Shareholders' Meeting. In addition, in 2024, the Board of Auditors also attended:

6 meetings of the “Remuneration Committee”;

6 meetings of the Control, Risks and Sustainability Committee,

It should be noted that at the meeting on 9 December 2024, the Board of Directors established the Related Party Transactions Committee, which met only once in 2024, with the Board of Auditors in attendance.

Supervisory activities with regard to the principles of proper administration, transactions of major economic significance and relations with subsidiaries or other related parties

The Board of Auditors monitored compliance with standards of correct administration and have no particular comments to make in this regard.

The Board of Auditors has attended the meetings of the Board of Directors, during which Directors were periodically informed by the Chief Executive Officer on the performance of Alkemy's corporate operations and those of its investees and subsidiaries, also in comparison with the budget economic data, and have received prompt, timely information, including about decisions to be made, with reference to the most significant transactions implemented by the Company and its Subsidiaries.

The Board of Auditors has acknowledged the Alkemy Group's three-year plan for 2025-2026-2027, approved by the Board of Auditors on 20 March 2025, its annual financial budget, the draft separate financial statements and the consolidated financial statements (approved by the administrative body on 27 March 2025), noting no atypical or unusual transactions implemented with third parties or related parties, including Group companies.

We believe that the flow of information directed towards the Board has allowed it to properly assess the Company's operating performance and the risks and opportunities of the resolutions resolved.

According to the information made available to us, we can reasonably consider that these transactions are compliant with the law and the Articles of Association, not evidently imprudent or risky or in conflict of interests nor indeed such as to risk the corporate assets.

Information is given on the main intra-group and related party transactions implemented in 2024, together with a description of their characteristics and the related economic effects, in the notes commenting on the separate financial statements of Alkemy S.p.a. and the Group's consolidated financial statements.

The Board of Auditors monitored compliance with the resolution of the Shareholders' Meeting in relation to the purchase of treasury shares, reporting that, in order to execute the purchase plan, in 2024 Alkemy purchased 3,500 treasury shares for a corresponding value 43,000 euros, and in execution of the long term plan assigned 15,757 shares to the beneficiaries thereof, for a corresponding value of 1,818,000 euros as a shareholders' equity item.

In this regard, and insofar as coming under its purview, the Board of Auditors has performed specific analyses aimed at examining the main significant events indicated

by the Company in its Report on Operations relative to 2024, without noting any critical issues worthy of bringing to the attention of the Shareholders' Meeting.

Supervision of the adequacy of the organisational structure

Including through information collected by the company's senior management and meetings with the representatives of the Independent Auditing Firm, during which no critical issues arose, the Board of Auditors monitored the adequacy of the Company's organisational structure for the aspects coming under its purview.

As set forth in Legislative Decree No. 14/2019 (Code of Business Crisis and Insolvency), the Company adopts an organisational, administrative and accounting structure that is appropriate to the nature of its business, including for the timely detection of business crises and the taking of appropriate initiatives.

In the course of the various committee meetings with the heads of the different departments, the Board of Auditors assessed and expressed its views on the following aspects and factors:

the main elements of the management control system adopted by the Company;

the organisational structure assigned to the Finance and Control Administration Department, currently in place in Alkemy and in the group companies, highlighting the accounting systems used.

Particularly as regards the strategic subsidiaries based outside the EU, we note that:

(i) during the meeting held on 25-03-2025, KPMG confirmed that, with regard to Alkemy Latam SA (Mexico City), a subsidiary of Alkemy S.p.A., regulated by laws of non-European Union Member States and with significant relevance in accordance with the provisions of Art. 15, paragraph 2 of the Market Regulation receives (through KPMG Mexico, auditor of said company), have supplied all the information necessary to audit the annual and interim financial statements at 30 June, in order to consolidate them into the consolidated financial statements of the Alkemy Group. Specifically, KPMG Mexico provides KPMG S.p.A., the main auditor of Alkemy S.p.A., with all the information and data required in accordance with Auditing Standard ISA 600, on the basis of specific auditing instructions. These instructions establish that the main auditor shall be sent a report comprising an interoffice report and a highlights completion memorandum, summarising the auditing procedures implemented and the conclusions drawn, with reference to all significant risks identified. The work of KPMG S.p.A. also entails continuous exchanges of information with the secondary auditor, through periodic conference calls and the sending of any supporting documentation. KPMG confirms that to date there has been a regular flow of information from the non-EU subsidiary.

based on the statements of the auditor, the board of auditors acknowledges, in accordance with section IA.1.1, Article 1.05 of the Stock Market Regulation Instructions, that the company established and regulated by the laws of non European Union Member States, controlled by the Issuer (and which are classed as significant in accordance with the provisions of Article 15, paragraph 2 of the Market Regulation) provides the Issuer's auditor with the information necessary to audit the Issuer's annual and interim accounts and also has an administrative-accounting system that is able to ensure that the Issuer's management and auditor regularly receive the economic, equity and financial data necessary to prepare the consolidated financial statements.

during the meetings with the Board of Auditors, the independent auditing firm confirmed that it had received no reports of critical issues in regard to the organisational, administrative and accounting structure and the information flows from the non-EU subsidiaries.

Supervision of the adequacy of the internal control system



The Board of Directors is responsible for the internal control (and compliance) system and, with the support of the Control, Risks and Sustainability Committee (“CRSC”), it therefore establishes the rules and periodically checks the adequacy and effective function of the system. The Director responsible for the internal control and risk management system is required to design and manage the system.

We remind you that, on the proposal of the Chief Executive Officer Duccio Vitali, the Director responsible for the internal control and risk management system, and upon obtaining the favourable opinion of the CRSC and the board of auditors, the Company appointed an independent third party consultant as the Company’s Internal Audit Department Manager (the “Head of Internal Audit”), still in office, with the following tasks: (a) verifying that the Internal Control and Risk Management System is functional and adequate; (b) verifying, both continuously and in connection with specific needs and in respect of best practices, the operation and suitability of the Internal Control and Risk Management System through an audit plan, approved by the Board of Directors and based on a structured process of analysis and priority of the main risks; (c) preparing the periodic reports containing suitable information about his work, the manner in which risk management is carried out and compliance with the plans defined to limit risks and assess the suitability of the Internal Control and Risk Management System; (d) promptly preparing reports on particularly important events; (e) transmitting the reports pursuant to the previous points to the Chairmen of the Board of Auditors, the Control, Risks and Sustainability Committee and the Board of Directors as well as the Director in charge of the Internal Control and Risk Management System; (f) verifying, under the scope of the audit plan, the reliability of the information systems, including the accounting records systems.

In order to have prompt information available on the Internal Control and Risk Management System, reference is made to the 2024 Report on Corporate Governance and Ownership Structures.

The Board has then organised autonomous meetings with the Head of Internal Audit and with the Supervisory Body and has monitored the effective and timely exchange of information between the various corporate bodies and committees.

With reference to the control system that oversees the correctness and completeness of the financial disclosure, during the periodic audit of the Board of Auditors, the Chief Financial Officer has explained the design of the controls of relevant processes and their function. As regards to the individual subsidiaries, the auditor KPMG did not identify significant shortcomings in terms of these controls in 2024, which were performed by local auditors belonging to the KPMG network, liaising closely with one another.

It is recalled that on 10-07-2019, the Board of Directors approved the procedure, which is still applied, for the management, processing and communication of relevant and inside information of Alkemy S.p.A., prepared following the provisions of Regulation (EU) no. 596/2014 (“MAR”), aimed at establishing a common regulatory framework on the abuse of inside information, the unlawful disclosure of inside information and market manipulation, as well as measures to prevent market abuse. The company has adopted the “*Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001*” and the “Code of Ethics and Conduct”, over time making the necessary updates in relation to the progressive extension of the scope of application of Italian Legislative Decree no. 231/2001.

As an integral part of this control system, the Supervisory Body oversees the pursuit of the administrative processes necessary to monitor the predicate offences pursuant to Italian Legislative Decree no. 231/2001, aimed at preventing the possibility of relevant crimes being committed in accordance with the decree and, consequently, the

Issuer's administrative liability (the "Model 231"). The latest update of the Alkemy Model and the Code of Ethics was approved by the Board of Directors on 13-09-2023 in order to incorporate the latest evolutions of the reference legislation. The Board of Auditors entertains continuous relations with the Supervisory Body, also thanks to the presence of one of its members within this body and has received the Report on the Supervisory Body's work, which reveals no particular findings.

On 21 March 2025, The Board of Auditors met with its counterparts for the parent company Retex pursuant to Art. 151 c. 1 and 2 of Legislative Decree no. 58/1998, to exchange information and liaise on their respective autonomous activities.

According to the periodic reports provided by the board committees, the Supervisory Body and the corporate departments, since it did not receive reports of any criticalities or directly identify any critical issues, the Board of Auditor believes that the internal control system is adequately monitored and the corporate departments respond promptly to the corrective action identified.

Supervision of the adequacy of the administrative-accounting system and the statutory audit of accounts

The Board of Auditors has monitored compliance with standards of correct administration by attending the meetings of the Board of Directors and the board committees, as well as meeting with the Chief Financial Officer.

We have assessed and monitored the adequacy of the administrative-accounting system and its reliability in terms of providing a correct representation of management events, through obtaining information from the Manager appointed to prepare the company's accounting documents and the Independent Auditing Firm and by examining the corporate documents.

During the meeting held on 25 March 2025, the Auditing Firm confirmed that (as of that date, when the relevant analyses were still in progress) it had no significant shortcomings to report in the Company's administrative and accounting system.

The Board of Auditors has monitored the financial disclosure process, making sure that the Board of Directors has approved the draft 2024 financial statements, the proposed allocation of the 2024 result and the related press releases, publishing them in accordance with the terms and conditions laid down by current legislation.

During the year, the Company maintained its system of accounting standards and procedures and shared it with its subsidiaries; the accounting standards the Company has declared it uses in preparing the separate and consolidated financial statements appear to be consistent with the rules governing the preparation of such documents.

The Chief Financial Officer organised the issue on 28 March 2025 of the certifications required by Art. 154-bis, paragraphs 3 and 4 of Italian Legislative Decree no. 58 of 24.2.1998, relative to the adequacy - in relation to the business characteristics - and the effective application of the administrative-accounting procedures for preparing the separate and consolidated financial statements in 2024.

As prescribed by Italian Law no. 262 of 28.12.2005, the Chief Financial Officer has prepared this opinion on the basis of the activities carried out in support of these certificates, issued at the foot of the financial statements and presented during the CRSC meeting held on 25 March 2025.

The Board of Auditors has analysed the methodological structure adopted by the Independent Auditing Firm and acquired the necessary information during the course of works, interacting constantly with it in respect of the approach taken to the audit of the various significant areas of the financial statements, receiving updates on the progress made on the auditing appointment and the main aspects drawn to the attention of the Independent Auditing Firm.

To this end, the Board of Auditors has met and exchanged information with the representatives of the Independent Auditing Firm, so as to gain information useful to its supervision of the reliability and adequacy of the administrative-accounting system, the quarterly accounting audit processes and the organisation of the separate and consolidated financial statements auditing process, as well as the relevant results.

The meetings held did not reveal any significant events and/or circumstances which need to be highlighted.

The Board of Auditors has examined the following reports prepared by the independent auditing firm, whose activities form the overall framework of the control duties introduced by the rules in relation to the financial reporting process:

the audit reports, issued on 31 March 2025 pursuant to Art. 14 of Italian Legislative Decree no. 39/2010 and Art. 10 of Regulation (EU) no. 537/2014;

the additional report, issued on 31 March 2025, in accordance with Art. 11 of said Regulation to the Board of Auditors, as the internal control and audit committee;

the annual confirmation of independence, given on 31 March 2025, in accordance with Art. 6, paragraph 2), letter a) of the Regulation and in accordance with paragraph 17 of ISA Italia 260.

Said audit reports on the separate and consolidated financial statements show that the annual and consolidated financial statements offer a truthful, correct representation of Alkemy spa and the Group's equity and financial position at 31 December 2024 and of the economic result and cash flows for the year ended at that date, in compliance with the International Financial Reporting Standards adopted by the European Union and with the provisions issued in implementation of Art. 9 of Italian Legislative Decree no. 38/05.

The audit reports on the separate and consolidated financial statements show the key aspects of the audit, which, according to the professional opinion of the Independent Auditing Firm, were most significant in the audit for the year under review. More specifically:

In compliance with the provisions of International Accounting Standard no. 36, an impairment test was arranged to verify the potential recovery (i) of the net invested capital (including goodwill) posted on the Group's consolidated financial statements at 31.12.2024 and equity investments and goodwill posted on the separate financial statements of Alkemy S.p.A. at 31.12.2024;

in accordance with the provisions of accounting standards IAS 32 and IFRS 9, the value of the put/call sale options concerning the minority stakes in the share capital of companies already controlled by Alkemy ("Put & Call Options") was assessed, for both the purpose of the Consolidated Financial Statements and the Separate Financial Statements;

the financial liability was also recognised for the variable price component to be paid by the Company to the former selling shareholders for the purchase of the shares in Innocv Solutions S.L. ("Earn Out"). This earn-out liability is recorded at fair value on the basis of the formulae and calculation algorithm established by contract and is discounted at the valuation date using a discounting rate that reflects the Company's cost of debt.

In relation to these items, in accordance with the recommendations of the joint Bank of Italy-Consob-Isvap document No. 4 of 3 March 2010, the Group requested from Deloitte S.p.A. ("Deloitte") methodological support for conducting the Impairment Test in accordance with IAS 36 as of 30 June 2024 and 31 December 2024; on 19 March 2025, Alkemy formalised a request to Deloitte S.p.A. to supplement the above mentioned assignment with the performance of some procedures for the analysis of the assumptions and basic elements taken as reference by the Management in the formulation of the economic forecasts used for the business plan approved by the Board of Directors on 20 March 2025 (the "Business Plan"), exclusively for the purpose of verifying their consistency for use in the performance of Impairment Test procedures and for the calculation of certain balance sheet items in the consolidated and separate financial statements of the Company as at 31.12.2024 (calculation of the fair value of options and earn-outs).

The analyses carried out by Deloitte on the Business Plan confirmed the general reasonableness of the assumptions and soundness of the assumptions used for the forecasts of the expected results for 2025 and the following two years for all Group companies and the four identified CGUs.

However, a potential criticality was reported for the future results of the subsidiary Alkemy Play srl ("AP") since the negative performances in past years make the forecast for 2025 and the following two years appear unlikely; retrospective analyses starting from 2017 (the year of AP's incorporation) revealed that the management's annual budget forecasts were never achieved, and the constant losses required the continuous recapitalisation of the company. It is therefore necessary to carefully consider these observations and assess specific precautions both in the parent company's financial statements and at the consolidated level in the Italy CGU, which this company belongs to, as shown below.

With specific regard to the Impairment Test, Deloitte prepared an appraisal (hereinafter the "IT Report") – that was already submitted to the Shareholders' Meeting prior to this session, and which is kept in the Company's records – containing a valuation of the four Cash Generating Units (CGUs) of the Alkemy Group, representing the four sectors in which the company operates, for the purposes of verifying the sustainability of the goodwill values recognised in the Consolidated Financial Statements for the 2024 financial year, in order to provide feedback to Alkemy's Board of Directors within the scope of the Impairment Tests to be conducted pursuant to International Accounting Standard IAS no. 36.

Mr. Benasso goes on to explain the 4 CGUs of Alkemy identified by the management: Italy CGU: comprising the companies: i) Design Group Italia S.r.l. ii) Alkemy Play S.r.l., iii) XCC S.r.l. and iv) the parent company Alkemy S.p.A.

Spain CGU: made up of InnoCV and Alkemy Iberia;

CGU Mexico: comprising in turn by OIS Digital S.L. and the Spanish holding company Alkemy South America, which holds the entire capital);

CGU Serbia: comprising i) Kreativa D.o.o and ii) Alkemy SEE D.o.o. and iii) Alkemy Zagreb, the acquisition of which is currently being finalised.

After stating the methodological criteria that was adopted, the precautions for the execution risk and the analyses that were performed for each CGU, the IT Report concludes by stating that, as of 31 December 2024, the impairment tests and sensitivity tests revealed some critical issues, particularly relating to Alkemy spa and the Italy CGU.

Regarding Alkemy Spa, the following critical issues emerged:

an impairment of 15,018 thousand euros on goodwill recognised as of 31 December 2023 for 18,103 thousand euros;

an impairment of 591 thousand euros on the shareholding representing the entire capital of Alkemy Iberia S.I.U., recorded as of 31 December 2023 as 13,363 thousand euros; an impairment of 901 thousand euros on the 75% shareholding in AP.

With regard to the latter last equity investment, in light of the aforementioned criticalities indicated in Deloitte's analysis, and in consideration of the negative results by the company since its incorporation, it was deemed reasonable and prudent to proceed with the write-down of its entire book value, 901 thousand euros, including in view of the prospective discontinuance of this company's operations. It should be noted that the write-downs detailed so far will be accounted for in the separate financial statements of Alkemy spa. For the other five equity investments held by Alkemy spa, no impairment losses were recognised. Concerning the Italy CGU, the impairment test performed indicated an impairment of goodwill recognised in the consolidated financial statements for 10,450 thousand euros. Given the intention to proceed with the aforementioned write-downs for Alkemy Play, Deloitte was asked to conduct a further sensitivity calculation for the Italy CGU with the exclusion of AP. This analysis revealed an impairment of 11,376 thousand euros for this CGU, an amount that is deemed to be more consistent with previous assessments, which brings the related goodwill to a value that is actually sustainable and reasonable.

For the other CGUs, there was no evidence of impairment of the goodwill recognised in the consolidated financial statements, except for the Serbia CGU, where an impairment of 4 thousand euros emerged, which is not deemed significant.

In drafting the financial statements according to IFRS standards, the Alkemy Group is required to value the put & call options relative to the acquisition of the minorities in the investee companies, in accordance with the provisions of the accounting standards IAS 32 and IFRS 9 (financial instruments).

At 31 December 2024, in line with best practices, the fair value of the financial instruments was thus determined, connected with the purchase of the minorities in the companies in which an investment was already held. The fair value of the financial assets or liabilities deriving from the Put & Call Option contracts has been estimated with reference to the 2024 Separate Financial Statements, considering the instruments as synthetic forwards given the symmetry of conditions of the Put & Call Options.

On the basis of the analyses conducted by Deloitte as at 31 December 2024 summarised in the document "Alkemy Put/Earn Out valuation at 31.12.2024" we note the following: in the separate financial statements of Alkemy S.p.A., a financial asset related to the value of the Put&Call options, amounting to 1,342 thousand euros;

in the Alkemy Group's consolidated financial statements, a financial liability arising from the potential exercise of the Put&Call options to be paid to minority shareholders in the total amount of 2,623 thousand euros;

a financial liability related to the Earn-Out to be paid to the former shareholders (sellers) of INNOCV Solutions S.L., amounting to 7,198 thousand euros;

The Independent Auditing Firm does not give a separate opinion on said key aspects, for which the reports explain the related audit procedures implemented, as they were covered by the audit of the accounts and the preparation of the opinion overall, with the involvement of experts from KPMG's network in the assessment of the reasonableness of the valuation methodologies used and the respective assumptions. The above key aspects were subject to detailed analysis and update during the periodic meetings held by the Board of Auditors with the Independent Auditing Firm.

The Board of Auditors will inform the Company's administrative body on the results of the statutory audit, to this end sending the additional report pursuant to Art. 11 of European Regulation 537/2014, complete with any observations, in accordance with Art. 19 of Italian Legislative Decree no. 39/2010, as updated by Italian Legislative

Decree no. 135/2016, in implementation of Directive 2014/56/EU, which amends Directive 2006/43/EC and European Regulation 537/2014.

The Independent Auditing Firm also believes that the Report on Operations and the information on the Report on Corporate Governance and Ownership Structures, indicated in Art. 123-bis, paragraph 4 of the Consolidated Law on Finance are consistent with the financial statements of Alkemy S.p.a. and the consolidated financial statements of the Alkemy S.p.a. Group at 31 December 2024.

It is noted that these items, and the corresponding amounts, have been allocated to the Separate Financial Statements 2024 and the Consolidated Financial Statements 2024, respectively.

In light of the foregoing, the Board of Auditors believes that the methodology adopted for the Impairment Test and for the valuation of the put & call options, which resulted in an impairment loss of 15,018 thousand euros for the goodwill and a gain of 1,342 thousand euros for the Put&Call options in the Financial Statements was suitable for providing the necessary recommendations to Alkemy's Board of Directors within the scope of the Impairment Tests and for the valuation of the put&call Options and Earn Out liabilities for the preparation of the financial statements as of 31.12.2024.

During the year, the Board of Auditors met with the managers of the independent auditing firm, in accordance with Art. 150, paragraph 3 of Italian Legislative Decree no. 58/1998, during which appropriate exchanges of information took place and no other facts or situations emerged, worthy of note. The Board of Auditors: (i) has analysed the work carried out by the independent auditing firm and, in particular, the methodological structure, the approach taken to auditing the various significant areas of the financial statements and the planning of the audit itself; and (ii) has shared information with the independent auditing firm on the problems relating to business risks, thereby successfully noting the adequacy of the response planned by the auditor with the structural and risk profiles of the Company and Group.

In accordance with Art. 19 of Italian Legislative Decree no. 39/2010, the Board of Auditors verified and monitored the independence of the independent auditing firm, in accordance with Articles 10, 10-bis, 10-ter, 10-quater and 17 of said Decree and with Art. 6 of Regulation (EU) 537/2014 of 16 April 2014. This particularly applies in respect of the adequacy of the provision of services other than audit services, to the audited entity.

As it has itself declared, the independent auditing firm has received, together with the companies belonging to its network, appointments from Alkemy S.p.A. and its subsidiaries, as detailed in the summary given in the Additional Report issued by KPMG.

Taking into account:

the declaration on independence pursuant to Art. 6, paragraph 2, letter a) of Regulation (EU) no. 537 of 16 April 2014, issued by KPMG spa and the report on transparency it has produced in accordance with Art. 18, paragraph 1 of Italian Legislative Decree no. 39/2010;

the outcome of the analyses carried out by the Board of Auditors following three specific requests (one in 2024 and two in 2025) by the aforesaid Auditing Firm in relation to advisory assignments received from FSI, the indirect parent company of Alkemy, as the parent company of Retex S.p.A.;

the appointments conferred upon it and on the companies belonging to its network by Alkemy S.p.a. and the Group companies;

the Board of Auditors believes that conditions are met to attest to the independence of the independent auditing firm KPMG spa.

The Board of Auditors, in going about its duties as “Internal Control and Accounts Auditing Committee”, as assumed under Art. 19 of Italian Legislative Decree no. 39/2010, in turn as amended by Italian Legislative Decree no. 135/2016, has monitored: the process relating to financial and non-financial information; the effectiveness of internal control, internal audit and risk management systems; the statutory audit of the annual and consolidated accounts; the transparency report and additional report prepared by the independent auditing firm in compliance with the criteria pursuant to Reg. 537/2014, noting that the information acquired does not suggest any critical aspects in connection with the independence of the independent auditing firm; the aspects relating to the independence of the independent auditing firm, with particular reference to the services provided by the latter to the audited entity, other than the auditing of the accounts; the correct application of the provisions of Regulation EU 537/2014 in connection with the provision by the auditor of non-audit services.

We also confirm that the Company provided the Sustainability Reporting that was prepared pursuant to Legislative Decree No. 125/2024, as approved by the Board of Directors on 22 March 2022.

The Board of Auditors has also acknowledged the report issued by KPMG on 31 March 2025, issuing:

the report by the designated Auditor on the conformity of the information supplied with the provisions of said Italian Legislative Decree;

the indication by the Auditor appointed to perform the statutory audit of the financial statements, in a specific section of the audit report, of the approval by the administrative body.

On the basis of the information acquired, the Board of Auditors certifies that, during its examination, no elements of non-conformities and/or breach of the related regulatory provisions, were drawn to its attention. Moreover, during the supervisory activities carried out by the Board of Auditors in the above-described manner, on the basis of the information and data acquired, no events emerged such as to suggest failure to comply with the law and deed of incorporation or to justify any report to the Supervisory Authorities or mention in this Report.

Supervision of Sustainability Reporting prepared pursuant to Legislative Decree No. 125/2024

The Board of Auditors acknowledges the adequacy of the procedures, processes and structures governing the production, reporting, measurement and representation of non-financial results and information.

The Board of Auditors also reports on the preparatory activities for the preparation of the Sustainability Statement pursuant to Legislative Decree No. 125/2024 and, in particular, it reports the Company drafted the Consolidated Sustainability Statement, which was prepared and approved by the Administrative Body, in accordance with the provisions of Article 4 of Legislative Decree No. 125/2024. The Board of Auditors also: verified that the aforesaid Consolidated Sustainability Statement was overseen by the Auditing Company, pursuant to Article 8 of Legislative Decree no. 125/2024, which certified that the Directors had prepared the consolidated sustainability statement, which was integrated into the Report on Operations as a specific section. As a specific assignment, on 31 March 2025, the auditing firm also issued a Limited Assurance certification, without any remarks, on the conformity of the information provided in the consolidated sustainability statement with the requirements of Legislative Decree no. 125/2024 and with respect to the principles, methodologies and methods of preparation,

as well as Article 5 of the Consob Regulation adopted by resolution No. 20267 of 18 January 2018;

acknowledged the process for the "Limited Assurance" certification of the Consolidated Sustainability Statement and any comments made in time for the date of the Shareholders' Meeting to which the Report on Operations, including the relevant section of the Sustainability Statement, is submitted.

Supervision of the concrete implementation of the rules of corporate governance

We have monitored the implementation and adjustment to comply with the codes of conduct - the Code of Corporate Governance and the Code of Ethics - to which the Company has declared it adheres.

The Company adheres to the Code of Corporate Governance, incorporating the document prepared by the Corporate Governance Committee of Listed Companies almost entirely. In this context, the Board of Directors has appointed the Remuneration Committee and the Control, Risks and Sustainability Committee, which performs the duties assigned them. The CRSC is also assigned the duties of Related Party Transactions Committee.

The Company has begun making adjustments with a view to incorporating, including through the suggestions made by the Corporate Governance Committee for Listed Companies, the indications concerning the recognition of a variable component of the comprehensive remuneration of the Company's directors and key management personnel.

In compliance with the instructions given by Borsa Italiana, the Board of Directors has prepared and approved (on 27 March 2025) the "Report on Corporate Governance and Ownership Structures" (the "CG Report") and the "Remuneration Report", respectively in accordance with Articles 123-bis and 123-ter of the Consolidated Law on Finance (together the "Reports"), respectively approved by the CRSC and the Remuneration Committee. The Board has verified that these Reports were prepared in compliance with reference standards and that the "Report on Corporate Governance and Ownership Structures" indicates the aspects of the Code of Corporate Governance - as specified above - which have not been implemented in the Company's Governance System.

Reference is made to the CG Report for information on the members and duties of the board committees as well as on the Company's corporate governance, with respect to which the Board of Auditors expresses a positive opinion.

Indeed, we acknowledge that, in taking into account the declarations made by the parties concerned and the information available, the Board of Directors verified the substantive requirement of independence envisaged by application criterion 3.C.1 of the Code of Corporate Governance and by Article 148, paragraph 3 of Italian Legislative Decree no. 58 of 24.02.1998 in respect of the Directors.

The Board of Directors has passed the resolutions on the matters of competence, as prescribed by the Articles of Association and some internal procedures.

Supervisory activities on relations with the parent company and subsidiaries Below is a list of the main balance sheet and income statement balances of the commercial and financial transactions with associates conducted by the Parent Alkemy spa:

Figures in thousands of euros

Commercial transactions	Receivables	Liabilities	Revenue	Costs
Alkemy play S.r.l.	544	(18)	297	(212)
Alkemy Iberia S.L.U.	3	(26)	18	(77)
Alkemy South America S.L.	-	(3)	-	-
Alkemy Latam S.A.	-	-	160	-
Alkemy SEE D.o.o.	248	(118)	-	(13)
Kreativa D.o.o.	13	-	-	-
Experience Cloud Consulting S.r.l.	71	(102)	162	(607)
Design Group Italia S.r.l.	125	(352)	340	(2,140)
Innocv Solutions S.L.	3	-	-	-



Total	1,007	(619)	977	(3,049)
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### Figures in thousands of euros

Financial transactions	Receivables	Liabilities	Revenue	Costs
Alkemy South America S.L.	-	(960)	-	(23)
Alkemy SEE D.o.o.	330	-	5	-
Kreativa D.o.o.	350	-	13	-
Experience Cloud Consulting S.r.l.	852	-	44	-
Total	1,532	(960)	62	(23)

As set forth in paragraph 2.7 above, on 6 December 2024, Retex confirmed that it had resolved to (i) commence, as of December 5, 2024, the management and coordination activities, pursuant to articles 2497 and following of the Italian Civil Code, over Alkemy and (ii) to adopt a regulation aimed at defining and regulating in detail the scope and manner of its management and coordination activities over the subsidiary Alkemy.

The Board of Auditors can declare that, on the basis of the information received, the controls performed and the instructions given by the Company to the subsidiaries in accordance with Art. 114, paragraph 2 of said Italian Legislative Decree no. 58/1998 in relation to financial disclosure obligations and other operating areas, are adequate.

#### Supervision of related party transactions

The Board of Auditors has monitored the compliance with provisions of law and regulations of the Related Party Transactions Procedure, its effective implementation and concrete operation. We report that, until 9 December 2024, supervision of related party transactions was delegated to the attributed to the CRSC; thereafter, a specific Related Party Transactions Committee was established, composed solely of independent directors .

In accordance with Art. 2391-bis of the Italian Civil Code, insofar as the Board of Auditors has been able to verify, the related party transactions examined were all implemented on the basis of rules assuring transparency and compliance with the general principles set out by Consob and rules of corporate governance.

The information supplied by the Board of Directors, also with specific reference to intra-group transactions and transactions with other related parties, is considered adequate in respect of reference legislation. More specifically, said transactions are considered relevant to the pursuit of the company object, of a fair amount and in line with the company's interests.

In the specific paragraph at the end of the Notes to the financial statements, the Board of Directors provided full information on transactions implemented with Group companies and related parties, explaining the relevant economic and financial effects, albeit using a partially different format to that given in CONSOB communication no. DEM/6064293 of 28 July 2006.

#### Omissions and reprehensible events noted. Initiatives taken

To date, the Board of Auditors has not received any reports pursuant to Art. 2408 of the Italian Civil Code nor any complaints by shareholders or third parties.

During its supervision, the Board of Auditors noted no omissions, reprehensible events or irregularities.

The Alkemy S.p.a. Supervisory Body did not describe any reports made, even in anonymous form.

The Company has a "Whistleblowing" Procedure, which was updated according to the recent provisions of Legislative Decree 10 March 2023, no. 24 "Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down

provisions regarding the protection of persons who report breaches of national laws", which provides for the establishment of suitable information channels for ensuring the receipt, analysis and processing of reports relating to internal control issues, corporate reporting, the Company's administrative liability, frauds or in any behavioural anomalies attributable to Alkemy personnel or third parties in breach of laws and regulations and/or non-compliance with the Code of Ethics and the 231 Organisational Model, as well as the system of rules and procedures in force within the Alkemy group, and forwarded by employees, members of corporate bodies or third parties, including in an anonymous form.

The Board of Auditors has positively noted the Company's efforts to promote initiatives aimed at developing a corporate culture characterised by correct behaviour, and has repeatedly represented to the Board of Directors the importance of paying attention to the integrity of conduct in every phase of the Company's management, by promoting, for this purpose, specific programmes addressed to its internal organisation.

After being analysed, one report received in June 2024 under the Whistleblowing Procedure proved to be unfounded.

During the course of our supervision, no omissions, reprehensible events or irregularities were noted.

#### Opinions given

The Board of Auditors has offered an opinion each time it was asked to do so by the Board of Directors, also in compliance with provisions that, for some decisions, require it to be consulted in advance. In particular, the Board of Auditors expressed an opinion on this matter:

the existence of the independence requirement of the auditing firm KPMG;

the consensual termination of the auditing assignment to KPMG S.p.A., pursuant to Art. 7 of Ministerial Decree 261/2012 referred to in Part. 13, paragraph 4 of Italian Legislative Decree no. 39/2010;

as well as, on 27 March 2025, issued an opinion on the statutory auditing assignment pursuant to Legislative Decree 39/2010 for the financial years ending 31 December in years 2025 to 2033.

#### Self-assessment

The Board of Auditors reports that the self-assessment process carried out on the basis of the declarations provided by the individual members of the Board of Auditors confirms the existence, and formal and substantial fulfilment of, the independence requirements set forth in Art. 148 of the Consolidated Law on Finance, and in the CG Code, as also attested in the Board of Auditors' minutes of 20 January 2025.

The Board also acknowledges the due operation and size of the board of directors and committees, with particular regard to the requirements for independent directors, as well as the processes for determining remuneration, and the completeness, competencies and responsibilities associated with each corporate function.

Proposals on the year's financial statements and their approval and on the matters under the purview of the Board of Auditors

On 13 September 2024, the Board of Directors prepared the report relative to the first half of 2024, publishing it in accordance with the terms and conditions laid down by current legislation. On 27 March 2025, the Alkemy S.p.a. Board of Directors passed resolutions on the:

Approval of the minutes of the Board meeting

Examination of the annual report of the Internal Audit department for the year 2024;

Approval of the audit plan for 2025 and approval of the budget for the current year;

Supervisory Body: Examination of the annual report as at 31 December 2024 prepared by the Supervisory Board of the Company and the plan for the activities to be carried out in the 2025 financial year; related and resulting resolutions.

Corporate governance determinations: (i) definition of the guidelines of the Risk Management and Internal Control System (the "RMICS") in line with the company's strategies and annual assessment of its adequacy with respect to the characteristics of the company and its risk profile. Assessment as to the appropriateness of adopting measures to ensure the effectiveness and unbiased judgement of other corporate functions (e.g. risk management department, legal and compliance risk department) and verification of the adequacy of the professional roles and resources assigned to those departments (Art. 6, recc. 33 (d) CGC);

assessment of the adequacy of the organisational, administrative and accounting structure of the company and its strategically important subsidiaries, with particular regard to the RMICS, in consultation with the CRSC and taking note of the risk mapping of the company and its strategic subsidiaries (Art. 1, recc. 1 (d) CGC);

verification of compliance with the administrative and accounting procedures by the chief financial officer and verification of the adequacy of the latter's resources and powers (Article 154-bis c. 4 TUF); (iv) annual report of the Control, Risks and Sustainability Committee on the activities carried out during the 2024 financial year; (v) annual report of the Remuneration Committee on the activities carried out during the 2024 financial year; (vi) annual report of the Committee for Related Party Transactions on the activities carried out during the 2024 financial year; (vii) acknowledgement of the self-assessment procedure by the Board of Auditors; (viii) assessment pursuant to recommendation 33 letter. (e) of the GCC; (ix) considerations regarding the letter dated 17 December 2024 from the Chairman of the Corporate Governance Committee.

Impairment testing of the value of goodwill and valuation of the put/call options;

approval of the draft financial statements as at 31 December 2024, the consolidated financial statements as at

31 December 2024 (prepared in accordance with European Commission Delegated Regulation No. 2019/815 as amended), the Directors' Report on Operations and the Sustainability Statement prepared pursuant to Legislative Decree No. 125/2024.

Report on Corporate Governance and ownership structure pursuant to art. 123-bis of the Consolidated Law on Finance;

the final results of the MBO/LTIP for the 2024 financial year;

Explanatory reports on the items on the agenda of the Ordinary Shareholders' Meeting.

Approval of the press release.

Update on the execution of the free capital increase resolved by the Extraordinary Shareholders' Meeting on 23 January 2025.

The (separate) financial statements of Alkemy S.p.A. at 31.12.2024 show a loss in the financial year of 18,858,051 euros and shareholders' equity of 26,611,441 euros.

The Consolidated Financial Statements at 31.12.2024 show a loss for the Group of 14,732 thousand euros and Group shareholders' equity of 33,157 thousand euros.

Information on the economic operating performance is given in said Company's financial statements. When preparing the Annual Financial Report to 31.12.2024, the Company conducted a specific analysis on the Group's ability to continue to operate as a going concern, given the results achieved during the year and its future financial commitments. In particular, the forecast analyses contained in the Financial Budget approved by the Board of Directors showed that the Group will need to obtain new financing of 10 million euros in the course of 2025 to support ordinary and extraordinary requirements. As of the date of preparation of this Annual Financial Report, the

Company has already obtained a first medium-long-term bank loan and confirmation of the issuing of a second loan in April next year; the total value of these two loans will cover 70% of the Group's expected requirements. The obtainment of additional financing to cover the remaining 30% of its financial requirements depends on third parties and could therefore constitute an element of uncertainty for the Group; therefore, the Board of Directors made specific considerations and assessments regarding the uncertainty of obtaining such financing, which are detailed in the minutes of the Board meeting of 20-03-2025. From the analysis carried out in this regard by the Board of Directors, the latter deemed this uncertainty not to be significant *'in virtue of the solid structure of the Group, which Alkemy has joined, the expected results for the next 12 months as set forth in the 2025 budget and in the three-year plan, which were both approved by the Board of Directors, as well as the consolidated relations with banks'*. Based on this assessment by the Board of Directors, the financial statements were therefore prepared on a going concern basis.

The Board of Auditors stresses that it received the Reports to the separate and consolidated financial statements of Alkemy S.p.a. prepared by the independent auditing firm by the legal deadline and the related Certifications by the Chief Financial Officer and Chief Executive Officer.

In addition, the independent auditing firm has expressed a positive opinion on the conformity of the financial statements with the provisions of the Delegated Regulation (EU) 2019/815 on the single electronic reporting format.

The Board of Auditors acknowledges that the Company prepared the consolidated Sustainability Statement in accordance with Legislative Decree no. 125/2024 in relation to which, within the scope of its assignment, the auditing firm did not express any remarks.

Having acknowledged the positive opinion given in the independent auditors' report by KPMG S.p.A., the Board of Auditors believes that the (separate) financial statements of Alkemy S.p.A. at 31 December 2024 can be approved by yourselves, together with the proposal outlined by the Board of Directors for the allocation of the 2023 result.

The consolidated financial statements include not only the financial statements of Alkemy S.p.a. but also those of the Companies it controls, duly rectified and restated to make them homogeneous with the standards adopted by the parent company in preparing the financial statements and compliant with the IFRS. The control of the Board of Auditors did not cover these financial statements. Insofar as may be relevant, the determination of the consolidation area, the choice of consolidation standards applied to the equity investments and the procedures adopted, all reflect the provisions of the law. The Report on Operations provides an adequate presentation of the group's economic, equity and financial position as well as its operating performance in 2024 and contains a suitable disclosure on transactions implemented between group companies and on significant events that occurred after the end of the year.

In light of the foregoing, the information supplied by the independent auditing firm and the opinion without findings it has issued in accordance with the law, the Board of Auditors has nothing particular to report in regard to the Consolidated Financial Statements of Alkemy S.p.A. at 31 December 2024.

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This report was approved unanimously by the Board of Auditors, Milan, 31 March 2025 Board of Statutory Auditors

Mr Gabriele Gualeni (Chairman) Mr Mauro Bontempelli Ms Daniela Elvira Bruno