

STAR-7 SpA

Share capital €500,000 fully paid up
Registered office in Valle San Bartolomeo
Via Alessandria 37/B
TAX ID NO 01255170050

**Report of the Board of Statutory Auditors
on the Financial Statements as at 31 December 2020**

To the Shareholders' Meeting

The financial statements for the year ended December 31, 2020, which the Board of Directors submits for your approval, show a profit for the year of 1,022,127 euros. It is:

- made up of the Balance Sheet and Income Statement, drawn up in compliance with the relevant legislation, as well as the Notes to the Accounts and the Cash Flow Statement;
- accompanied by the Management Report.

Pursuant to Article 2429 of the Italian Civil Code, the Board of Statutory Auditors shall report to the Shareholders' Meeting on its observations and proposals regarding the financial statements approved by the Board of Directors and proposed for approval.

In carrying out its duties, the Board of Statutory Auditors has supervised compliance with the law and the Articles of Association, as well as respect for the principles of proper administration and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the company, making reference in the performance of its duties to the guidelines contained in the rules of conduct for Boards of Statutory Auditors recommended by the Italian Accounting Profession.

During the financial year ended December 31, 2020, the activities of the Board of Statutory Auditors were influenced in the manner in which they were carried out by the limitations imposed by the Covid 19 health emergency and were therefore carried out through the acquisition of documentation and the holding of meetings essentially in audio-video conference. Having said that, the Board of Statutory Auditors met 5 times; in view of the limitations imposed by the Covid 19 health emergency some meetings were held by audio-visual conference.

During the year, we carried out the supervisory activity required by law pursuant to art. 2403 of the Italian Civil Code, since the legal audit of the accounts was carried out by the Independent Auditors BDO S.p.A., which today issued its reports on the separate and consolidated financial statements as at 31 December 2020, without any remarks or requests for information.

Having regard to the manner in which our activity has been carried out we acknowledge:

- to have attended the meetings of the Board of Directors and the Shareholders' Meetings during the year;
- that we have acquired the information necessary to carry out the activity for which we are responsible concerning the assessment of the degree of adequacy of the Company's organisational structure and compliance with the principles of

- correct administration, by means of direct inquiries and the gathering of information from the heads of the functions concerned;
- to have ascertained the reliability of the administrative-accounting system in receiving and correctly representing management events and in translating them into reliable data systems for compulsory external information and internal control requirements.

During the course of the year, we were periodically informed about the company's operating performance, its outlook and the most important economic, financial and capital transactions carried out by the company. We can reasonably affirm that the actions taken are in the company's interest, comply with the law and the articles of association and are not manifestly imprudent, risky or such as to compromise the integrity of the company's assets.

On the basis of what has emerged from direct interventions and the information gathered, the resolutions adopted by the Board of Directors comply with the law and the Articles of Association, as well as with the principles of proper administration, are consistent and compatible with the size of the Company's assets, and comply with the provisions of Article 2391 of the Italian Civil Code, concerning the interests carried by the Directors, on their own behalf or on behalf of third parties.

During the year, no reports were made pursuant to art. 2408 of the Italian Civil Code, no complaints were received, and no omissions, reprehensible acts or irregularities were reported by the heads of company departments that would require mention in this Report.

At the March 5, 2021 Board meeting, the Supervisory Board's annual report was reviewed. The activities carried out and the checks carried out, in the light of the information received and the documents handed over, did not reveal any reprehensible facts or violations of the Model or any acts or conduct entailing a breach of the provisions contained in Legislative Decree no. 231/2001.

During the year, the Board of Statutory Auditors exchanged information with the Independent Auditors and the Supervisory Body.

We did not issue any opinions during the year.

With reference to the financial statements, we acknowledge that:

- the draft financial statements, accompanied by the Notes to the Accounts and the Cash Flow Statement, and the Management Report on Operations, prepared by the Directors, have not been delivered to us by the legal deadline; however, the Shareholders waived the time limit available to them to review the financial statements for the year ended December 31, 2020;
- the draft financial statements correspond to the results of the accounting books and records;
- the draft financial statements correspond to the facts and information that have come to our knowledge following our participation in the meetings of the Corporate Bodies, which made it possible to acquire adequate information on the most important economic, financial and asset operations carried out by the Company;

- we have verified compliance with the legal requirements relating to the formation and layout of the financial statements; in particular, that the financial statements are prepared in accordance with the statutory schemes, possibly also reclassifying the quantitative evidence of the previous year as at December 31, 2019;
- the valuation of the Company's assets was carried out with a view to the continuation of the Company's business, in accordance with the provisions of article 2426 of the Italian Civil Code;
- there were no changes in the valuation criteria with respect to the previous year;
- no recourse was made to departures from the law pursuant to art. 2423, paragraph 4 of the Italian Civil Code, nor pursuant to art. 38-quater of Law Decree no. 34 of May 19, 2020;
- we expressed our consent to the recognition of start-up and expansion costs of 582,984 euros and start-up costs of 1,772,180 euros;
- the administrative body also approved the consolidated financial statements for the year ended December 31, 2020, together with the notes, the cash flow statement and the management report, which it delivered to us together with the financial statements for the same period.

We would like to remind you that with the approval of the financial statements as at 31 December 2020, the mandate conferred on us expires, therefore you are called upon to approve the appointment of the members of the supervisory body.

With regard to the foregoing, we invite you to approve the draft financial statements as of December 31, 2020, presented by the Board of Directors and express a favorable opinion regarding the proposed allocation of the profit for the year realized, formulated by the Board of Directors.

Milan, 29 April 2021

THE BOARD OF STATUTORY AUDITORS

Mr. Fabio Maria Venegoni /signature/

Mr. Alberto Bodiglio /signature/

Mr. Vincenzo Gambaruto /signature/