

# GLOBAL ANNUAL FINANCIAL STATEMENTS POLICY

## I. INTRODUCTION AND PURPOSE

This policy applies to Technoprobe S.p.A. and its subsidiaries (hereinafter also referred to as "**Technoprobe**" or the "**Group**") and to all parties involved, in various capacities, in the processes relating to the preparation and approval of the companies' financial statements and the Reporting Package for the purposes of the Group's Consolidated Financial Statements.

The purpose of the policy is to identify the roles and responsibilities of various parties involved in the process relating to the preparation of the Financial Statements of the companies concerned and the Reporting Package for the purposes of the Group's Consolidated Financial Statements and management of the related corporate obligations.

The document is also aimed at the creation of a process for preparing the Financial Statements of Group companies that ensures:

- appropriate division of tasks and responsibilities;
- existence of an appropriate system of authorisations and assignment of clearly defined roles consistent with the level of responsibility assigned;
- traceability of transactions, ensuring the possibility of their 'reconstruction' vis-à-vis third parties, so that for each transaction there is adequate documentary support to enable checks to be carried out;
- proper management of the closing of accounts and preparation of the Financial Statements and Reporting Package for the purposes of the Consolidated Financial Statements;
- appropriate control mechanisms, which meet traceability requirements.

## II. DEFINITIONS

- **Financial Statements:** Periodic, systematic, quantitative and ultimate reporting of a company's financial position and the qualitative and quantitative composition of net income for the year in accordance with the national accounting standards and current regulations.

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- **BoD:** Board of Directors.
- **IFRS/IAS:** "International Financial Reporting Standards" and "International Accounting Standards," respectively, are the international accounting standards issued by the IASB ("International Accounting Standards Board") adopted by the Parent Company for the purpose of preparing Consolidated Financial Statements.
- **Investee Companies:** companies incorporated in the Technoprobe Group.
- **Reporting Package:** Periodic, systematic, quantitative and final reporting of a company's financial position and the qualitative and quantitative composition of its net income of the relevant period, according to the principles of Technoprobe Group Accounting Manual.
- **Local Head of the Administration Function:** the person who, within each company incorporated in the Group, is entrusted with the following responsibilities by delegation or by organizational arrangement:
  - prepare the draft Financial Statements and submit the draft to the competent corporate bodies for approval;
  - prepare the Reporting Package and submit it to the Parent Company.
- **Technoprobe Group Accounting Manual:** Group manual governing the principles of preparation of the Reporting Package prepared in compliance with IFRS – IAS.

### III. GENERAL PRINCIPLES

The Group personnel as well as external consultants involved in various capacities in the performance of the activities referred to in this policy ensure compliance with the laws applicable to each Group company and with local and international accounting standards (IFRS - IAS), where applicable, as well as the tax regulations applicable to each Group company.

The following general principles apply to the preparation of the Financial Statements of each Group company:

- (i) any data and/or information issued by each corporate function to the Local Head of the Administration Function, the Group Administration function and/or external consultants for the purpose of drafting and preparing the Financial Statements or reports and other corporate communications, shall be communicated in a traceable manner;

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- (ii) all accounting transactions shall be supported by adequate documentation proving that the data are true;
- (iii) accounting entries shall be: supported by adequate documentation, duly archived, guaranteeing traceability and, if necessary, allowing the calculation and/or assessments made to be re-performed, as well as calculated on the basis of valid, up-to-date data consistent with the accounting system;
- (iv) in applying and interpreting this policy, Technoprobe's personnel shall act in full compliance and conformity with the provisions of the Code of Ethics adopted by the Group, in addition to all the regulations and policies in force within the Group;
- (v) contracts and engagement agreements of external professionals at local level (consultancy firms, accountants, etc.) shall contain a specific statement of acknowledgement of the Group's Code of Ethics and commitment to comply therewith.

**The Local Heads of the Administration Function are responsible, in relation to their corresponding Subsidiary, for ensuring complete and scrupulous compliance with the locally applicable regulations and principles for the purposes of the Financial Statements, as well as with the Technoprobe Group Accounting Manual, which constitutes a point of reference for all the Group companies in relation to the preparation of accounting documents and, in particular, the Financial Statements and the Reporting Package.**

## **IV. OPERATING PROCEDURES**

### **A. Introduction**

The process of preparing the Financial Statements of each Group company and the Reporting Package is the responsibility of the Local Head of the Administration Function, who engages external consultants on the basis of formalised contracts, with regard to the phases of planning and coordination of activities, data collection, preparation of accounting entries and summary statements, and their analysis with the control bodies. With regard to the process of preparing the Group's Consolidated Financial Statements, the responsibility lies with the head of the Group Administration function.

The Local Head of the Finance Function is responsible for the quality of the data used in the process of preparing the Financial Statements and the Reporting Package with regard to the information formed as a result of manual or automated accounting processes.

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The accounts closing process takes place on a monthly basis only for management purposes, and annually for statutory purposes.

The following paragraphs describe the activities implemented in order to ensure consistency in the preparation of the Financial Statements of the various group companies and the Reporting Package, including through the preparation of a closing calendar, which is necessary to ensure compliance with the deadlines set for the closing of the Group's Consolidated Financial Statements.

### **B. Updates in accordance with the applicable legislation**

With regard to the updating of the process in accordance with the regulations in force from time to time for each Group company, the Local Head of the Administration Function may engage external consultants to identify and report on any changes that may have an impact on the preparation of the Financial Statements of the relevant company.

If external consultants are engaged, this commitment shall be formalised in the consultancy contract, and written traceability of the updates applied is required.

In the presence of regulatory changes that have an impact on the preparation of accounting documents and/or entries in the accounts, it is the duty of the Local Head of the Administration Function to send appropriate communication to the Group Administration function to enable the latter to carry out the appropriate coordination and to take said changes into account for the purposes of preparing the Group's Financial Statements.

### **C. Preparation and communication of closing calendars**

The deadlines for accounts closing processes are defined in the accounts closing calendar (monthly, quarterly, half-yearly and annual).

Specifically, the deadlines are communicated by the head of the Group Administration Function who, prior to each closing, prepares a so-called closing "Checklist" that contains the deadline for each document (report, prospectus, accounting closing) and shares it via e-mail with the local heads of the Administration Function, which interfaces with the local heads of the other functions who have to provide the necessary data to make the accounting closing.

The head of the Group Administration function uses said checklist as a tool to monitor the accounts closing process, ensuring that all the activities are carried out promptly, respecting the deadlines, and in due order. Each Local Head of the Administration Function is obliged to send

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the data and/or the results of the controls within the deadlines indicated by the head of the Group Administration Function.

#### **D. Preparation of the Group's Consolidated Financial Statements**

The individual companies incorporated in Technoprobe Group are obliged to prepare draft Financial Statements in accordance with the local legal requirements, engaging external consultants, if necessary. Concurrently, they must prepare the Reporting Package in accordance with the Technoprobe Group Accounting Manual.

Within the deadlines set out in the accounting calendar, the head of the Group Administration function sends the request to the Local Head of the Administration Function of each Investee Company to forward the draft of the local financial statement and of the Reporting Package .

The heads of the Administration function of individual Investee Company are required to share via email to the head of the Group Administration function the draft of their Financial Statements and of their Reporting Package, in accordance with the deadlines set out in the accounting closing calendar, which must take into account the relevant local legal provisions.

Upon receiving these documents, the head of the Group Administration function verifies them, in coordination with the external consultants, and suggests eventual changes to the individual Reporting Packages. The head of the Group Finance function may also ask questions and seek clarification from the competent local functions via the Local Head of the Administration Function.

Subsequently, the head of the Group Administration function provides the received and revised Reporting Package drafts, together with any suggestions of changes, to the Local Heads of the Administration Function, with a view to final approval by the corporate bodies of the Investee Companies.

Upon receipt of the draft Reporting Package verified by the Group Administration function:

- in the event that a Subsidiary is not required to be audited, the Subsidiary proceeds to the approval of the local Financial Statements by its corporate bodies, in compliance with the applicable local regulations, under the responsibility of the Local Head of the Administration Function and prior to the Parent Company's closing of the Financial Statements;
- in the event that a Subsidiary is required to submit its draft Financial Statements to an audit, the said documents and/or the draft Reporting Package shall be audited by the

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local auditing firm engaged for the audit of the Subsidiary. Said firm suggests any changes to the financial statements subject to its audit, sending a dedicated information flow to the Group auditors. In such a case, the local head of the administration function forwards it again to the Group's Administration function for further verification prior to approval at the local level.

## V. ARCHIVING

All the original documentation produced in the context of the activities governed by this policy, including any e-mail communications, is stored by the departments involved and made available, upon request, to the Control Bodies and the Group Administration function.

## DOCUMENT HISTORY

Revision 1.0 – Released on December 06, 2022

Approved by the BoD of Technoprobe SpA on December 06, 2022