

DEIANA HOLDING LIMITED

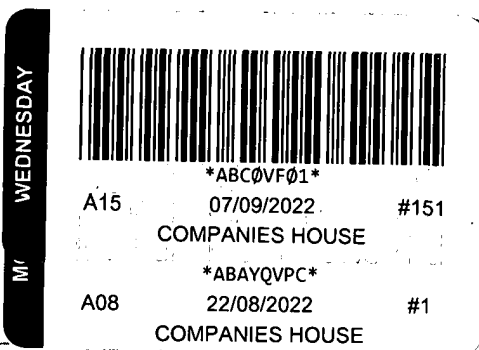
As at December 31st, 2021

DEIANA HOLDING LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

as at December 31st, 2021

Company Registration Number: 10052892



DEIANA HOLDING LIMITED

As at December 31st, 2021

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DEIANA HOLDING LIMITED

As at December 31st, 2021

Officers and professional advisors

Company registration number: 10052892

Board of directors:

Mr. Alessandro Nicolò Ugo – Director (appointed 13 May 2016)

Ms. Maria Isabella La Forgia – Director (appointed – 1 February 2020)

Registered office:

2 Allen Street, London, England, W8 6BH

Current auditor:

Richard Place Dobson Service Limited

1-7 Station Road, Crawley, West Sussex (UK), RH101HT

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As at December 31st, 2021

Strategic Report

The Management present the first strategic report of the Deiana Holding Limited (hereinafter "Deiana Group" or the "Group") for the period year ended at December 31st, 2021.

Main Activities

Deiana Group is a holding controlling different subsidiaries that carry out diversified businesses.

The main investment of Deiana Group is Ferrari Group PLC and its subsidiaries (Ferrari Group).

Ferrari Group is a global leader in the worldwide shipment of jewellery and luxury goods. With over 50 years of experience, knowledge of markets and Customs procedures, and continuous innovation in security systems, Ferrari Group is now an extensive network of companies with branches and offices throughout the world. Established in 1959 as a customs broker and forwarding company in Italy, Ferrari Group is today a global network operating all over the worlds. Clients include global luxury brands, high-end watchmakers, jewellery manufactures and distributors, diamond dealers, precious stones producers and private clients.

Deiana Group also controls other subsidiaries, out of Ferrari Group perimeter, perform the following activities:

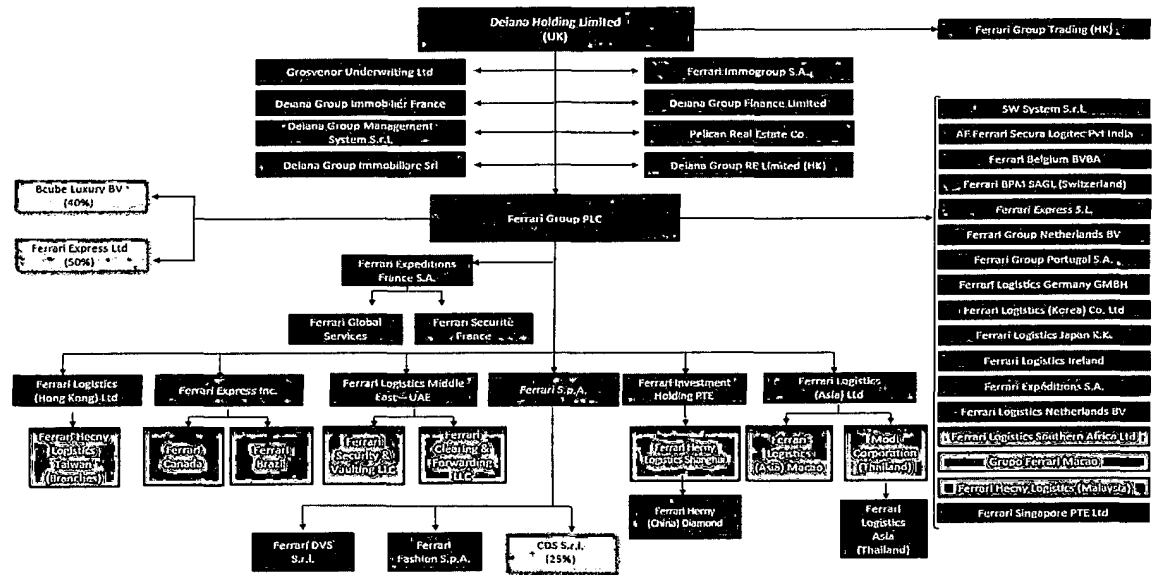
- Real estate;
- Insurance services;
- Other minors.

The main activities of the Parent company (Deiana Holding Limited) are:

- *Group Strategy*: analysis and evaluations of future actions, together with relevant decisions and resolutions;
- *Finance*: management of reserves, organization of flows, intercompany loans, negotiation of financial leverage, negotiation on financial leverage directly requested by subsidiaries;
- *Legal, Audit, Compliance and HR coordination*: contractual drafting, regulatory compliance, setting up of SOPs, management and coordination of external counsels (etc.) and HR guidelines;
- *Sustainability management and reporting*: management of sustainability policies and guidelines for the Group and disclosure at Group level.
- *Risk Management*: monitoring and management of business risks in relation with operating activities.

DEIANA HOLDING LIMITED
As at December 31st, 2021

Deiana Group Structure



- NOTES:
- Parent Company – Deiana Holding Limited
 - Consolidated Line by Line by Deiana Group
 - Equity Method – Associated to Deiana Group

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As at December 31st, 2021

Alternative performance measures

In order to allow a better evaluation of economic trends and the equity and financial situation, in addition to the conventional financial benchmarks established in the IAS/IFRS international accounting standards, the Deiana Group also uses some Alternative Performance Measures (hereafter, also "APMs").

The APMs presented in the Strategic Report are considered relevant for assessing the overall operating performance of the Group and its operating segments.

In addition, the APMs are considered to provide better comparability over time of the same results, although they are not a replacement or an alternative to the results provided in the "Consolidated Financial Statements" according to the IAS/IFRS (official or reported data).

With reference to the APMs relating to the consolidated results, it should be noted that, in the "Business Review and financial key performance indicators" section, the Deiana Group presents reclassified financial statements that differ from those required by the IAS/IFRS included in the Consolidated Financial Statements; therefore, the restated consolidated income statement, consolidated financial position and the net financial indebtedness contain, in addition to the economic-financial and equity data regulated by the IAS/IFRS standards, certain indicators and items derived therefrom, although not required by the standards and therefore called "APMs". The main APMs presented in the Management Report and a description of their composition, as well as a reconciliation with the corresponding official data, are provided below:

- *EBITDA*: calculated as Profit (loss) for the year excluding income taxes; financial income; financial expense and depreciation and amortization. The Group presents EBITDA because it is widely used by securities analysts, investors and other interested parties to evaluate the profitability of companies. EBITDA eliminates potential differences in performance caused by variations in capital structures (affecting net financial income and expense), tax positions (such as the availability of net operating losses against which to relieve taxable profits), the cost and age of tangible assets (affecting related depreciation expense) and the extent to which intangible assets are identifiable (affecting related amortization expense).
- *EBIT*: calculated as Profit (loss) for the year excluding income taxes; financial income; financial expense. The Group presents EBIT because it measures the profitability of total capital invested in the company.
- *Net working capital*: shows the total amount of non-financial assets, net of non-financial liabilities.
- *Net financial position*: shows the total amount of financial assets, net of financial liabilities, prepared in compliance with the ESMA Recommendation of 4 March 2021.

DEIANA HOLDING LIMITEDAs at December 31st, 2021*Business Review and financial key performance indicators**Group economic data*

The reclassified Consolidated Income Statement of the 2021 period is shown below, with a comparison to figures for the previous year, which was significantly affected by the impacts of the Covid-19 pandemic:

Amount in Euro/000	2021	%	2020	%	Delta	%
Revenues	240,897	95%	155,748	97%	85,149	55%
Other income	13,863	5%	5,643	3%	8,220	146%
Total Income	254,760	100%	161,391	100%	93,369	58%
Acquisition of goods and services	(105,574)	(41%)	(73,144)	(45%)	(32,430)	44%
Personnel costs	(66,219)	(26%)	(57,364)	(36%)	(8,855)	15%
Other operating costs	(4,756)	(2%)	(2,729)	(2%)	(2,027)	74%
Write-off of assets	(1,162)	(0%)	(1,976)	(1%)	814	(41%)
EBITDA	77,050	30%	26,178	16%	50,872	194%
Amortization & depreciation	(7,111)	(3%)	(7,932)	(5%)	820	(10%)
Other provisions for risks and charges	(1,133)	(0%)	(737)	(0%)	(396)	54%
EBIT	68,806	27%	17,509	11%	51,297	293%
Financial (income)/expenses	815	0%	1,782	1%	(967)	(54%)
Earnings before taxes	69,621	27%	19,291	12%	50,330	261%
Income taxes	(15,688)	(6%)	(4,688)	(3%)	(11,000)	235%
Net Result	53,933	21%	14,603	9%	39,330	269%

Note that the economic data of the Hecny entities has been consolidated:

- from January 1st, 2021 to June 30th, 2021 as joint ventures companies using equity method;
- from July 1st, 2021 to year-end, due to the acquired control in June 2021 as described in the following paragraph "Business combination", has been consolidated line by line;
- (*) Other income includes Euro 4.2 million of non-recurring income (for further information please see below)

The 2021 financial year was an excellent year for Deiana Group and its subsidiaries, both in term of revenues and in term of margins. After the negative contingency deriving from the Covid pandemic, the recovery was very massive and the Group was able to increase net revenues for about Euro 85 million. Part of these increase (about Euro 18 million) is due to the contribution generated by the line-by-line consolidation of the former joint venture Ferrari Hecny, starting from the second half-year 2021 (see business combinations paragraph for further details).

The Other Income amount also increased due to a non-recurring income related to the release of doubtful debtors and other risks provision for Euro 10.0 million.

The expenses related to the acquisition of goods and services represent the first expense line in the Group's income statement and increased by Euro 32.4 million (+44% compared to 2020) mainly related to the turnover in comparison to 2020 and the business combinations above mentioned (for about Euro 12 million).

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Despite the increase, their weight on total revenues decreased from 45% in 2020 to 41% in 2021, due to the combined effect of different factors:

- i) the strong dilution of overhead fixed costs arising from the increase in turnover; *and*
- ii) the effect of a cost saving process started several years ago in the Group subsidiaries and accelerated in 2020, due to the Covid-19 pandemic. This process led the companies of the Group to create a more efficient cost structure.

The Personnel cost represents the second expense line in the Group's income statement and increases in 2021 with regard to different factors: i) the increase in costs from business combinations (about Euro 2.5 million), ii) the new hires generated by the increase in activities, iii) the reduction in government aid, iv) the reduction in the use of holidays and past leave and the increase in bonuses for personnel in relation to the results achieved. Despite the net increase of approximately Euro 8.9 million, the personnel cost decreases its weight on total revenues reducing from 36% to 26%.

The increase in turnover together with a less than proportional cost increase, led the Group to an increase in EBITDA both in absolute terms (Euro +50.9 million of which Euro 4 million the new controlled entities) and in percentages, rising from Euro 26.2 million in 2020 (+16%) to Euro 77 million in 2021 (+30%).

Depreciations and amortizations and provision for risk and charges represent a marginal cost for the Group income statement and in 2021 decrease of Euro 0.5 million, amounting to Euro 8.2 million (Euro 8.7 in 2020).

The Group EBIT, based on the previously mentioned effects, increases of about Euro +51.3 million, rising from 17.5 million in 2020 (11% on total revenues) to 68.8 million in 2021 (27% on total revenues).

The income statement financial section shows a positive result of Euro 0.8 million (Euro 1.8 in 2020) and its decrease, compared to the previous year, is mainly tied to the change in currencies exchange rates, compared to the Euro, used by the different subsidiaries of the Group.

As result of the early mentioned effects the net result of the Group reaches Euro 53.9 million (Euro 14.6 million at 31 December 2020) recording a positive difference of Euro 39.3 million from the previous year.

For further detail and information on the different items described above refer to the notes to the Consolidated Financial Statement reported below.

DEIANA HOLDING LIMITEDAs at December 31st, 2021*Group equity and financial data*

The main components of the Reclassified Consolidated Financial data as of December 31st, 2021, compared with the corresponding figures from the previous period, can be summarized as follows:

Amounts in Euro/000	December 31, 2021	December 31, 2020	Delta	%
PPE	42,974	39,961	3,013	8%
Intangibles	2,965	1,712	1,253	73%
Right of use	11,283	12,136	(852)	-7%
Investments	3,436	6,205	(2,770)	-45%
Long-term financial assets	5,152	4,775	378	8%
Deferred tax assets	1,233	1,927	(694)	-36%
Fixed assets	67,043	66,715	328	0%
Trade receivables	65,077	50,622	14,455	29%
Other current assets	10,813	9,093	1,720	19%
Current financial assets	2,139	441	1,698	386%
Cash and cash equivalents	73,544	40,070	33,474	84%
Current assets	151,573	100,225	16,176	16%
Total assets	218,616	166,940	16,504	10%
Share capital & reserves	52,366	35,776	16,589	46%
Net result	53,933	14,603	39,330	269%
Total Equity	106,299	50,379	55,920	111%
Non-current financial liabilities	20,104	20,896	(792)	-4%
Non-current lease liabilities	5,541	6,254	(713)	-11%
Provisions for employee benefits	2,134	2,370	(236)	-10%
Provision for risk and charges	2,203	4,533	(2,330)	-51%
Other Long-term liabilities	12,732	16,244	(3,512)	-22%
Deferred tax assets	2,091	1,317	774	59%
Long term liabilities	44,804	51,613	(6,809)	-13%
Provisions for risk - Current	-	5,734	(5,734)	-100%
Current financial liabilities	3,396	1,126	2,269	201%
Current lease liabilities	3,289	3,926	(637)	-16%
Trade payables	26,155	28,953	(2,798)	-10%
Current tax payables	10,424	11,746	(1,322)	-11%
Other current liabilities	24,249	13,462	10,788	80%
Current liabilities	67,513	64,948	6,668	10%
Total equity & liabilities	218,616	166,940	51,676	31%

The main effects on the financial position, occurred during the year, are summarized below:

Fixed assets:

- Increase in tangible assets mainly due to exchange rate difference occurred in 2021;
- Increase in Intangible assets (about Euro 1.3 million) mainly related to the Goodwill arising from business combinations, occurred during the year 2021;
- Decrease in Investments (about Euro 2.8 million) mainly due to the reduction for the consolidation of the former joint venture (about Euro 4 million) partially compensated by the

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increase due to the results arising out the application of the equity method (about Euro 2.4 million);

Current assets:

- Trade receivables increase due to the rise in turnover (about Euro 14.5 million);
- Cash and cash equivalents increase (about Euro 33.5 million) based on the effects illustrated in the cash flow statement reported below.

Equity:

- Shareholders' equity increases (about Euro 55.9 million) based on the effects illustrated in the consolidated changes in equity reported below;

Liabilities:

- Trade payables decrease (about Euro 2.8 million), despite the increase in operating expenses, due to the reduction in payment term towards Group suppliers that shows the Group's ability to generate resources to meet its obligations with suppliers;
- The current portion of Provision for risk and charges decrease for Euro 5.7 million and was released generating a non-recurring income;
- Other current liabilities increase (about Euro 10.8 million) mainly due to the increase of the payables towards tax authorities for VAT and towards Custom for duties;

For further detail and information on the different items described above refer to the notes to the Consolidated Financial Statement reported below.

DEIANA HOLDING LIMITEDAs at December 31st, 2021*Net Working Capital*

Below is reported the Net working capital and the adjusted Net working capital as of December 31st, 2021 with comparative data:

Amounts in Euro/000	December 31, 2021	December 31, 2020	Delta	%
Trade receivables	65,077	50,622	14,455	29%
Inventories	979	3	976	33077%
Other current assets	7,882	5,292	2,589	49%
Current tax receivables	1,952	3,798	(1,846)	-49%
Operating current assets	75,890	59,715	16,176	27%
Trade payables	(26,155)	(28,953)	2,798	-10%
Current tax payables	(10,424)	(11,746)	1,322	-11%
Other current liabilities	(24,249)	(13,462)	(10,788)	80%
Operating current liabilities	(60,828)	(54,160)	(6,668)	12%
Net working capital	15,062	5,554	9,508	171%
Other current payables included in Net financial position	878	3,864	(2,986)	-77%
Adjustment on Net working capital	878	3,864	(2,986)	-77%
Adjusted Net working capital	15,940	9,418	6,522	69%

The increase in net working capital was driven by the increase in trade receivables due to the increase in revenues.

The amount included in Other current payables included in Net financial position refers to other current payables for previous years fines towards Italian tax authority refers to previous years VAT fines, included in other current liabilities payables, for the residual amount to be paid (about Euro 0.9 million). Note that at the end of March 2022 this payable was totally paid.

DEIANA HOLDING LIMITEDAs at December 31st, 2021**Net Financial position**

Below is reported the Net financial position as of December 31st, 2021 as per ESMA Recommendation of 4 March 2021 (ESMA32-382-1138) with comparative data:

Amounts in Euro/000	December 31, 2021	December 31, 2020	Delta
Cash and cash equivalents	73,544	40,070	33,474
Current financial assets	2,139	441	1,698
Short term financial assets	75,683	40,510	35,172
Current financial liabilities	(3,396)	(1,126)	(2,269)
Current lease liabilities	(3,289)	(3,926)	637
Short term financial liabilities	(6,685)	(5,053)	(1,632)
Net Financial Position - Short term	68,998	35,458	33,540
Non-current financial liabilities	(20,104)	(20,896)	2,060
Non-current lease liabilities	(5,541)	(6,254)	713
Trade payable and other non-current payable	(13,610)	(19,670)	6,060
Net Financial Position - Long term	(39,255)	(46,821)	8,833
Total Net Financial Position	29,742	(11,363)	42,373

The increase of net financial position is driven by the huge increase in cash and cash equivalents generated by the operating activities.

A brief description of the amount included in Trade payable and other non-current payable:

- Dividend payables: the payable includes the amounts, classified in other current liabilities, of dividends due to Minorities or other related parties for dividend related to previous years and still to be paid as of December 31st, 2021 (about Euro 1.8 million);
- Other non-current payables: i) for payables towards Shareholders and related parties for Euro 10.9 million; ii) for previous years fines towards Italian tax authority refers to previous years VAT fines, included in other current liabilities payables, for the residual amount to be paid (about Euro 0.9 million). Note that at the end of March 2022 this payable was totally paid.

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Business outlook - Forecasts for 2022

The forecasts for the year 2022 are strongly positive and the Directors expected to confirm and improve the positive results obtained in 2021. The positive expectations are based both on the expectations of the Luxury market and in particular for jewellery and watches segment, that includes the customers of the Group, and for the trend in turnover recorded in the first months of financial year 2022.

Despite the emerging geopolitical crisis arising from the war between Russia and Ukraine that began in February 2022, no significant effects are expected for the fiscal year 2022 related to the fact that the Group does not directly operate in the countries involved in the war and also because, based on the information available so far, the volume of shipments to these countries (which before the war was performed by third party suppliers) they do not seem to generate a decrease in shipments but rather a different allocation towards countries where the Group operates directly.

Therefore, the previously mentioned geopolitical crisis has had no impacts on Consolidated financial statements 2021. With the information available so far, except of the inflation trend, there were not particular effects that could impact the Group for the year 2022. With particular reference to the inflation trend, no significant effects are expected as the Group applies price adjustment tools for direct transport costs (i.e. such as fuel).

In any case, it should be considered that the continuation of the conflict, or its possible widening, may affect expectations for the next year but the related effects are not estimated yet.

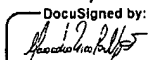
Events after the Reporting Period

Below are reported the main (*non-adjusting*) events impacting the Group after the reporting period:

- On January 2022 the Group paid USD 36,750 as share capital (49% of total shares) of the new associated company Bin Yousef Cargo located in Qatar. The new associated company, based on the agreement signed In June 2021, has a Total Share capital of USD 75,000 and started its operations on January 2022.
- The subsidiary "Ferrari Group" on June 14th, 2022 concluded its transformation from a Limited Company ("LTD") into a Public Limited Company ("PLC").

There are no other significant subsequent events that impact the Group.

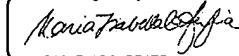
This report was approved by the board of directors on July 28th, 2022 and signed on behalf of the board by:

DocuSigned by:


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Mr. Alessandro Nicolò Ugo
Director

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MRS. Maria Isabella la Forgia
Director

DEIANA HOLDING LIMITED

As at December 31st, 2021

Directors' Report

The directors present their report together with the Consolidated financial statements for the Deiana Group and the stand-alone financial statement of Deiana Holding Limited (the parent company) for the year ended at December 31st, 2021. It should be noted that the Consolidated financial statement for the year ended at December 31st, 2021 represent the first Consolidated financial statement of the Group as better described in the paragraph "Basis of preparation" included in the notes.

Results and dividends

Consolidated financial Statement

The Consolidated statement of comprehensive income shows a net profit of Euro 53,932,826 (Euro 14,602,554 in 2020) and a total comprehensive income for the year of Euro 57,034,177 (Euro 11,430,042 in 2020).

At Group level the amount of dividends distributed by the Group to the Shareholders of the parent company and its subsidiaries during the year, as reported in the Consolidated Changes in Equity, amounts to Euro 3,923,632 (Euro 981,887 in 2020).

Stand-Alone Financial Statement (Parent only)

The Stand-Alone financial statement shows a net profit of Euro 15,816,126 (Euro 13,242,552 in 2020).

The Parent Company (Deiana Holding Limited) distributed dividends to the Shareholders during the year, as reported in the Changes in Equity, for an amounts of Euro 2,149,769 (no distribution in 2020).

Directors

The following directors have held office during the period:

- Mr. Alessandro Nicolò Ugo
- Mrs. Maria Isabella la Forgia

Matters subsequent to the end of the year

No other matter or circumstance has arisen since December 31st, 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

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International Accounting Standard 1 requires that financial statements present fairly for each financial year the group's financial position, financial performance and cash flows. This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses as set out on the International Accounting Standards Board's Framework for the Preparation and Presentation of Financial Statements. In virtually all situations a fair presentation will be achieved by complying with all applicable IFRSs.

In preparing these financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group's financial position and financial performance; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in business.

Statement as to disclosure of information to auditors

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

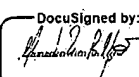
In so far as the directors are aware:

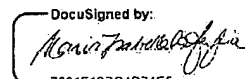
- There is no relevant audit information of which the group's auditor is unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Richard Place Dobson Services Limited are deemed to be re-appointed under section 478(2) of the Companies Act 2006.

This report was approved by the board of directors on July 28th, 2022 and signed on behalf of the board by:

DocuSigned by:

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Mr. Alessandro Nicolò Ugo
Director

DocuSigned by:

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Mrs. Maria Isabella la Forgia
Director

DEIANA HOLDING LIMITED

As at December 31st, 2021

Director's responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ('IFRS'). Under company law the directors must not approve the financial statements unless there is a true and fair view of the company situation and the company profit (or loss) for the year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards ('IFRS') have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the company's financial position and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Independent auditor's report to the Members of Deiana Holding Limited

Opinion

We have audited the financial statements of Deiana Holding Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group income statement, the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice in the case of the standalone parent company figures and EU adopted IFRS in the case of the consolidated figures).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and IFRS's; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other

DEIANA HOLDING LIMITED

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information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report

DEIANA HOLDING LIMITEDAs at December 31st, 2021

that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We have considered the activities of the company and group and determined the most likely causes of fraud or error. We consider the most likely source to be management override of the controls to manipulate the results of the company.

We have considered the operations of the group and company and consider that the key laws and regulations are The Companies Act 2006, UK and local tax laws as regard international transfers and international and UK laws as regard employment regulation

Risks identified	Audit response
Fraud and error in income recognition	Income across the various streams was tested for completeness with reference to the underlying contracts. Analytical procedures were undertaken to compare income against expectations and to explain and verify differences. A review was undertaken into the post year end period to ensure income received post year-end but relating to the year of account was recognized
Management override resulting in fraud or error	A review was undertaken for large and irregular manual adjustments to the financial statements both during and after the year of account to identify any cases of manipulation
Error in scope of consolidation	The interests of the company in its various subsidiary and associate undertakings were vouched to underlying documentation to ensure the appropriate method of consolidation was used.
Overstatement of intangible assets	The historical and expected future performance of the assets underlying the intangibles were considered for evidence of impairment.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

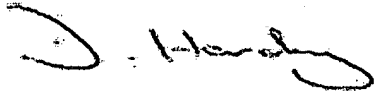
Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part

DEIANA HOLDING LIMITED

As at December 31st, 2021

16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Darren Harding ACA FCCA DChA (Senior Statutory Auditor)

Date: July 28th, 2022

Richard Place Dobson Services Limited

Chartered Accountants

Statutory Auditor

1-7 Station Road

Crawley

West Sussex

RH10 1HT

DEIANA HOLDING LIMITEDAs at December 31st, 2021**Consolidated Income Statement**

Amounts in Euro	Notes	2021	2020
Revenues	4	240,896,900	155,747,927
Other income	4	13,863,064	5,642,743
Acquisition of goods and services	5	(105,573,749)	(73,143,927)
Personnel costs	6	(66,218,783)	(57,364,131)
Depreciation and amortization	5	(7,111,491)	(7,931,664)
Write-off of Assets	5	(1,161,679)	(1,975,950)
Other provisions for risks and charges		(1,132,525)	(736,987)
Other operating costs	5	(4,755,547)	(2,728,756)
Operating Profit / (Loss)		68,806,192	17,509,255
Financial income	7	260,252	56,676
Financial expenses	7	(992,126)	(1,098,297)
Exchange gain / (losses)	7	(873,594)	590,699
Result from investments accounted for using the equity method	7	2,420,333	2,232,588
Profit / (Loss) before taxes		69,621,057	19,290,922
Income taxes	8	(15,688,232)	(4,688,368)
Profit / (Loss) for the year		53,932,826	14,602,554
Attributable to:			
- Shareholders of the parent company		49,924,602	13,126,261
- Non-controlling interests		4,008,223	1,476,293

DEIANA HOLDING LIMITEDAs at December 31st, 2021**Consolidated Statement of Comprehensive Income**

Amounts in Euro	2021	2020
(Loss)/Profit for the year	53,932,826	14,602,554
<u>Other comprehensive (loss)/income</u>		
- Items that will be subsequently reclassified to the statement of profit and loss		
Foreign currency exchange differences arising from the translation operations	3,101,569	(3,151,055)
- Items that will not be subsequently reclassified to the statement of profit and loss		
Net actuarial gain/(loss) from defined benefit plans	(218)	(21,457)
Total other comprehensive (loss)/income for the year	57,034,177	11,430,042
Attributable to:		
Shareholders of the parent company	52,652,674	10,453,585
Non-controlling interests	4,381,503	976,457

DEIANA HOLDING LIMITED
As at December 31st, 2021

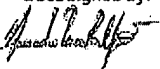
Consolidated Statement of Financial Position (continued)

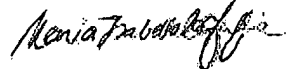
Amounts in Euro	Notes	December 31, 2021	December 31, 2020
Assets			
Non-current assets			
Goodwill	10	2,416,956	1,244,951
Intangible assets	11	548,387	466,969
Property, plant and equipment	12	42,973,591	39,960,782
Right of Use	12	11,283,363	12,135,600
Investments in associated and other companies	13	3,435,720	6,205,290
- Investments in associated companies		3,361,537	6,142,144
- Investments in other companies		74,183	63,146
Long-term receivables	16	150,372	1,272,113
Other financial assets	16	5,001,988	3,502,582
Deferred tax assets	14	1,232,646	1,926,692
Total Non-current assets		67,043,022	66,714,979
Current assets			
Inventories	17	979,381	2,952
Trade receivables	18	65,077,141	50,621,656
Current tax receivables	15	1,952,268	3,797,876
Current financial assets	16	2,138,879	440,542
Other current assets	15	7,881,562	5,292,144
Cash and cash equivalents	19	73,543,788	40,069,910
Total Current assets		151,573,019	100,225,080
TOTAL ASSETS		218,616,041	166,940,058

DEIANA HOLDING LIMITEDAs at December 31st, 2021**Consolidated Statement of Financial Position**

Amounts in Euro	Notes	December 31, 2021	December 31, 2020
Share capital	20	59,534,547	58,286,153
Reserves	21	(7,168,813)	(22,509,657)
Profit for the year		53,932,826	14,602,554
Total Shareholders' Equity		106,298,559	50,379,050
<i>Shareholders' Equity attributable to Minority interests</i>		<i>5,768,000</i>	<i>3,160,359</i>
Provisions for employee benefits	22	2,133,625	2,369,522
Provisions for risk and charges	22	2,203,024	4,532,546
Deferred tax liabilities	14	2,090,736	1,316,814
Non-current financial liabilities	16	20,104,285	20,896,179
Non-current lease liabilities	16	5,540,671	6,254,142
Other non-current liabilities	23	12,732,136	16,244,253
Total Non-current liabilities		44,804,477	51,613,456
Provisions for risk and charges - Current	22	-	5,734,407
Current financial liabilities	16	3,395,743	1,126,473
Current lease liabilities	16	3,288,976	3,926,200
Trade payables	24	26,154,623	28,952,828
Other current liabilities	15	24,249,412	13,461,590
Current tax payables	15	10,424,250	11,746,055
Total Current liabilities		67,513,004	64,947,552
TOTAL EQUITY AND LIABILITIES		218,616,040	166,940,058

Approved by the board of directors on July 28th, 2022 and signed on behalf of the board by:

DocuSigned by:

 A0B60BD9159BAC5...
Mr. Alessandro Nicolò Ugo
Director

DocuSigned by:

 7881F108C4D74E6...
Mrs. Maria Isabella la Forgia
Director

DEIANA HOLDING LIMITEDAs at December 31st, 2021**Consolidated Statement of Cash Flows**

Amounts in Euro	2021	2020
Operating activities		
Profit from the financial year	53,932,826	14,602,554
Income taxes	15,688,232	4,688,368
Amortization, Depreciation and Write off of assets	8,273,169	9,907,614
Write downs and other provisions	1,132,525	736,987
Financial income	(260,253)	(54,254)
Financial expenses	992,126	1,095,875
Exchange (losses)/gain	873,594	(590,699)
Result from investments accounted for using the equity method	(2,420,333)	(2,232,588)
Change in inventories	(976,429)	23,820
Change in trade receivables	(11,669,697)	(6,019,788)
Change in trade payables including customer advances	(5,619,077)	140,693
Change in other operating assets and liabilities	(9,618,338)	(7,483,764)
Interest paid	(731,873)	1,781,667
Income taxes paid	(12,097,573)	(4,688,368)
Net cash flows from operating activities	37,498,899	11,908,116
Investing activities		
Payments/proceeds from tangible and intangible assets	(7,211,292)	(9,164,050)
Payments/Proceeds from non-current financial assets	475,544	11,395,608
Change in investments accounted for using the equity method	2,126,181	2,140,826
Business combinations, net of cash acquired	(338,084)	-
Net cash flows from/(used in) investing activities	(4,947,651)	4,372,384
Financing activities		
Proceeds and repayments from borrowings	1,138,469	5,390
Change in lease liabilities	-	135,047
Capital increase	2,395,227	(56,979)
Dividends	(3,923,632)	(981,887)
Net cash flows (used in)/from financing activities	(389,935)	(898,429)
Effects of exchange rate changes on cash and cash equivalents	1,312,565	(402,878)
Net increase/(decrease) in cash and cash equivalents	33,473,878	14,979,193
Cash and cash equivalents at the beginning of the year	40,069,910	25,090,717
Cash and cash equivalents at the end of the year	73,543,788	40,069,910

DEIANA HOLDING LIMITEDAs at December 31st, 2021**Statement of Changes in Consolidated Equity**

Amounts in Euro	Share Capital	Reserves	Profit for the year	Total Equity	Equity attributed to Parent Company's Shareholders	Minority interest
December 31, 2020	58,286,153	(22,509,657)	14,602,554	50,379,050	47,218,691	3,160,359
Allocation of 2020 result		10,678,922	(10,678,922)	-	-	-
Capital increase	1,248,393	1,570,789		2,819,183	2,819,183	-
Dividends			(3,923,632)	(3,923,632)	(2,149,769)	(1,773,862)
Other variation		(10,218)		(10,218)	(10,218)	-
Change in consolidation scope				-	-	-
OCI - Net actuarial gain/(loss) from defined benefit plans		(218)		(218)	(218)	-
OCI - Foreign currency exchange differences		3,101,569		3,101,569	2,728,289	373,280
Net result of the period			53,932,826	53,932,826	49,924,602	4,008,223
December 31, 2021	59,534,547	(7,168,813)	53,932,826	106,298,559	100,530,559	5,768,000

DEIANA HOLDING LIMITED

As at December 31st, 2021

Notes to Consolidated Financial Statements

Statement of compliance with IFRS

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The principal accounting policies adopted by the Group are set out in note 2.

The Consolidated Financial Statements at year ended at December 31, 2021 should be read in conjunction with the Group's consolidated figures at the year ended at December 31, 2020, which have been prepared, as well, in compliance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The accounting policies adopted are consistent with those applied in the Consolidated Financial Statements, except as described in the section *"New Standards and Amendments issued by the IASB and applicable to the Deiana Group from January 1, 2021"*.

The Consolidated Financial Statements was approved and authorized for issue by the Board of Directors of Deiana Holding Limited on July 27th, 2022.

The Consolidated Financial Statements includes the Consolidated statement of profit and loss, the Consolidated statement of comprehensive income, the Consolidated statement of financial position, the Consolidated cash flow statement, the Consolidated statement of changes in equity and the Notes to the Consolidated financial statement and apply the provisions contained in IAS 1 "Presentation of Financial Statements". The Consolidated statement of financial position has been prepared by distinguishing between current and non-current assets and liabilities, while in the Consolidated statement of profit and loss, costs have been presented and classified based on their nature. The Consolidated cash flow statement has been prepared using the "indirect method".

The Consolidated Financial Statements are presented in Euro, which is the functional currency of the Group, unless otherwise indicated.

The Consolidated Financial Statements have been prepared on a going concern basis and applying the historical cost method, modified as required for certain financial assets and liabilities (including derivative instruments), which are measured at fair value, and assets held for sale, which are measured at the lower of carrying amount and fair value less costs to sell in accordance with IFRS 5 - *Non-current assets held for sale and discontinued operations* ("IFRS 5").

The preparation of the Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities as well as the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best judgment at the date of these Consolidated Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. Reference should be made to the section *"Use of estimates"* in the Consolidated Financial Statements for a detailed description of the more significant valuation procedures used by the Group in preparing its Consolidated Financial Statements.

DEIANA HOLDING LIMITEDAs at December 31st, 2021**2. Significant Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements, both Consolidated and Separate, are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending, Accounting Standards and Interpretations issued by the Financial Reporting Council ('FRC') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following tables provide a list of new and revised Standards in issue as of 20 January 2022 that are effective for the 31 December 2021 calendar year-end:

	Amendments to Standards	Effective for annual periods beginning on or after	Effective in the EU for annual periods beginning on or after
IFRS 4	Amendments to IFRS 4 <i>Extension of the Temporary Exemption from Applying IFRS9</i>	January 1st, 2021	January 1st, 2021
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 <i>Interest Rate Benchmark Reform - Phase 2</i>	January 1st, 2021	January 1st, 2021
IFRS 16	Amendments to IFRS 16 <i>Covid-19 - Related Rent Concession beyond 30 June 2021</i>	April 1st, 2021	January 1st, 2021

New Accounting Standards and Interpretations not yet mandatory or early adopted

The Group has not applied accounting principles and/or interpretations in advance if the application would be mandatory for periods starting from January 1st, 2022. The evaluation of the possible effects on the Consolidated Financial Statements is currently being verified.

The following tables provide a list of new and revised Standards in issue as of 20 January 2022 that are available for early adoption for the 31 December 2021 calendar year-end:

	New Standards	Effective for annual periods beginning on or after	Effective in the EU for annual periods beginning on or after
IFRS 17	Insurance contracts and Amendments to IFRS 17	January 1st, 2023	January 1st, 2023

DEIANA HOLDING LIMITEDAs at December 31st, 2021

	Amendments to Standards	Effective for annual periods beginning on or after	Effective in the EU for annual periods beginning on or after
IFRS 3	Amendments to IFRS 3 <i>Reference to the Conceptual Framework</i>	January 1st, 2022	January 1st, 2022
IFRS 10 and IAS 28	Amendments to IFRS 10 and IAS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	The effective date was removed temporarily by the IASB	Not endorsed for use in the EU yet
IFRS 17	Amendments to IFRS 17 <i>Initial Application of IFRS 17 and IFRS 9 - Comparative Information</i>	April 1st, 2021	Not endorsed for use in the EU yet
IAS 1	Amendments to IAS 1 <i>Classification of Liabilities as Current or Non-Current</i>	April 1st, 2021	Not endorsed for use in the EU yet
IAS 1	Amendments to IAS 1 <i>Disclosure of Accounting Policies</i>	April 1st, 2021	Not endorsed for use in the EU yet
IAS 8	Amendments to IAS 8 <i>Definition of Accounting Estimates</i>	April 1st, 2021	Not endorsed for use in the EU yet
IAS 12	Amendments to IAS 12 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	April 1st, 2021	Not endorsed for use in the EU yet
IAS 16	Amendments to IFRS 16 <i>Proceeds before Intended Use</i>	April 1st, 2021	January 1st, 2022
IAS 37	Amendments to IAS 37 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	April 1st, 2021	January 1st, 2022
Various standards	Annual improvement to IFRS Standards 2018-2020 Cycle <i>Amendments to IFRS 1, IFRS 9, IFRS 16 & IAS 41</i>	April 1st, 2021	January 1st, 2022

DEIANA HOLDING LIMITED

As at December 31st, 2021

Consolidation method

This Consolidated Financial Statements include, in addition to the financial statements of the Parent Company, Deiana Holding Limited, the reporting package prepared by each of the subsidiaries as of the reporting date, in compliance with the IFRS adopted by the Group.

Control occurs when a parent company has the power to direct the relevant activities of the company and it is exposed to the variability of its results. The financial statements of subsidiaries are included in the Consolidated Financial Statements starting from the date upon which control is assumed until the moment control ceases to exist.

Joint arrangements can be classified as:

- *interests in joint ventures*: if the Group holds the rights to net assets under the arrangement, e.g. for a company with its own legal status, or
- *jointly controlled entities*: if the Group holds the right to assets and obligations on liabilities underlying the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The classification of Group agreements is based on the analysis of the contractual rights and obligations. In particular, based on current agreements, the Deiana Group holds rights to net assets of the agreement classified as "interests in joint ventures" (accounted for using the "equity method") or in Companies over which "significant influence" is exercised are assessed according to the "equity method".

Significant influence is the power to participate in the financial and operating decisions of the investee but it is not control or joint control of those policies. Significant influence is presumed when the Group holds at least 20% of the voting rights.

In the next paragraph "Consolidation area" the Deiana Group subsidiaries and associated entities and the consolidation method used in the Consolidated financial statement as of December 31st, 2021 are reported.

DEIANA HOLDING LIMITEDAs at December 31st, 2021*Consolidation area*

The entities part of the Deiana Group included in the Consolidated Financial Statements of Deiana Holding Limited are reported below:

Company	Country	Consolidation Method	
		2021	2020
Deiana Holding Limited	UK	Parent Company	Parent Company
Grosvenor Underwriting Ltd	UK	Line by Line	Line by Line
Ferrari Immogroup S.A.	Switzerland	Line by Line	Line by Line
Deiana Group Immobilier France	France	Line by Line	n.a.
Deiana Group Management System S.r.l.	Italy	Line by Line	n.a.
Deiana Group Immobiliare S.r.l.	Italy	Line by Line	n.a.
Deiana Group Finance Limited	Ireland	Line by Line	n.a.
Pelican Real Estate Co.	USA	Line by Line	Line by Line
Deiana Group RE Limited	Honk Kong	Line by Line	n.a.
Ferrari Group Trading	Honk Kong	Line by Line	n.a.
Ferrari Group Limited	UK	Line by Line	Cost
Ferrari S.p.A.	Italy	Line by Line	Line by Line
Ferrari Expéditions SA	Switzerland	Line by Line	Line by Line
SW System S.r.l.	Italy	Line by Line	Line by Line
Ferrari Expedition France SA	France	Line by Line	Line by Line
Ferrari Global Services	France	Line by Line	Line by Line
Ferrari Sécurité France	France	Line by Line	Line by Line
Ferrari Divisione Vigilanza Speciale S.r.l.	Italy	Line by Line	Line by Line
Ferrari Logistics Germany GMBH	Germany	Line by Line	Line by Line
Ferrari Belgium BVBA	Belgium	Line by Line	Line by Line
Ferrari Logistic (Asia) Ltd	Honk Kong	Line by Line	Line by Line
Ferrari Logistics Singapore Pte. Ltd.	Singapore	Line by Line	Line by Line
Ferrari Macao	Macao	Line by Line	Line by Line
Ferrari Logistics Japan K.K.	Japan	Line by Line	Line by Line
Ferrari Express S.L.	Spain	Line by Line	Line by Line
Ferrari Logistics Asia (Thailand) Ltd.	Thailand	Line by Line	Line by Line
Ferrari Logistics Southern Africa	South Africa	Line by Line	Line by Line
Ferrari Group Portugal	Portugal	Line by Line	Line by Line
Ferrari Investment Holding PTE (Mc Rush)	Singapore	Line by Line	Line by Line
AF Ferrari Secure Logitech PVT Ltd (India)	India	Line by Line	Line by Line
Ferrari Logistics (Korea) co. Ltd	Korea	Line by Line	Line by Line
Ferrari Fashion S.r.l.	Italy	Line by Line	Line by Line
Ferrari Logistics Middle East – UAE	Dubai	Line by Line	Line by Line
Ferrari Clearing and Forwarding LLC	Dubai	Line by Line	Line by Line
Ferrari Security and Vaulting DMCC	Dubai	Line by Line	Line by Line
Ferrari Logistics Ireland Limited	Ireland	Line by Line	Line by Line
Ferrari Logistics Nederland BV	Netherlands	Line by Line	Line by Line
Ferrari Express Logistica e Transporte do Brasil	Brazil	Line by Line	Line by Line
Ferrari Express Inc.	USA	Line by Line	Line by Line
Ferrari Group Netherlands BV	Netherlands	Line by Line	Cost
Ferrari Express Canada Inc.	Canada	Line by Line	Cost
Grupo Ferrari Sociedade Unipessoal Limitada	Macao	Line by Line	Cost
Modi Corporation Ltd.	Thailand	Line by Line	Cost
Ferrari BPM S.a.g.l.	Switzerland	Line by Line	n.a.
Ferrari Hecny Logistics Shanghai	China	Line by Line	Equity Method
Ferrari-Hecny Diamond (Shanghai) Ltd	China	Line by Line	Equity Method
Ferrari Hecny Logistics (Malaysia) SDN BHD	Malaysia	Line by Line	Equity Method
Ferrari Hecny Logistics HK	Honk Kong	Line by Line	Equity Method
Ferrari Express Ltd	UK	Equity Method	Equity Method
Bcube Luxury BV	Netherlands	Equity Method	Equity Method
CDS S.r.l.	Italy	Equity Method	Equity Method
Ferrari CDS S.r.l.	Italy	Equity Method	Equity Method
SAS Service d'Assurance Suisse S.A.	Switzerland	Cost	Cost

Please note that during 2021 there were the following changes in the consolidation area:

DEIANA HOLDING LIMITED

As at December 31st, 2021

- acquisition of the remaining 50% of the shares held by the third-party shareholder of the former Joint Ventures at the end of June 2021 as better described in the next paragraph;
- incorporation of the company Ferrari BPM S.a.g.l. based in Switzerland;
- line by line consolidation of some subsidiaries previously consolidated at cost (please refer to the table above).

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively; *and*
- Assets (or disposal Groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized in profit and loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination comprehends asset or liability resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adapted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

DEIANA HOLDING LIMITEDAs at December 31st, 2021*Business combination occurred during 2021*

A summary of the main business combinations occurred during 2021 is described below. All business combinations have been recognized in accordance with IFRS 3.

a) Acquisition of the control on Ferrari Hecny Logistics Shanghai

In June 2021 Ferrari Group (controlled by Deiana Group) concluded the acquisition of the remaining 50% of Ferrari Hecny Logistics Shanghai. As a result of acquisition, the Group has the full control on the company activities in Chinese market. Details of the purchase consideration, the net assets acquired and goodwill are as follows:

<i>(Euro thousands)</i>	At acquisition date
Amount paid for the remaining 50% <i>(USD 2.400 thousand)</i>	2,019
Investment already held <i>(evaluated at equity method until June 30, 2021)</i>	3,807
Total investment	5,827
Consideration acquired	(5,556)
Preliminary Goodwill	271

Preliminary goodwill arising from the acquisition of Euro 271 thousand is attributable to the expected synergies from combining operations of the acquiree and the acquirer. Any adjustments deriving from the completion of the fair value measurement process of the assets and liabilities acquired will be recognized within twelve months from the acquisition date as stated by IFRS 3. The goodwill is not deductible for tax purposes. Minor acquisition-related costs were expensed in the Consolidated Statement of profit and loss.

The details of the net cash outflows related to the acquisition are shown below:

<i>(Euro thousands)</i>	At acquisition date
Consideration paid	(2,019)
Cash and cash equivalents acquired	3,082
Net cash outflow - Investing activities	1,063

b) Acquisition of the control on Ferrari Hecny Logistics Malaysia

In June 2021 the Group concluded the acquisition of the remaining 50% of Ferrari Hecny Logistics Malaysia. As a result of acquisition, the Group has the full control on the company activities in Malaysian market.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

<i>(Euro thousands)</i>	At acquisition date
Amount paid for the remaining 50% (GBP 408 thousand)	475
Investment already held (evaluated at equity method until June 30, 2021)	85
Total investment	561
Consideration acquired	(172)
Preliminary Goodwill	389

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Preliminary goodwill arising from the acquisition of Euro 389 thousand is attributable to the expected synergies from combining operations of the acquiree and the acquirer. Any adjustments deriving from the completion of the fair value measurement process of the assets and liabilities acquired will be recognized within twelve months from the acquisition date as stated by IFRS 3. The goodwill is not deductible for tax purposes. Minor acquisition-related costs were expensed in the Consolidated statement of profit and loss.

The details of the net cash outflows related to the acquisition are shown below:

<i>(Euro thousands)</i>	At acquisition date
Consideration paid	(475)
Cash and cash equivalents acquired	479
Net cash outflow - Investing activities	4

c) Acquisition of the control on Ferrari Hecny Hong Kong

In June 2021 the Group concluded the acquisition of the remaining 50% of Ferrari Hecny Logistics Hong Kong. Ferrari Hecny Logistics Hong Kong is the legal entities that operates through its two Taiwanese branches. As a result of acquisition, the Group has the full control on the company activities in Taiwanese market.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

<i>(Euro thousands)</i>	At acquisition date
Amount paid for the remaining 50% (GBP 1,430 thousand)	1,666
Investment already held (evaluated at equity method until June 30, 2021 - 50%)	247
Total investment	1,913
Consideration acquired	(1,401)
Preliminary Goodwill	512

Preliminary goodwill arising from the acquisition of Euro 512 thousand is attributable to the expected synergies from combining operations of the acquiree and the acquirer. Any adjustments deriving from the completion of the fair value measurement process of the assets and liabilities acquired will be recognized within twelve months from the acquisition date as stated by IFRS 3. The goodwill is not deductible for tax purposes. Minor acquisition-related costs were expensed in the Consolidated statement of profit and loss.

The details of the net cash outflows related to the acquisition are shown below:

<i>(Euro thousands)</i>	At acquisition date
Consideration paid	(1,666)
Cash and cash equivalents acquired	2,068
Net cash outflow - Investing activities	402

Ferrari Hecny entities contributes for Euro 839 thousand in Result from investments accounted for using the equity method and for Euro 600 thousand in net profit of the Group for the period from January 1, 2021 to June 30, 2021.

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Below are reported the main financial figures of the entities mentioned above as at acquisition date (June 30th, 2021):

Amount in Euro/000	China June 30, 2021	Malesya June 30, 2021	Hong Kong June 30, 2021
Revenues (1st HY21)	16,904	546	1,086
Net result (1st HY21)	2,645	179	230
Total assets	9,427	762	3,526

If the acquisition had occurred on January 1st, 2021, the Consolidated statement of profit and loss would have included:

- additional Revenues for about Euro 16,5 Mio;
- additional EBIT for Euro 4 Mio;
- additional Net result of Euro 2,5 Mio.

Functional currency

For the purpose of the Consolidated Financial Statements, the results and financial position of each Group company are expressed in Euro, which is the functional currency of the Company and the Group and also the presentation currency for the Consolidated Financial Statements.

Foreign currency translation

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the Consolidated Financial Statements, the results and financial position of each Group company are expressed in Euro, which is the functional currency of the Company and the Group.

In preparing the individual companies' financial statements, transactions in other currencies different from the entity's functional currency (foreign currencies) are recognized at the rates of exchange at the dates of the transaction.

At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at the date rates. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not converted.

The table below details the exchange rates used in the preparation of the Consolidated financial statement of the Group:

Currency	Country	Code	Spot rate Dec. 31, 2021	Average rate 2021	Spot rate Dec. 31, 2020	Average rate 2020
Swiss Franc	Switzerland	CHF	1.033	1.081	1.080	1.071
US Dollar	United States	USD	1.133	1.183	1.227	1.142
HK Dollar	Hong Kong	HKD	8.833	9.193	9.514	8.859
Renminbi (Yuan)	China	CNY	7.195	7.628	8.023	7.875

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Won Sud	South Korea	KRW	1,346,380	1,354,060	1,336,000	1,345,580
Dirham	UAE	AED	4,160	4,344	4,507	4,195
Yen	Japan	JPY	130,380	129,877	126,490	121,846
Indian Rupee	India	INR	84,229	87,439	89,661	84,639
Pounds	UK	GBP	0,840	0,860	0,899	0,890
Singapore Dollar	Singapore	SGD	1,528	1,589	1,622	1,574
Rand	South Africa	ZAR	18,063	17,477	18,022	18,766
Baht	Thailand	THB	37,653	37,837	36,727	35,708
Ringgit	Malaysia	MYR	4,718	4,902	4,934	4,796
Real	Brazil	BRL	6,310	6,378	6,374	5,894
Canadian Dollar	Canada	CAD	1,439	1,483	1,563	1,530
Taiwan Dollar	Taiwan	TWD	31,367	33,036	34,481	33,623

Revenue recognition

Revenues are recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenues can be reliably measured, in accordance with IFRS 15. All revenues are reported net of discounts and value-added and other sales taxes.

Sale of services

Revenue from services is recognized by reference to the stage of completion. Stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours for each contract. Where the contract outcome cannot be measured reliably, revenue is recognized to the extent of the expenses recognized that are recoverable.

Financial income

Interest income is calculated on the value of the related financial assets at the effective interest rate.

Financial expenses

Financial expenses are recorded, on an accrual basis, as a cost in the accounting period in which they are incurred except for those which are directly attributable to the construction of an assets, which are capitalized as an additional part of the cost of production of the asset begins when activities are under way to prepare the asset for use, and it ends when these activities are essentially completed. Note that there are no financial expenses capitalized during both the years 2021 and 2020.

Income tax

Income tax expense represents the sum of the tax currently payable and deferred income tax. The current tax payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated income statement because it does not include items of income or expense that are taxable or deductible in other years and it furthers excludes items that are never

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taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Current and Non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: i) it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; ii) it is held primarily for the purpose of trading; iii) it is expected to be realised within 12 months after the reporting period; iv) the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current. A liability is classified as current when: i) it is either expected to be settled in the company's normal operating cycle; ii) it is held primarily for the purpose of trading; iii) it is due to be settled within 12 months after the reporting period; iv) or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Property, plant and equipment

Items of property, plant and equipment are stated at the cost of acquisition or production cost less accumulated depreciation and impairment losses. Depreciation is charged to write-off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

Tangible Assets	Depreciation method
Land	No depreciation
Building	Over 20 years
Short leasehold property	Over the life of the lease
Plant and equipment	Straight line basis using the percentage rate provided by the local subsidiary

Goodwill

Goodwill is recognized as an asset from the acquisition date as the excess of the cost of acquisition over the fair value of identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or joint venture.

Goodwill is reviewed for impairment on an annual basis for events or changes in circumstances that indicate that the carrying value might be impaired and for subsequent changes in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Goodwill is stated at cost less accumulated impairment losses.

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Intangible assets acquired separately from a business are capitalized at cost. Intangible assets acquired as part of a business combination are capitalized separately from goodwill if the fair value can be measured reliably on initial recognition.

The carrying value of intangible assets are reviewed for impairment on an annual basis for events or changes in circumstances that indicate that the carrying value may not be recoverable.

Intangible assets are stated at cost or fair value on recognition less accumulated amortization and any impairment in value.

Amortization is calculated to write-off the cost or valuation of intangible assets over their estimated useful lives, using the straight-line method, on the following bases:

Intangible Assets	Amortization method
Goodwill	Tested annually for impairment
Other intangible assets	Straight line basis using the percentage rate provided by the local subsidiary

Investments in associated companies

Associates are entities on which the Group has significant influence but not control or joint control.

Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognized in profit or loss and the share of the changes in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the company's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and it is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment. When the company's share of losses in an associated entity equals or exceeds its interest in the associate, including any unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on the associate's behalf.

The company has to interrupt the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, the fair value of the retained investment and the gains from the disposal are recognised in profit or loss.

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Deferred tax

Deferred tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than as a business combination) or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, and interest in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realized, or the liability is settled.

The deferred tax assets carrying amount is reviewed at each consolidated statement of financial position date and decreased to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are compensated when they relate to income taxed levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Financial assets

In accordance with IFRS 9, financial assets are classified in the following three categories:

- Financial assets measured at *amortized cost* (AC) using the effective interest method: these assets are part of a “hold to collect” business model and generate contractual cash flows (capital and interest nature). This category includes financial assets other than derivatives, such as loans and receivables with payments that are fixed or can be determined, and that are not listed in an active market. The actualization is omitted when the effect is insignificant.
- Financial assets measured at fair value with changes in *fair value recognized in the statement of other comprehensive income* (“FVOCI”): these assets are part of a “hold to collect and sell business model” and generate contractual cash flows (capital and interest nature). This

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category also includes minority interests, designated as such under IFRS 9, other than equity instruments not held for trading and not a potential consideration arising from a business combination. For minority interests, contrary to what generally happens with financial assets at FVOCI, the gains and losses recognized in the statement of other comprehensive income are not subsequently transferred to the income statement, although the cumulative profit or loss may be transferred to Shareholders' equity. Such minority interests are not subject to impairment accounting. The dividends arising from these operations are still recognized in the income statement, unless they clearly represent a recovery of part of the investment cost.

- Financial assets measured at fair value with changes in *fair value recognized in profit and loss* ("FVPL"): this category includes all financial assets other than those measured at amortized cost and at fair value with changes in fair value recognized in the statement of comprehensive income ("FVOCI"). This category includes financial assets without an interest component, including investments in investment funds.

Inventories

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are determined on a first in first out basis and comprise purchase cost, cost of direct material and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Trade and other receivables

Trade and other receivables are recognized by the Group and carried at original invoice amount less an allowance for any uncollectible or impaired amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Based on IFRS 9 an "*expected credit loss*" ("ECL") model is used to recognise an allowance: trade and other receivables are written off when they are identified as being irrecoverable.

Other receivables are recognized at fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits.

Short-term deposits are defined as deposits with an initial maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the Consolidated statement of cash flows.

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Retirement benefit schemes

The Group set up defined benefit schemes for qualifying employees of its subsidiaries. The defined benefit schemes are administered by a separate fund that is legally separated from the company.

The defined benefit schemes require contributions from employees. Contributions are in the following two forms: i) the first one is based on the number of years of service and ii) the other one is based on a fixed percentage the employees' salary. Employees can also make discretionary contributions to the plan.

Provisions

Provisions are recognized when the Group has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably estimated. The provisions are measured as the estimated expenditure that will be required to settle such obligations as of the statement of financial position date. Actualisation to the present value is used in the estimation process when the effect of the time value of money is material.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method.

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3. Critical accounting judgements, estimates and assumptions

In the application of the Group's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in Consolidated financial statements.

Revenue recognition

The company recognizes revenue as follows:

- Revenue from contracts with customers
Revenue is recognized at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.
Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognized as a refund liability.

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- *Sale of goods*
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.
- *Rendering of services*
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Customer contracts within the Currency business will often include specific terms that impact the timing of revenue recognition. The timing of the transfer of risk and rewards varies depending on the individual terms of the sale agreement.

Judgement is used in interpreting these terms and conditions in assessing when the risks and benefits have been transferred to the customer especially where they include special arrangements.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result of what previously stated, the Group has not recognized any deferred taxes on changes in fair value of investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

Key accounting judgements

IFRS 3 has not been applied where there has been a combination of businesses under common control. The directors consider that in accordance with appendix B to IFRS 3 contractual arrangements existed between the individuals controlling such entities both before and after their combination to govern the financial and operating policies of each of the combining entities so as to obtain benefits from their activities.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

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Impairment test

The book values of the Company's assets are measured at each date of reference of the Financial Statements (or in the presence of impairment indicators) in order to determine whether there are indications of a reduction in value, in which case the recoverable value of the asset is estimated. Impairment is accounted for in the Consolidated Income statement when the book value of an asset or of a cash generating unit ("CGU") exceeds the recoverable value.

The recoverable value of non-financial assets corresponds to the highest between their fair value net of disposal costs and their useful life. In order to establish their useful life, the estimated future cash flows are discounted at a rate that reflects the current market valuation of the money value and the risk related to that type of asset. If the assets do not generate incoming independent cash flows, the recoverable value of the CGU to which the asset belongs is calculated.

The losses included in the income statement are restored in case of changes in the valuation criteria used to determine the recoverable value. A value restored is recorded in the Consolidated income statement by aligning the assets' book value to its recoverable value. The recoverable amount cannot exceed the value that would have been determined, net of amortization and depreciation expense, if impairment had not been posted in the previous years. This restore is not applicable to goodwill, since its write-down is never reversible.

It should be noted that the 2021 impairment test was carried out in accordance with the relevant IFRS international accounting standards and best practices in this area with reference to the different goodwill reported in the Consolidated financial statement.

With reference to the goodwill reported on note 10 of the notes to the Consolidated financial statements, in line with the provisions of IAS 36, the Group determines the "recoverable value" of each individual CGUs by discounting the future cash flows (Discounted Cash Flows - DCFs) deriving from subsidiaries operations.

Each subsidiary represents an autonomous CGU to which the financial plans refer. The data contained in the financial plans, approved by the Board of Directors autonomously and in advance of the approval of the consolidated financial statements, were used as the basis for calculation. The economic and financial plan of each CGU highlights the results expected from each entity. The recoverable value is represented by the present value of future cash flows that are estimated will derive from the continuous use of the related assets to the CGU, both for the period of explicit flows and at the end of the forecast time horizon explicit (based on the determination of the so-called "terminal value") using a rate of growth (g-rate) equal to 1% (a value that management believes can represent a minimum rate of growth in the sector for each country).

The cash flows as determined above have been actualised at a post-tax nominal WACC rate.

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The WACC was estimated using the Unconditional Adjusted approach, which envisages the use of a risk-free rate adjusted to neutralize the monetary policies implemented in recent years by the European Central Bank.

The main parameters are:

- Cost of debt: last five years yield of the ten-year IRS increased by the spread paid by each company;
- Risk Free Rate: average yield of the last five years of the risk free for the countries in which the CGUs under test operate;
- Unlevered beta: based on the average value observed for a panel of listed companies in the sector. The beta extraction considered a period of five years prior to the Reporting Date;
- Market Risk Premium: risk premium for the market with a AAA rating (source: Fernandez);
- Size Premium: equal to the value attributed to the micro caps by Duff & Phelps (updated to 2021);
- Financial Structure: for the purposes of weighting the cost of debt and the cost of equity, a financial structure has been considered on the basis of comparable average;

The discounting rates (calculated in a specific way for each CGUs in order to reflect its financial structure) vary between 7.69% and 13.06%.

With regard to the CGUs a sensitivity analysis of the results was also carried out by varying the discounting rates and g-rate applied between +0.5%/-0.5%: this analysis did not reveal any write-downs with reference to the amount of goodwill recognized.

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the directors determined that the useful lives of certain items of equipment should be shortened, due to developments in technology.

DEIANA HOLDING LIMITEDAs at December 31st, 2021**4. Net revenues and other income**

The Group operates in different countries with local subsidiaries in order to serve clients all over the world and local clients through local subsidiaries able to cover the provision of services in their local area.

Amounts in Euro	2021	2020	Delta	%
Net revenues	240,896,900	155,747,927	85,148,973	55%
Other Income	13,863,064	5,642,743	8,220,321	146%
Total Revenues	254,759,965	161,390,670	93,369,294	58%

Net revenues

The table below shows the geographic analysis of net revenues by country or geographical:

Amounts in Euro	2021	2020	Delta	%
Europe	141,102,234	101,606,705	39,495,529	39%
Asia	47,458,343	21,855,748	25,602,595	117%
NAM & Brazil	27,973,855	17,905,885	10,067,969	56%
Rest of world	24,362,469	14,379,589	9,982,880	69%
Total Net revenues	240,896,900	155,747,927	85,148,973	55%

The geographic analysis has been made considering the revenues generated by each geographical zone net by intercompany revenues.

For additional comments on net revenues and other income please refer to the comments reported in the Strategic report.

5. Expenses by nature

Amounts in Euro	2021	2020	Delta	%
Acquisition of goods and services	105,573,749	73,143,927	32,429,822	44%
Personnel costs	66,218,783	57,364,131	8,854,652	15%
Amortization and depreciation	7,111,491	7,931,664	(820,173)	-10%
<i>Amortization and Depreciation</i>	<i>3,682,987</i>	<i>3,982,058</i>	<i>(299,071)</i>	<i>-8%</i>
<i>Amortization IFRS16</i>	<i>3,355,896</i>	<i>3,949,606</i>	<i>(593,710)</i>	<i>-15%</i>
Write-off of Assets	1,161,679	1,975,950	(814,272)	-41%
Other provisions for risks and charges	1,132,525	736,987	395,538	54%
Other operating costs	4,755,547	2,728,756	2,026,791	74%
Total Operating expenses	185,953,773	143,881,415	41,676,820	29%

DEIANA HOLDING LIMITEDAs at December 31st, 2021**6. Personnel costs**

The table below shows personnel cost for 2021 and comparative data:

Amounts in Euro	2021	2020	Delta	Delta
Personnel cost	66,218,783	54,784,971	11,433,813	21%

The number of active employees, split by legal entities, at the year-end is reported below:

Number of Employees	December 31, 2021	December 31, 2020
Deiana Holding Limited	2	12
Ferrari Expéditions SA	159	159
Ferrari S.p.A.	120	119
SW System S.r.l.	21	18
Ferrari Expedition France SA	54	48
Ferrari Global Services	1	2
Ferrari Sécurité France (Ex Gwinver)	49	44
Ferrari Divisione Vigilanza Speciale S.r.l.	181	171
Ferrari Logistics Germany GMBH	31	26
Ferrari Belgium BVBA	23	23
Ferrari Logistic (Asia) Ltd	180	162
Ferrari Logistics Singapore Pte. Ltd.	37	33
Ferrari Macao	9	7
Ferrari Logistics Japan K.K.	18	17
Ferrari Express S.L.	27	27
Ferrari Logistics Asia (Thailand) Ltd.	53	49
Ferrari Logistics Southern Africa	8	7
Ferrari Group Portugal	1	1
Mc Rusch Pte Ltd	-	-
AF Ferrari Secure Logitech PVT Ltd (India)	56	50
Ferrari Logistics (Korea) co. Ltd	21	19
Ferrari Fashion S.r.l.	-	-
Ferrari Logistics Middle East – UAE	68	56
Ferrari Logistics Ireland Limited	15	14
Ferrari Logistics Netherland BV	27	16
Ferrari Express Logística e Transporte do Brasil LTDA	3	4
Ferrari Express Inc.	120	92
Grosvenor Underwriting	-	-
Ferrari Immogroup	1	1
Pelican Real Estate	-	-
Ferrari Group Netherlands BV (*)	5	n.a.
Ferrari Group PLC (*)	7	n.a.
Deiana Group Finance (*)	-	n.a.
Deiana Group Immobiliare (*)	-	n.a.
Deiana Group Immobiliér (*)	-	n.a.
Deiana Group Management System S.r.l. (*)	2	n.a.
Ferrari Group Trading (*)	1	n.a.
Ferrari Express Canada Inc. (*)	-	-
Grupo Ferrari Sociedade Unipessoal Limitada (*)	-	-

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Modi Corporation Ltd. (*)	-	-
Ferrari BPM S.a.g.l. (*)	7	-
Ferrari Hecny Logistics Shanghai (*)	192	n.a.
Ferrari-Hecny Diamond (Shanghai) Ltd (*)	4	n.a.
Ferrari Hecny Logistics (Malaysia) SDN BHD (*)	9	n.a.
Ferrari Hecny Logistics HK (*)	15	n.a.
Total Number of Employees	1,527	1,177

(*) new in the 2021 Consolidated Perimeter

7. Financial income and expenses

The detail of financial income and expenses by nature for the year 2021 is reported below:

Amounts in Euro	2021	2020	Delta	%
Financial income	260,252	56,676	203,576	359%
Financial expenses	(992,126)	(1,098,297)	106,171	-10%
Exchange gain / (losses)	(873,594)	590,699	(1,463,292)	-248%
Result from investments accounted for using the equity method	2,420,333	2,232,588	187,745	8%
Total Financial income/(expenses)	814,866	1,781,667	(966,801)	-54%

8. Income taxes

Below is reported the detail of income taxes for the year 2021 and the reconciliation with theoretical income taxes:

Amounts in Euro	2021	2020	Delta	%
Current Income charge	(12,951,336)	(3,026,322)	(9,925,013)	328%
Deferred taxes	(2,736,896)	(1,662,046)	(1,074,850)	65%
Total Income taxes	(15,688,232)	(4,688,368)	(10,999,864)	235%

Amounts in Euro	2021	%	2020	%
Profit before taxes	69,621,057		19,290,922	
Effective income taxes	12,951,336	19%	3,026,322	16%
Higher taxes (compared to the theoretical rate)				
Net effect of international taxes	276,665	0%	638,953	3%
Theoretical income taxes	13,228,001	19%	3,665,275	19%

For the tax reconciliation of Ferrari Group Limited, please refer to the disclosure in the Parent Company financial statements.

DEIANA HOLDING LIMITEDAs at December 31st, 2021**9. Earnings per shares**

Basic Earnings per share are calculated by dividing the net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the Year.

Diluted Earnings per share amounts are calculated by dividing the net profit (excluded OCI) attributable to ordinary shareholders after adjustments for instruments that dilute basic Earnings per share by the weighted average of ordinary shares outstanding during the Year (adjusted for the effects of dilutive instruments).

The following tables reflect the income and share data used in the total operations basic and diluted Earnings per share computations:

Amounts in Euro	2021	2020
Result attributable to ordinary shareholders for basic and diluted earnings per share (total)	53,932,826	14,602,554
Number of shares (£ 1.00 each)	53,450,000	52,401,000
Earnings per Share	1.01	0.28

Amounts in Euro	2021	2020
Result attributable to ordinary shareholders for basic and diluted earnings per share (with no minority interests)	49,924,602	13,126,261
No. of shares - £ 1 each	53,450,000	52,401,000
Earnings per Share	0.93	0.25

DEIANA HOLDING LIMITEDAs at December 31st, 2021**10. Goodwill**

The Group perform annually impairment test on goodwill on an annual basis, or more frequently if there are indications that goodwill might be impaired.

Changes in goodwill during the years presented are illustrated below:

Description	Euro	Year
Opening balance as of January 1st, 2020	1,244,951	2020
Goodwill as of December 31, 2020	1,244,951	
Acquisition of Ferrari - Hecny Shanghai	270,601	2021
Acquisition of Ferrari - Hecny Malaysia	389,098	2021
Acquisition of Ferrari - Hecny Hong Kong	512,306	2021
Goodwill as of December 31, 2021	2,416,956	

Amounts in Euro	December 31, 2020	Addition (+)	Impairment (-)	December 31, 2021
Historical Value	7,752,421	1,172,005	-	8,924,426
Acc. impairment losses	(6,507,470)	-	-	(6,507,470)
Goodwill	1,244,951	1,172,005	-	2,416,956

All the investments were made for strategic reasons in the view of expanding the services provided in the relevant countries.

The merger of the company has increased the synergies and as a result the Group has become a leader in offering its core business services in the relevant territories.

The table below details the Net Book Value of goodwill by cash generating unit (CGU):

Amounts in Euro	December 31, 2021	December 31, 2020
Ferrari Logistics Germany	116,410	116,410
Ferrari DVS	144,000	144,000
Ferrari S.p.A. (Battistolli division)	823,191	823,191
AF Secure Ferrari India	161,350	161,350
Ferrari - Hecny Shanghai	270,601	-
Ferrari - Hecny Malaysia	389,098	-
Ferrari - Hecny Hong Kong	512,306	-
Goodwill	2,416,956	1,244,951

DEIANA HOLDING LIMITEDAs at December 31st, 2021*Business combinations in 2021*

A summary of the main business combinations occurred during 2021 is described below. All business combinations have been recognized in accordance with *IFRS 3*.

a) Acquisition of the control on Ferrari Hecny Logistics Shanghai

In June 2021 Ferrari Group concluded the acquisition of the remaining 50% of Ferrari Hecny Logistics Shanghai. As a result of acquisition, the Group has the full control on its activities in Chinese market. Details of the purchase consideration, the net assets acquired and goodwill are as follows:

<i>(Euro thousands)</i>	At acquisition date
Amount paid for the remaining 50% <i>(USD 2.400 thousand)</i>	2,019
Investment already held <i>(evaluated at equity method until June 30, 2021)</i>	3,807
Total investment	5,826
Consideration acquired	(5,556)
Preliminary Goodwill	271

Preliminary goodwill arising from the acquisition of Euro 271 thousand is attributable to the expected synergies from combining operations of the acquiree and the acquirer. Any adjustments deriving from the completion of the fair value measurement process of the assets and liabilities acquired will be recognized within twelve months from the acquisition date as permitted by *IFRS 3*. The goodwill is not deductible for tax purposes. Minor acquisition-related costs were expensed in the Consolidated Statement of profit and loss.

The details of the net cash outflows related to the acquisition are shown below:

<i>(Euro thousands)</i>	At acquisition date
Consideration paid	(2,019)
Cash and cash equivalents acquired	3,082
Net cash outflow - Investing activities	1,063

b) Acquisition of the control on Ferrari Hecny Logistics Malaysia

In June 2021 the Group concluded the acquisition of the remaining 50% of Ferrari Hecny Logistics Malaysia. As a result of acquisition, the Group has the full control on its activities in Malaysian market.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

<i>(Euro thousands)</i>	At acquisition date
Amount paid for the remaining 50% (GBP 408 thousand)	475
Investment already held (evaluated at equity method until June 30, 2021)	85
Total investment	560
Consideration acquired	(172)
Preliminary Goodwill	389

DEIANA HOLDING LIMITEDAs at December 31st, 2021

Preliminary goodwill arising from the acquisition of Euro 389 thousand is attributable to the expected synergies from combining operations of the acquiree and the acquirer. Any adjustments deriving from the completion of the fair value measurement process of the assets and liabilities acquired will be recognized within twelve months from the acquisition date as permitted by IFRS 3. The goodwill is not deductible for tax purposes. Minor acquisition-related costs were expensed in the Consolidated statement of profit and loss. The details of the net cash outflows related to the acquisition are shown below:

<i>(Euro thousands)</i>	At acquisition date
Consideration paid	(475)
Cash and cash equivalents acquired	479
Net cash outflow - Investing activities	4

c) Acquisition of the control on Ferrari Hecny Hong Kong

In June 2021 the Group concluded the acquisition of the remaining 50% of Ferrari Hecny Logistics Hong Kong. Ferrari Hecny Logistics Hong Kong is the legal entities that operates through its two Taiwanese branches. As a result of acquisition, the Group has the full control on its activities in Taiwanese market.

Details of the purchase consideration, the net assets acquired, and goodwill, are as follows:

<i>(Euro thousands)</i>	At acquisition date
Amount paid for the remaining 50% (GBP 1,430 thousand)	1,666
Investment already held (evaluated at equity method until June 30, 2021 - 50%)	247
Total investment	1,913
Consideration acquired	(1,401)
Preliminary Goodwill	512

Preliminary goodwill arising from the acquisition of Euro 512 thousand is attributable to the expected synergies from combining operations of the acquiree and the acquirer. Any adjustments deriving from the completion of the fair value measurement process of the assets and liabilities acquired will be recognized within twelve months from the acquisition date as permitted by IFRS 3. The goodwill is not deductible for tax purposes. Minor acquisition-related costs were expensed in the Consolidated statement of profit and loss.

The details of the net cash outflows related to the acquisition are shown below:

<i>(Euro thousands)</i>	At acquisition date
Consideration paid	(1,666)
Cash and cash equivalents acquired	2,068
Net cash outflow - Investing activities	402

Ferrari Hecny entities contributes for Euro 839 thousand in Result from investments accounted for using the equity method and for Euro 600 thousand in net profit of the Group for the period from January 1st, 2021 to June 30th, 2021.

DEIANA HOLDING LIMITEDAs at December 31st, 2021

If the acquisition had occurred on January 1st, 2021, the Consolidated statement of profit and loss would have included:

- additional Revenues for about Euro 16,5 Mio;
- additional EBIT for Euro 4 Mio;
- additional Net result of Euro 2,5 Mio.

11. Intangible assets

The changes in intangible assets during the year 2021 are stated below:

Amounts in Euro	Intellectual property rights	Concessions, licenses and similar rights	Other intangible assets	Total Intangible assets
Cost at December 31, 2020	118,341	142,163	717,669	978,173
+Acquisition	-	20,250	174,275	194,525
+/-) Reclassification	-	-	-	-
(-) Disposal	-	-	-	-
+/-) other	-	-	-	-
Final cost at December 31, 2021	118,341	162,413	891,944	1,172,698
Accu. Dep at December 31, 2020	(21,820)	(101,287)	(388,097)	(511,204)
+Yearly Amortization/Depreciation	(23,668)	(21,671)	(67,767)	(113,107)
+/-) Yearly Impairment	-	-	-	-
+/-) Reclassification	-	-	-	-
(-) Disposal	-	-	-	-
Final Acc. Dep. at December 31, 2021	(45,489)	(122,958)	(455,864)	(624,311)
Net Book Value at December 31, 2020	96,521	40,876	329,572	466,969
Net Book Value at December 31, 2021	72,853	39,455	436,080	548,387

12. Property, plant and equipment

Below are reported the changes in tangible assets during the year 2021:

Amounts in Euro	Lands and buildings	Technical instalations & machinery	Industrial & commercial equipment	Leasehold improvements	Other fixed assets	Right of use
Net book value As at December 31, 2020	30,023,395	1,203,164	1,052,604	3,450,186	4,231,433	12,135,600
Increase / (Decrease)/Other (+/-)	1,032,653	295,949	422,528	88,428	4,015,739	2,503,659
Amortization & Depreciation	(826,319)	(188,353)	(166,507)	(589,831)	(1,871,477)	(3,355,896)
Net book value As at December 31, 2021	31,029,728	1,310,759	1,308,625	2,948,782	6,375,696	11,283,363

DEIANA HOLDING LIMITEDAs at December 31st, 2021**13. Investments in associated and other companies**

The following table shows financial and other information about the investments in associated companies and other entities as of December 31st, 2021:

Amount in Euro	Total Value	Country	Principal activities	% Ownership interest	% Voting power
Ferrari Express Ltd.	2,077,676	UK	Freight transport	50%	50%
Bcube Luxury B.V.	859,967	Holland	Freight transport	40%	40%
CDS S.r.l.	327,097	Italy	Freight transport	25%	25%
Investments in associated companies	3,264,740				
SAS S.A. (*)	96,796	Switzerland	Insurance	100%	100%
Investments at Cost method	96,796				
Investments in other companies	74,183				
Investments as at Dec. 31, 2021	3,435,720				

14. DEFERRED TAX ASSETS/LIABILITIES

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Deferred tax assets	1,232,646	1,926,692	(694,046)	-36%
Deferred tax liabilities	(2,090,736)	(1,316,814)	(773,922)	59%
Net deferred tax	(858,090)	609,878	(1,467,968)	-241%

15. NET WORKING CAPITAL

Amounts in Euro/000	December 31, 2021	December 31, 2020	Delta	%
Trade receivables	65,077	50,622	14,455	29%
Inventories	979	3	976	33077%
Other current assets	7,882	5,292	2,589	49%
Current tax receivables	1,952	3,798	(1,846)	-49%
Operating current assets	75,890	59,715	16,176	27%
Trade payables	(26,155)	(28,953)	2,798	-10%
Current tax payables	(10,424)	(11,746)	1,322	-11%
Other current liabilities	(24,249)	(13,462)	(10,788)	80%
Operating current liabilities	(60,828)	(54,160)	(6,668)	12%
Net working capital	15,062	5,554	9,508	171%
Other current payables included in Net financial position	878	3,864	(2,986)	-77%
Adjustment on Net working capital	878	3,864	(2,986)	-77%
Adjusted Net working capital	15,940	9,418	6,522	69%

Please refer to the strategic report for further information

DEIANA HOLDING LIMITEDAs at December 31st, 2021**16. NET FINANCIAL POSITION**

Below is reported the Net financial position as of December 31st, 2021 as per ESMA Recommendation of 4 March 2021 (ESMA32-382-1138) with comparative data:

Amounts in Euro/000	December 31, 2021	December 31, 2020	Delta
Cash and cash equivalents	73,544	40,070	33,474
Current financial assets	2,139	441	1,698
Short term financial assets	75,683	40,510	35,172
Current financial liabilities	(3,396)	(1,126)	(2,269)
Current lease liabilities	(3,289)	(3,926)	637
Short term financial liabilities	(6,685)	(5,053)	(1,632)
Net Financial Position - Short term	68,998	35,458	33,540
Non-current financial liabilities	(20,104)	(20,896)	2,060
Non-current lease liabilities	(5,541)	(6,254)	713
Trade payable and other non current payable	(13,610)	(19,670)	6,060
Net Financial Position - Long term	(39,255)	(46,821)	8,833
Total Net Financial Position	29,742	(11,363)	42,373

Please refer to the strategic report for further information

17. INVENTORIES

Amounts in Euro	December 31, 2020	Increase (+)	Decrease (-)	December 31, 2021
Advances for goods	2,952	1,376,309	(404,968)	974,293
Total inventories	2,952	1,376,309	(404,968)	974,293

18. TRADE RECEIVABLES

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Trade receivables	65,077,141	50,621,656	14,455,485	29%

DEIANA HOLDING LIMITEDAs at December 31st, 2021**19. CASH AND CASH EQUIVALENTS**

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise the following at December 31st, 2021:

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Bank and postal accounts	73,127,101	39,506,419	33,620,682	85%
Cash and other valuables	416,686	563,491	(146,804)	-26%
Cash and cash equivalents	73,543,788	40,069,910	33,473,878	84%

20. SHARE CAPITAL

All issued share capital is classified as equity.

	No. of Shares	December 31, 2021	No. of Shares	December 31, 2020
Issued and fully paid				
At 1st January	52,401,000	58,286,153	30,391,000	36,789,924
New issues of share capital	1,049,000	1,248,394	-	-
At 31st, December	53,450,000	59,534,547	30,391,000	36,789,924
Issued and Unpaid				
At 1st January	-	-	10,000	12,136
New issues of share capital	-	-	22,000,000	21,484,093
At 31st, December	-	-	22,010,000	21,496,229
Total Issued share capital	53,450,000	59,534,547	52,401,000	58,286,153

21. RESERVES

Amounts in Euro	At December 31, 2021	At December 31, 2020
Retained earnings	1,762,536	(8,916,386)
Consolidation reserve	(8,280,666)	(8,280,666)
First Time Adoption Reserve	525,227	525,227
Foreign currency translation reserve	(2,099,048)	(5,200,617)
Share premium reserve	1,570,789	-
Other reserves	(486,352)	(476,134)
Reserve for discounting Employee Severance indemnity	(161,299)	(161,081)
Total reserves	(7,168,813)	(22,509,657)

DEIANA HOLDING LIMITEDAs at December 31st, 2021**22. PROVISIONS**

Provisions at December 31st, 2021 amounts to total Euro 4,336,649 (2020: 12,636,475) and, attached below, follows their division by nature:

- Provision for employee benefits (Non-current liabilities)

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Provisions for employee benefits	2,133,625	2,369,522	(235,897)	-10%
Total Provisions for employee benefits	2,133,625	2,369,522	(235,897)	-10%

- Provisions for risk and charge (Non-current liabilities)

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Tax litigation	-	358,157	(358,157)	-100%
Other provisions	744,873	1,115,760	(370,887)	-33%
Provision related to risk in claims with personnel	313,993	1,317,000	(1,003,007)	-76%
Provision related to claims with Customers & Vendors	1,144,157	1,741,629	(597,472)	-34%
Non-Current Provisions for risk and charges	2,203,024	4,532,546	(2,329,522)	-244%

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Provision related to insurance services	-	5,734,407	(5,734,407)	-100%
Provisions for risk and charges - Current	-	5,734,407	(5,734,407)	-100%

23. OTHER NON-CURRENT LIABILITIES

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Payables towards Shareholders	8,216,565	9,670,183	(1,453,618)	-15%
Payables towards Related Parties	4,515,571	5,249,538	(733,967)	-14%
Payables towards Italian Tax Authority	-	1,324,533	(1,324,533)	-100%
Other current liabilities	12,732,136	16,244,254	(3,512,118)	-22%

24. TRADE PAYABLES

Amounts in Euro	December 31, 2021	December 31, 2020	Delta	%
Trade payables	26,154,623	28,952,828	(2,798,205)	-10%

DEIANA HOLDING LIMITEDAs at December 31st, 2021**30. Other information**

Information is shown below with regard to i) commitments and guarantees undertaken by the Group Companies, ii) third party assets, iii) contingent liabilities, iv) related parties' transactions, v) derivative financial instruments vi) fair value measurement, vii) financial risk management, viii) auditor remuneration and ix) ultimate controlling parties.

For information about the Group, "Significant subsequent events", the "Business outlook", please refer to the specific paragraphs included into the "Strategic Report".

i) Commitments and guarantees

The subsidiaries Ferrari Group PLC on October 27st, 2021 signed a patronage letter valid from October 31st, 2021 to October 31st, 2022 for the mandatory insurance cover required by the Italian customs for the import/export operations up to a maximum of Euro 54,500,000.

The Group had no other contingent liabilities at the year-end than the one mentioned above.

ii) Third party assets

The Group holds goods owned by third parties at its operating locations in connection with transit operations. It should be noted that all goods in the warehouses are fully covered by an all-risk insurance policy.

iii) Contingent liabilities

The Group had no contingent liabilities at the year-end.

iv) Related parties

Deiana Group's related parties are listed below:

Related Parties	Relationship	Country	Main business/activity
Bcube Luxury BV	Associated company	Netherland	Freight shipping
CDS S.r.l.	Associated company	Italy	Freight shipping
Ferrari Express Ltd	Associated company	UK	Freight shipping
Ferrari CDS S.r.l.	Associated company	Italy	Freight shipping
Ferrari Logistics SAM	Shareholders in common	Monaco	Freight shipping
Regency Limited	Shareholders in common	UK	Freight shipping
All Marks S.r.l.	Shareholders in common	Italy	Punching
Corrado Deiana	Shareholders of the Parent company		
Marco Deiana	Shareholders of the Parent company		
Dario Dino Ferrari	Shareholders of Ferrari Express Inc.		
Miranda Ferrari	Other relationship		

(*) please refer to the information included in the paragraph "27. Other non-current liabilities".

The Group management, preparing the consolidated financial statement, eliminates all the intercompany transactions between subsidiaries included in the consolidation area.

DEIANA HOLDING LIMITEDAs at December 31st, 2021

The figures and the volumes of transactions of the Group entities with the related parties for are reported below:

Related Parties	Receivables			Payables		
	Financial	Trade	Other	Financial	Trade	Other
Bcube Luxury BV	-	481,816	-	-	(5,572)	(11,201)
CDS S.r.l.	-	2,855	-	-	(501,683)	-
Ferrari Express Ltd	-	1,591,755	-	-	(1,833,716)	-
Ferrari Logistics SAM	-	456,298	-	-	-	(182,001)
All Marks	-	305	-	-	(49)	-
Corrado Deiana	-	-	-	-	-	(6,163,090)
Marco Deiana	-	-	-	-	-	(2,053,475)
Dario Dino Ferrari	-	-	-	-	-	(3,289,681)
Miranda Ferrari	-	-	-	-	-	(1,990,467)
Total Receivables/(Payables)	-	2,533,030	-	-	(2,341,019)	(13,689,914)

Related Parties	Income			Expenses		
	Net Rev.	Other Income	Financial	Services	Other cost	Financial
Bcube Luxury BV	687,198	79,777	-	(48,784)	-	(304)
CDS S.r.l.	-	-	-	(1,619,191)	-	-
Ferrari Express Ltd	2,074,229	78,880	-	(2,709,674)	(2,082)	(163)
Ferrari Logistics SAM	701,157	56,332	-	(1,082,283)	(1,411)	(69)
All Marks S.r.l.	147	-	-	-	-	-
Ferrari Hecny Logistics HK (*)	196,248	7,973	-	(429,704)	-	(185)
Ferrari Hecny Logistics Malaysia (*)	62,705	20,616	-	(224,466)	(3,108)	(73)
Ferrari Hecny Malaysia Shangai (*)	629,311	23,712	685	(1,525,555)	(12,346)	(278)
Total Income/(Expenses)	4,350,994	267,290	685	(7,639,657)	(18,948)	(1,072)

(*) figures related only to the first half of 2021.

All related party transactions are concluded at normal market conditions, or with similar condition to those normally applied to unrelated parties for transactions of a similar nature, size and risk, or based upon regulated rates or set prices, or applied to entities with which the Company is obligated by law to contract at a certain price.

v) *Derivatives financial instruments*

The Group has not entered into any derivative contracts.

vi) *Fair value measurement*

Concerning the valuation of the fair value of financial instruments, we specify the following in compliance with IFRS 7:

Assets

- Other financial assets: the value posted to the financial statements represents their fair value;

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- Investments in other companies: the value posted to the financial statements represents their fair value;
- Cash and cash equivalents: the value posted to the financial statements represents their fair value.

Liabilities

- Non-current financial liabilities (for the part related to variable rate loans): the value posted to the financial statements represents their fair value;
- Trade payables: the value posted to the financial statements represents their fair value.

vii) Financial risk management and other risk

In compliance with IFRS 7, we specify that in the normal conduct of its business operations, the Group is potentially exposed to the following financial risks:

- *market risk*: mainly from the changes in foreign exchange rates and to the exposure to interest rate fluctuations;
- *credit risk*: arising from the exposure to potential losses arising from the failure of the counterparty to meet its obligations;
- *liquidity risk*: from a lack of financial resources suitable for business operations and repayment of liabilities assumed in the past;

Furthermore, the Group is potentially exposed to the Management of potential risks associated with climate change.

The listed risks are exposed below.

*Market risk***Interest rate fluctuation**

The Group's main exposure to risk is through interest rates only for bank loans with variable interest rate as indicated in the paragraph "26. Financial Liabilities".

The Group, considering the timing of repayment and the index used for the interest rate variable part, did not enter into the derivative transactions.

Foreign currency risk

The table below details the exchange rates used in the preparation of consolidated financial statement of the Group:

Currency	Country	Code	Spot rate	Average	Spot rate	Average
			Dec. 31, 2021	rate 2021	Dec. 31, 2020	rate 2020
Swiss Franc	Switzerland	CHF	1.033	1.081	1.080	1.071
US Dollar	United States	USD	1.133	1.183	1.227	1.142
HK Dollar	Hong Kong	HKD	8.833	9.193	9.514	8.859

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Renminbi (Yuan)	China	CNY	7.195	7.628	8.023	7.875
Won Sud	South Korea	KRW	1,346.380	1,354.060	1,336.000	1,345.580
Dirham	UAE	AED	4.160	4.344	4.507	4.195
Yen	Japan	JPY	130.380	129.877	126.490	121.846
Indian Rupee	India	INR	84.229	87.439	89.661	84.639
Pounds	UK	GBP	0.840	0.860	0.899	0.890
Singapore Dollar	Singapore	SGD	1.528	1.589	1.622	1.574
Rand	South Africa	ZAR	18.063	17.477	18.022	18.766
Baht	Thailand	THB	37.653	37.837	36.727	35.708
Ringgit	Malaysia	MYR	4.718	4.902	4.934	4.796
Real	Brazil	BRL	6.310	6.378	6.374	5.894
Canadian Dollar	Canada	CAD	1.439	1.483	1.563	1.530
Taiwan Dollar	Taiwan	TWD	31.367	33.036	34.481	33.623

The Group's main exposure to risk is through foreign currency exchange rates.

The table below shows the weight of the main currencies used by the Group in its operations and the weight of main currencies on the aggregated revenues and equity:

Currency Code	Weight on Aggregated revenues	Weight on Aggregated Equity
EUR	41%	20%
CHF	17%	6%
USD	9%	5%
HKD	7%	3%
GBP	4%	49%
AED	6%	3%
CNY	6%	5%
Other	10%	10%
Total	100%	100%

The Group did not enter into the derivative transactions but the risk on exchange rates is mitigated by the fact that the business of the Group is mainly carried out in countries using very strong and stable currencies. Furthermore, considering the large intercompany flows, the invoicing among group subsidiaries is made using Euro (functional currency).

Credit risk

Credit risk is the Group's exposure to potential losses arising from the failure of the counterparty to meet its obligations.

This risk can derive from both strictly technical-commercial or administrative-legal factors and from factors of a typically financial nature, i.e. the "credit standing" of the counterparty.

In particular, the Group regularly checks the receivable balance of various customers to ensure that the risk of exposure to bad debts is minimised.

Liquidity risk

The liquidity risk is the risk that financial resources available may be insufficient to cover maturing

DEIANA HOLDING LIMITED

As at December 31st, 2021

obligations.

Deiana Group Directors believe that, based on the current financial position, the cash flow arising from the operating activities, together with the planned diversification of financing sources and the current debt maturity, is able to satisfy scheduled financial requirements.

Management of potential risks associated with climate change

Deiana Group considers the social, environmental and governance risks associated with its activities and pays particular attention to the analysis of sustainability issues connected to the sectors considered sensitive, i.e. those that have a profile significant socio-environmental risk.

Deiana Group and all the Group's companies are well aware of their responsibility to the environment beyond legal and regulatory requirements. Therefore, firmly committed to reduce its environmental impact and constantly improve its environmental performance as an integral part of the business strategy and operating methods and for this reason the Deiana Group transportation division (Ferrari Group) publishes, annually, its Sustainability Report.

With reference to the climate change, the Group has not yet implemented a risk management system as there are no inherent climate-related risks with the potential to have a substantive financial or strategic impact on the Group and its subsidiaries due to the nature of its business.

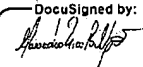
viii) Auditor's remuneration

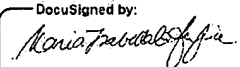
The annual fees for statutory audit of Consolidated financial statement and standalone financial statement of Deiana Group amount to Euro 25,631.

ix) Ultimate controlling parties

The Group's ultimate controlling parties are Mr. Marco Deiana and Mr. Corrado Deiana representing the 50% each (100% on aggregate) of the parent company.

This report was approved by the board of directors on July 28th, 2022 and signed on behalf of the board by:

DocuSigned by:

A5B60BD9159B4C5...
Mr. Alessandro Nicolò Ugo
Director

DocuSigned by:

7881F193C4D74E5...
Mrs. Maria Isabella la Forgia
Director

DEIANA HOLDING LIMITED

As at December 31st, 2021

DEIANA HOLDING LIMITED

FINANCIAL STATEMENTS (parent only)

as at December 31st, 2021

Company Registration Number: 10052892

DEIANA HOLDING LIMITED

As at December 31st, 2021

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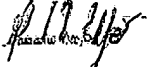
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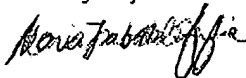
Statement of Financial Position

Amounts in Euro	Notes	December 31, 2021	December 31, 2020
Assets			
Non-current assets			
Intangible assets	33	-	2,370,400
Investments in associated and other companies	34	110,278,275	85,647,079
Other financial assets	36	14,055,029	4,207,903
Deferred tax assets		-	1,084,621
Total Non-current assets		124,333,304	93,310,003
Current assets			
Trade receivables	35	976,156	10,114,407
Current tax receivables	35	171,792	-
Other current assets	35	237,876	2,858,731
Cash and cash equivalents	34/35	2,018,955	4,123,302
Total Current assets		3,404,779	17,096,440
TOTAL ASSETS		127,738,083	110,406,443

Amounts in Euro	Notes	December 31, 2021	December 31, 2020
Share capital		59,534,547	58,286,153
Reserves		19,142,236	1,552,593
Profit for the year		15,816,126	13,242,552
Total Shareholders' Equity		94,492,909	73,081,298
Non-current financial liabilities	36	10,888,198	12,972,503
Other non-current liabilities	35	2,767,376	1,688,758
Total Non-current liabilities		13,655,575	14,661,262
Provisions for risk and charges - Current		-	5,731,778
Trade payables	35	19,561,824	14,798,058
Other current liabilities	35	27,775	149,609
Current tax payables	35	-	1,984,438
Total Current liabilities		19,589,599	22,663,883
TOTAL EQUITY AND LIABILITIES		127,738,083	110,406,443

Approved by the board of directors on July 28th, 2022 and signed on behalf of the board by:

DocuSigned by:

A0B00B08158B7C5...
Mr. Alessandro Nicolò Ugo
Director

DocuSigned by:

7881F108C4D24E5...
Mrs. Maria Isabella la Forgia
Director

DEIANA HOLDING LIMITEDAs at December 31st, 2021**Statement of Changes in Equity**

Amounts in Euro	Share Capital	Share Premium	Other reserves	Retained earnings	Profit for the year	Total Equity
December 31, 2019	36,802,060	-	(4,555,109)	24,143,282	2,615,752	59,005,985
Allocation of 2019 result	-	-	-	2,615,752	(2,615,752)	-
Capital increase	21,484,093	-	-	(21,484,093)	-	-
Dividends	-	-	-	-	-	-
Other variation	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-
OCI - Net actuarial gain/(loss) from defined benefit plans	-	-	-	-	-	-
OCI - Foreign currency exchange differences	-	-	832,761	-	-	832,761
Net result of the period	-	-	-	-	13,242,552	13,242,552
December 31, 2020	58,286,153	-	(3,722,348)	5,274,941	13,242,552	73,081,298
Allocation of 2020 result	-	-	-	13,242,552	(13,242,552)	-
Capital increase	1,248,394	1,570,789	-	-	-	2,819,183
Dividends	-	-	-	(2,149,769)	-	(2,149,769)
Other variation	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-
OCI - Net actuarial gain/(loss) from defined benefit plans	-	-	-	-	-	-
OCI - Foreign currency exchange differences	-	-	4,926,071	-	-	4,926,071
Net result of the period	-	-	-	-	15,816,126	15,816,126
December 31, 2021	59,534,547	1,570,789	1,203,723	16,367,724	15,816,126	94,492,909

The profit attributable to the company was EUR 15,816,126 (EUR 13,242,552 in 2020).

DEIANA HOLDING LIMITED

As at December 31st, 2021

Notes to the Financial Statements

31. SIGNIFICANT ACCOUNTING POLICIES

The separate financial statements of the company are presented as required by the companies Act 2006. The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council.

Accordingly, in the year ended 31 December 2021 the company has reported under FRS 101 as issued by the Financial Reporting Council. Accordingly, the financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) Reduced Disclosure Framework as issued by the Financial Reporting Council incorporating the Amendments to FRS 101 issued by the FRC in March 2018.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement and certain related party transaction. The Company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

Where required, equivalent disclosures are given in the consolidated financial statements.

The financial statements have been prepared on the historical cost basis except for the re-measurement of certain financial instruments to fair value. The principal accounting policies adopted are the same as those set out in the consolidated financial statements except as noted below.

Investments in subsidiaries and associates are stated at cost less, when appropriate, provisions for impairment.

32. PROFIT FOR THE YEAR

As permitted by s408 of the Companies Act 2006 the Company has elected not to present its own profit and loss account or statement of other comprehensive income for the year. The profit attributable to the Company is disclosed in the footnote to the Company's balance sheet.

DEIANA HOLDING LIMITEDAs at December 31st, 2021**33. OTHER INTANGIBLE ASSETS**

Amounts in Euro		Intangible assets
Cost at December 31, 2020		2,370,400
+Addition		-
(-) Disposal		(2,370,400)
+/- other		-
Final cost at December 31, 2021		-
Accu. Dep at December 31, 2020		-
+Yearly Amortization/Depreciation		-
+/- Yearly Impairment		-
+/- Reclassification		-
(-) Disposal		-
Final Acc. Dep. at December 31, 2021		-
Net Book Value at December 31, 2020		2,370,400
Net Book Value at December 31, 2021		-

34. INVESTMENTS (continued)

Amounts in Euro		Investments in subsidiaries and associated companies	Other non- current financial assets
Cost at December 31, 2020		85,674,079	4,207,903
+Addition		104,356,265	9,565,909
(-) Disposal		(85,269,685)	-
+/- other (*)		5,517,616	281,217
Final cost at December 31, 2021		110,278,275	14,055,029
Accu. Dep at December 31, 2020		-	-
+Yearly Amortization/Depreciation		-	-
+/- Yearly Impairment		-	-
+/- Reclassification		-	-
(-) Disposal		-	-
Final Acc. Dep. at December 31, 2021		-	-
Net Book Value at December 31, 2020		85,674,079	4,207,903
Net Book Value at December 31, 2021		110,278,275	14,055,029

(*) movements related to exchange rate differences, non-monetary effects

DEIANA HOLDING LIMITED

As at December 31st, 2021

34. INVESTMENTS

At 31 December 2021 the company had interest in the following subsidiaries:

Company	Country	Value at Dec. 31, 2021	Main activity	% Ownership interest	% Voting power
Ferrari Group PLC	UK	91,690,632	Sub-Holding (Freight shipping Group)	100%	100%
Deiana Group Immobiliare S.r.l.	Italy	8,223,309	Real estate	100%	100%
Ferrari Immogroup S.A.	Switzerland	5,397,041	Real estate	100%	100%
Pelican Real Estate Co	USA	3,907,652	Real estate	100%	100%
Grosvenor Underwriting Limited	UK	513,067	Insurance	100%	100%
Deiana Group Finance Limited	Ireland	512,490	Financing	100%	100%
Deiana Group Immobilier France	France	15,024	Real estate	100%	100%
Deiana Group Management System S.r.l.	Italy	10,245	Accounting	100%	100%
Ferrari Group Trading (HK)	Hong Kong	8,816	Shared buyer center	100%	100%
investments as at December 31, 2021		110,278,275			

35. NET WORKING CAPITAL

Amounts in Euro/000	December 31, 2021	December 31, 2020	Delta	%
Trade receivables	976,156	10,114,407	(9,138,251)	-90%
Other current assets	237,876	2,858,731	(2,620,855)	-92%
Current tax receivables	2,018,955	4,123,302	(2,104,347)	-51%
Operating current assets	3,232,986	17,096,440	(13,863,454)	-81%
Trade payables	(19,561,824)	(14,798,058)	(4,763,766)	32%
Current tax payables	-	(1,984,438)	1,984,438	-100%
Other current liabilities	(27,775)	(149,609)	121,834	-81%
Operating current liabilities	(19,589,599)	(16,932,105)	(2,657,494)	16%
Net working capital	(16,356,613)	164,335	(16,520,948)	-10053%

DEIANA HOLDING LIMITEDAs at December 31st, 2021**36. FINANCIAL INSTRUMENTS**

Amounts in Euro/000	Carrying amount		Fair Value	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Cash and cash equivalents	2,018,955	4,123,302	2,018,955	4,123,302
Current financial assets	-	-	-	-
Short term financial assets	2,018,955	4,123,302	2,018,955	4,123,302
Current financial liabilities	-	-	-	-
Short term financial liabilities	-	-	-	-
Net Financial Position - Short term	2,018,955	4,123,302	2,018,955	4,123,302
Non-current financial assets	14,055,029	4,207,903	14,055,029	4,207,903
Long term financial assets	14,055,029	4,207,903	14,055,029	4,207,903
Non-current financial liabilities	(10,888,198)	(12,972,503)	(10,888,198)	(12,972,503)
Other non-current liabilities	(2,767,376)	(1,688,758)	(2,767,376)	(1,688,758)
Long term financial liabilities	(13,655,575)	(14,661,262)	(13,655,575)	(14,661,262)
Net Financial Position - Long term	399,454	(10,453,359)	399,454	(10,453,359)
Total Net Financial Position	2,418,409	(6,330,057)	2,418,409	(6,330,057)

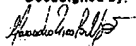
37. TAX RECONCILIATION NOTE

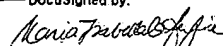
Amounts in Euro	GBP	EURO
Profit before taxes	14,600,434	16,985,094
<i>Less:</i>		
Accrual of risk and charges	(4,908,107)	(5,709,738)
Distributions not taxable	(9,809,393)	(11,411,542)
Taxable profit	(117,066)	(136,186)
Income taxes	-	-
<i>Income taxes (Tax rate)</i>	<i>19%</i>	<i>19%</i>
Deferred taxes expense	979,523	1,139,510
<i>Income taxes (Tax rate)</i>	<i>19%</i>	<i>19%</i>
Foreign tax	25,369	29,512
Total taxes	1,004,892	1,169,022

DEIANA HOLDING LIMITED

As at December 31st, 2021

This report was approved by the board of directors on July 28th, 2022 and signed on behalf of the board by:

DocuSigned by:

A5B60BD0159B4C5...
Mr. Alessandro Nicolò Ugo
Director

DocuSigned by:

7881F19BC4D74E5...
Mrs. Maria Isabella la Forgia
Director