

DIGITAL VALUE Group

Independent Auditor's Report pursuant to
article 14 of Legislative Decree 27 January
2010, no. 39 and article 10 of EU Regulation
no. 537/2014

Consolidated Financial Statements at 31 December 2024

Independent Auditor's Report

pursuant to article 14 of Legislative Decree 27 January 2010, no. 39 and article 10 of EU Regulation no. 537/2014

To the Shareholders of
Digital Value S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have carried out the audit of the consolidated financial statements of the Digital Value Group (the Group), made up of the consolidated balance sheet at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cashflows for the year ended on said date and the notes to the financial statements, which include the significant information on the accounting standards applied.

In our opinion, the consolidated financial statements provide a true and fair representation of the equity and financial situation of the Group for the year ended 31 December 2024, of the economic results and cash flows for the year ended on said date, in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union, and the provisions issued in implementation of article 9 of Legislative Decree 38/05.

Basis for the opinion

We have carried out the audit in compliance with the international standards on auditing (ISA Italia). Our responsibilities under these standards are further described in the *Responsibilities of the independent auditors for the audit of the consolidated financial statements* section of this report. We are independent of Digital Value S.p.A. (the Company or the parent company) in accordance with the rules and standards governing ethics and independence applicable in the Italian legal system to the audit of financial statements. We feel that we have acquired sufficient and appropriate evidence on which to base our opinion.

Key aspects of the audit

The key aspects of the audit are those aspects that, in our professional opinion, were most significant in the audit of the consolidated financial statements for the year under review. We addressed these Consolidated company as part of our audit and in the formation of our opinion on the consolidated financial statements as a whole; as a consequence, we do not express a separate opinion on these aspects.

Key aspects	Audit procedures in response to key aspects
<p>PROCEEDINGS AGAINST CERTAIN GROUP COMPANIES</p> <p>Note on “Significant events that occurred during the year” Note on “Risks related to the outcome of ongoing litigation”</p> <p>Between 14 and 15 October 2024 Digital Value S.p.A. learned that the former Chairman and Chief Executive Officer of the Company and former Sole Director of Italware S.r.l. was under investigation in criminal proceedings for alleged corruption and that Digital Value itself (in addition to its subsidiaries Italware S.r.l., ITD Solutions S.p.A. and Dimira S.r.l.) was under investigation pursuant to Legislative Decree 231/2001.</p> <p>In abstract terms, if criminal proceedings were to be brought and the Group Companies found liable in the proceedings for administrative offences related to the criminal offences currently under investigation, the administrative penalties envisaged by article 9 of Legislative Decree 231/2001 could be implemented and other measures, such as the confiscation of the price of or profit from the offence, could also be applied.</p> <p>Upon learning of the investigation, the Group immediately embarked on an extensive self-cleaning process, which is set to continue over time, implementing multiple appropriate distancing measures, including those relating to its own organisational model and that of the Companies, also with a view to mitigating the risk of disciplinary sanctions, supported by independent experts. The company has already set aside the sums necessary to cover any damages and place any profits from the offence at the disposal of the Judicial Authorities. The legal proceedings are still ongoing and the company has not been subject to any precautionary measures nor has it received any further communications or notifications. Consob has also been informed of the self-cleaning process undertaken.</p>	<p>The main audit procedures performed in response to the key aspect of the audit relating to the proceedings against certain Group companies concerned the following activities, also engaging forensic experts belonging to the BDO Italia network:</p> <ul style="list-style-type: none"> analysis of the documentation made available to us relating to the provisions issued by the Public Prosecutor’s Office and the reports prepared by the internal audit department; analysis of contracts and orders awarded in relation to the transactions subject to the proceedings and the companies involved; analysis aimed at reconstructing the relationships between the group companies and the suppliers involved in the proceedings; analysis of the remedial actions implemented by the company; meetings and discussions on significant matters with management, consultants, the internal audit department, the board of statutory auditors and the risk control committee; critical review of the minutes of the corporate bodies; analysis of the disclosure provided in the explanatory notes and in the report on operation.

In view of the nature of the above proceedings, as well as their potential impact on the operations of the company and the Group, and the commitment required to carry out the relative audit procedures, we have considered these proceedings and related events to be a key aspect of the audit.

ASSESSMENT OF THE RECOVERABILITY OF GOODWILL

Note 7.1.1 - "Intangible assets" of the Explanatory Notes

The "Intangible Assets" item in the consolidated financial statements includes goodwill of about Euro 28 million, allocated to the Group's various CGUs. The processes and methods for assessing and determining the recoverable value of the CGUs, in terms of value in use, are based on sometimes complex assumptions which, by their very nature, require the judgement of the directors, particularly with reference to the forecast of future cash flows envisaged in the plans, the determination of normalised cash flows underlying the estimate of the terminal value, the determination of the long-term growth rate and discount rate applied to the forecasts of future cash flows.

The directors subjected goodwill to an impairment test on the closing date of the financial statements.

The impairment test performed did not reveal any loss in value that needs to be reflected in the consolidated financial statements at 31 December 2024.

Furthermore, the Group performed a series of sensitivity tests relating to cash flows through parametric reduction of revenues and related variable costs, of the WACC discounting rates, and of the growth rate "g" adopted. These sensitivity tests revealed no critical issues in the book values of net invested capital.

In view of the opinion required and the complexity of the assumptions made in estimating the recoverable amount of the goodwill, we considered this issue to be a key aspect of the audit.

The main audit procedures performed in response to the key aspect of the audit relating to the assessment of the recoverability of the value of goodwill concerned the following activities:

- verification of the identification criteria of the Cash Generating Units in keeping with the Group's structure;
- analysis of the procedures implemented by the group regarding the assessment of the recoverability of goodwill;
- understanding the methodology adopted by management in preparing the impairment test approved by the Board of Directors of Digital Value S.p.A; 29 April 2025;
- verification of the consistency of the anticipated future cash flows for the Cash Generating Units with the data approved by the Company's Board of Directors;
- analysis of the plausibility of the main assumptions used in the preparation of the forecasts of the Cash Generating Units, obtaining information from management and comparing historical forecasts against the final figures;
- assessment of the consistency and plausibility of the forecast data used by the Company with respect to the provisions of IAS 36, the results achieved in previous years and external sources of information.

- verification of the mathematical correctness of the key figures contained in the impairment test and reconstructed the discount rate and long-term growth rate, considering expected inflation;
- the mathematical review of the sensitivity analysis prepared by the Company to determine changes in assumptions that could significantly alter the valuation of the recoverable value;
- the review procedures were performed with the aid of our internal experts in valuation models belonging to the BDO Italia network;
- we audited the draft financial statements of the subsidiaries for the year ended 31 December 2024;
- lastly, we considered the adequacy of the information disclosed in the consolidated financial statements.

ASSESSMENT OF THE ASSUMPTION OF BUSINESS CONTINUITY AND FORECAST OF FUTURE PERFORMANCE

Notes on “Significant events that occurred during the year”, “Risks associated with the outcome of ongoing litigation” and “Business outlook”

In relation to the legal proceedings involving the company and some of its subsidiaries, Consip, a customer representing 22% of the Group’s revenues, had suspended the awarding of tenders to the Group. On 30 April 2025, Consip announced that it had positively assessed the multiple self-cleaning measures implemented by the Digital Value Group - without prejudice to the obligation to provide updates on these measures at set intervals - and that it had found no factors that would prevent the awards from being upheld, with the professional suitability and relationship of trust with Consip remaining intact.

The main audit procedures performed in response to the key aspect of the audit relating to the assessment of the probability of business continuity are:

- obtaining the 2025 budget and the 2026-2027 extrapolation approved by the Board of Directors on 29 April 2025;
- analysis of the plausibility of the main assumptions used by the directors in preparing the 2025 budget and the 2026-2027 extrapolation;
- verification of the mathematical accuracy of the 2025 budget and the 2026-2027 extrapolation;

Furthermore, the directors report that, in March 2025, they received the termination of the framework agreement with the subsidiary Italware S.r.l., worth Euro 180 million over several years, from the Ministry of Defence, and that they have taken the appropriate legal action to challenge the decision, considering it to be flawed and lacking in substance.

Consequently, the Group's activities with regard to the public administration can continue as planned by the directors in the preparation of the 2025 budget and the 2026-2027 extrapolation, approved by the same administrative body on 29 April 2025.

The company has based its assumption regarding business continuity, used in the preparation of the consolidated financial statements, on these forecasts.

In view of the subjectivity and significance of the assessments and opinions required of management in its forecasting activities, for the purposes of the assumption of business continuity, we believe that the assessment of the assumption of business continuity is a key aspect of the audit.

- analysis of the documentation relating to the forecasts contained in the 2025 budget, made available to us;
- meetings and discussions with management, legal advisors and the board of statutory auditors on developments in relations with Consip and correspondence with Consip as of 30 April 2025;
- analysis of the disclosure provided in the explanatory notes and in the report on operation.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for drawing up consolidated financial statements that give a true and fair view in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union, and the provisions issued in implementation of article 9 of Legislative Decree 38/05 and, within the terms of the law, for that part of the internal audit which they consider necessary to enable the preparation of financial statements that do not contain significant errors due to fraud or to unintentional conduct or events.

The directors are responsible for assessing the Group's ability to continue operating as a going concern and, in preparing the consolidated financial statements, for the appropriateness of the use of its consideration as a going concern, as well as for adequate disclosure. The directors use the consideration of the Company as Consolidated value a going concern in preparing the consolidated financial statements unless they have determined the existence of the conditions for liquidation of the parent company Digital Value S.p.A. or discontinuation of the activity, or have no realistic alternative to these decisions.

The board of statutory auditors is responsible for supervising, within the terms of the law, the process of preparing the Group's financial reporting.

Responsibility of the independent auditor for auditing the consolidated financial statements

Our aims are to obtain reasonable assurance about whether the consolidated financial statements, taken as a whole, are free from significant errors, due to fraud or unintentional conduct or events, and to issue an audit report including our opinion. Reasonable assurance is a high level of assurance which does not, however, guarantee that an audit performed in compliance with International Standards on Auditing (ISA Italia) will always identify any significant errors. Errors can arise from fraud or from unintentional conduct or events and are considered significant if they could reasonably be expected, either individually or collectively, to influence the economic decisions made by users on the basis of the consolidated financial statements.

As part of the audit carried out in compliance with international auditing standards (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit.

Moreover:

- we identified and assessed the risks of significant errors in the consolidated financial statements, due to fraud or unintentional conduct or events; we defined and performed audit procedures in response to those risks; and we obtained sufficient and appropriate evidence on which to base our opinion. The risk of failing to detect a significant error due to fraud is higher than the risk of failing to detect a significant error arising from unintentional behaviour or events, as fraud may involve collusion, falsification, intentional omissions, misleading representations or the circumvention of internal control.
- we gained an understanding of internal audit for the purpose of designing audit procedures that are appropriate under the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Group's internal audit;
- we assessed the appropriateness of the accounting standards used and the reasonable nature of the estimates made by the directors, including the related disclosures;
- we reached a conclusion on the appropriateness of the directors' use of the consideration of the company as a going concern and, based on the evidence obtained, on whether there is significant uncertainty about events or circumstances that may cast significant doubt on the Group's ability to continue operating as a going concern. When there is a significant uncertainty, we are required to draw attention to it in the auditors' report on the related financial statement disclosures or, if such disclosures are inadequate, to reflect this in the formulation of our opinion. Our conclusions are based on the evidence obtained up to the date of this report. However, subsequent events or circumstances may result in the Group ceasing to operate as a going concern;
- we assessed the presentation, structure and content of the consolidated financial statements as a whole, including disclosures, and whether the consolidated financial statements present the underlying transactions and events in a way that gives a true and fair view;
- we acquired sufficient and appropriate elements on the financial information of the enterprises or the different economic activities performed within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, supervision and performance of the Group's independent audit. We bear sole responsibility for the judgement of the audit of the consolidated financial statements.

We disclosed to those responsible for governance activities, identified at an appropriate level as required by ISA Italia, among other aspects, the planned scope and timing of the audit and the significant findings that emerged, including any significant deficiencies in internal audit identified during our audit.

We also supplied those responsible for governance activities with a declaration of our compliance with the rules and principles on ethics and independence applicable in the Italian legal system and informed them of any situation that could reasonably have an effect on our independence and, where applicable, the actions taken to eliminate the associated risks or the safeguards applied.

Among the aspects communicated to the persons in charge of governance activities, we identified those that were most significant within the scope of the audit of the consolidated financial statements for the year under review, and therefore represented the key aspects of the audit. We described these aspects in the audit report.

Other information disclosed pursuant to art. 10 of EU Regulation no. 537/2014

On 5 April 2023, the shareholders' meeting of Digital Value S.p.A. appointed us to audit the Parent Company's financial statements and the Digital Value Group's consolidated financial statements for the financial years from 31 December 2023 to 31 December 2031.

We hereby declare that no services other than auditing which are forbidden pursuant to art. 5, paragraph 1 of Regulation (EU) 537/2014 were provided and that we remained independent of the company in the performance of the audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is in line with that indicated in the additional report to the Board of Statutory Auditors, in its capacity as the Committee for Internal Control and Statutory Audit, prepared pursuant to art. 11 of the aforementioned Regulation.

Report on other provisions of the law and regulations

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

The directors of Digital Value S.p.A. are responsible for the application of the provisions of Delegated Regulation (EU) 2019/815 of the European Commission on regulatory technical standards relating to the specification of the *European Single Electronic Format* (ESEF) (hereinafter “Delegated Regulation”) to the consolidated financial statements for the year ended 31 December 2024, to be included in the annual financial report.

We performed the procedures indicated in auditing standard (SA Italy) no. 700B with a view to expressing an opinion on the conformity of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and are marked, in terms of all significant aspects, in compliance with the provisions of the Delegated Regulation.

Opinion in compliance with art. 14, paragraph 2, letter e), e-bis) and e-ter) of Legislative Decree 39/10 and art. 123-bis, paragraph 4 of Legislative Decree 58/98.

The directors of Digital Value S.p.A. are responsible for preparing the report on operation and the report on corporate governance and ownership structures of the Digital Value Group at 31 December 2024, as well as their consistency with the related financial statements and compliance with legal requirements.

We performed the procedures indicated in auditing standard (SA Italia) no. 720B with a view to

- expressing an opinion on the consistency of the report on operation and certain specific information contained in the report on corporate governance and ownership structures indicated in art. 123-bis, paragraph 4 of Legislative Decree 58/98, with the consolidated financial statements;
- expressing an opinion on the consistency with the law of the report on operation and certain specific information contained in the report on corporate governance and ownership structures indicated in art. 123-bis, Paragraph 4 of Legislative Decree 58/98;
- issuing a statement on any significant errors in the report on operation and certain specific information contained in the report on corporate governance and ownership structures indicated in art. 123-bis, paragraph 4 of Legislative Decree 58/98.


In our opinion, the report on operation and certain specific information contained in the report on corporate governance and ownership structures indicated in art. 123-bis, paragraph 4 of Legislative Decree 58/98 are consistent with the consolidated financial statements of the Digital Value S.p.A. Group as at 31 December 2024.

Moreover, In our opinion, the report on operation and certain specific information contained in the report on corporate governance and ownership structures indicated in art. 123-bis, paragraph 4 of Legislative Decree 58/98 are prepared in compliance with the law.

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

Milan, 15 May 2025

BDO Italia S.p.A.



Vincenzo Capaccio
Partner