INFORMATION DOCUMENT

for the Direct Admission to trading on Euronext Growth Paris of
the shares of

RACING FORCE S.P.A.

LISTING SPONSOR

FINANCIAL ADVISOR

DISCLAIMER

Euronext Growth is a market operated by Euronext. Companies on Euronext Growth, a multilateral trading facility (MTF), are not subject to the same rules as companies on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing directive 2003/71.

The present Information Document has been drawn up under the responsibility of the Issuer. It has been reviewed by the Listing Sponsor and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

CONTENTS

DEFINITIONS

Some terms used in this Information Document are defined and have the meaning indicated below.

Words defined in the singular form comprise the plural form, and vice versa.

Admission	the Admission to trading on Euronext Growth Paris of the Shares.
Admission Date	the effective date of admission to trading of the Shares on Euronext Growth Paris, established by a specific market notice published by Euronext Paris.
Audit Company *or* **KPMG**	KPMG S.p.A., with registered office in Genoa, Italian fiscal code, VAT number and number of registration with the Companies Register of Genoa 00709600159.
Beneficial Owner	as defined in the EU Legislation on anti-money laundering, any natural person(s) who ultimately owns or controls the issuer/or the natural person(s) on whose behalf a transaction or activity is being conducted. A natural person with a direct or indirect shareholding or an ownership interest of more than 25 % in the issuer qualifies the Beneficial Owner.
Board of Directors	the Issuer’s board of directors.
Board of Statutory Auditors	the Issuer’s board of statutory auditors.
Borsa Italiana	Borsa Italiana S.p.A., with registered office in Milan, Piazza degli Affari 6.
By-Laws	the by-laws of the Issuer, adopted by resolution of the Extraordinary Shareholders' Meeting of the Issuer held on October 15th, 2021, available on the Issuer's website www.racingforce.com.
Consob	*Commissione Nazionale per le Società e la Borsa,* with registered office in Rome, Via G.B. Martini n. 3.
Date of the Information Document	the date of September 26th, 2022.
EG Milan Issuers' Regulations	the Euronext Growth Milan Issuers’ Regulation in force on the Date of the Information Document.
EGM Rule Book	the Euronext Growth Markets Rule Book in force on the Date of the Information Document.
Euronext	the corporate group consisting of Euronext N.V., a company with limited liability (“naamloze vennootschap”) organised under the laws of the Netherlands, the Euronext Paris and

	the other Euronext market undertakings operating the Euronext markets and/or any other subsidiary of Euronext N.V..
Euronext Growth or Euronext Growth Paris	the multilateral trading facility operated by Euronext Paris.
Euronext Growth Milan	the multilateral trading facility operated by Borsa Italiana.
Euronext Growth Milan Advisor	Equita SIM S.p.A., with registered office in Via Filippo Turati, 9, 20121 Milano, Italian fiscal code and VAT number 09977760967, appointed by the Issuer as Euronext Growth Advisor for the Euronext Growth Milan market.
Euronext Paris	Euronext Paris S.A., a company incorporated under French law, operator of, *inter alia*, the Euronext Growth in Paris, France.
EU Sanction List	the list containing the names and identification details of all persons, groups and entities targeted by financial restrictions, sanctions or other measures that the European Union has applied in pursuit of the specific objectives of the Common Foreign and Security Policy (CFSP) as set out in the Treaty on European Union, to help prevent the financing of terrorism.
Group *or* Racing Force Group	the Issuer and the companies directly or indirectly controlled by it pursuant to Article 2359, paragraph 1, no. 1 of the Italian Civil Code and included in the scope of consolidation.
High Protection Systems	High Protection Systems S.A., with registered office in Avenue Landas, 17, 1480, Saines (Belgium), fiscal code and VAT number BE0452403446.
Information Document	this information document pursuant to EGM Rule Book.
International Financial Reporting Standards *or* IFRS *or* IAS/IFRS	all the "*International Financial Reporting Standards*" issued by the IASB ("*International Accounting Standards Board*") and recognized by the European Commission pursuant to Regulation (EC) No. 1606/2002, which include all the "*International Accounting Standards*" (IAS), all the "*International Financial Reporting Standards*" (IFRS) and all the interpretations of the "*International Financial Reporting Interpretations Committee*" (IFRIC), previously known as the "*Standing Interpretations Committee*" (SIC).

Italian Civil Code *or* **c.c.**	the Italian Civil Code.
ISIN Code	International Security Identification Number, *id est* the international code used to identify dematerialized securities.
Issuer *or* **Racing Force** *or* **Company**	Racing Force S.p.A., with registered office in via Bazzano 5, 16019, Ronco Scrivia (GE), Italian fiscal code and VAT number 02264760105, number of registration with the Companies Register of Genoa GE- 260454.
Italian Accounting Principles	the principles and criteria provided for in Articles 2423 et seq. of the Italian Civil Code for the preparation of the financial statements of joint stock companies, supplemented by the national accounting standards issued by the Italian Accounting Body (OIC).
Italian Legislative Decree 39/2010	the Italian Legislative Decree 27 January 2010, no. 39 for the "*Implementation of EC Directive 2006/43 on statutory audits of annual accounts and consolidated accounts*".
Listing Sponsor	MIDCAP, a division of TP ICAP (EUROPE) S.A., with registered office in 89-91 Rue du Faubourg Saint Honoré, 75008 Paris, France, registered with the Paris Trade and Companies Registry under number 841 867 526.
Management	the Issuer's management.
MAR *or* ***Market Abuse Regulation***	the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, and its supplementary and implementing regulations in force as of the Date of the Information Document.
Racing Force International	Racing Force International Wll, a Bahrain corporation, with registered office in Building 310, Road 6204, Hawrat Ingah, Block 1062, Southern Governorate, VAT number 200010478200002.
Racing Force USA	Racing Force U.S.A. Inc., a Florida (USA) corporation, with registered office in 241 NE 61st Street, Miami, Florida 33137.
Regulation 11971	the implementing regulation of Italian Legislative Decree no. 58 of 24 February 1998, concerning the regulation of issuers, adopted by Consob with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented.
Related Parties	the parties included in the definition of "related parties" in the Related Parties Regulation.

Related Parties Regulation	the regulation adopted by Consob with resolution no. 17221 of 12 March 2010, as subsequently amended and supplemented, containing provisions on transactions with related party.
SAYE	SAYE S.p.A., an Italian company incorporated by shares, with registered office in Genoa, via G. D'Annunzio, 2/104, fiscal code and VAT number 01641860992, number of registration with the Companies Register of Genoa GE-424584.
Shares	the Issuer's ordinary shares, without specification of the par value.
TUF	Italian Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented.
TUIR	Italian Presidential Decree no. 917 of 22 December 1986, as subsequently amended and integrated.
Trading Start Date	the start date of trading of the Shares on Euronext Growth Paris, established by a specific notice published by Euronext Paris.

GLOSSARY

Below is a list of the main technical terms used in this Information Document. Such terms, unless otherwise specified, shall have the meanings provided below. Please note that, in relation to the below-mentioned terms, the singular form includes the plural form and vice versa.

AMER	means the geographical area within North, Central and South America.
APAC	means the geographical area within Asia and the Pacific ocean.
Bell or *Bell Helmets*	means the trademark used by the Company for the commercialization of racing helmets manufactured by the Group.
Brands	means the OMP, Bell Helmets, Zeronoise and Racing Spirits brands marketed by the Group.
Car Parts	means, on a side, homologated items like seats, fire extinguisher systems, harnesses, racing nets, rollbars, racing accessories and, on the other side, not homologated items such steering wheels, intercoms and Driver's Eye, and other car accessories.
Driver Equipment	means technical wear, which comprises, on a side, homologated items like suits, underwear, gloves, shoes and helmets, and, on the other side, not homologated items such mechanic accessories and suits and other accessories.
Driver's Eye	means the pioneering camera used in the top races of Formula E and Formula 1 for live TV broadcasting is a patented technology developed by Zeronoise.
EMEA	means the geographical area within Europe, Middle-east and Africa.
FIA	means Fédération Internationale de l'Automobile, the governing body of Motorsport which promotes safe, sustainable and accessible mobility for all road users across the world. One of the FIA's key objectives is to encourage and implement the adoption of technical regulations for each form of Motorsports across the world. FIA defines standards (homologations) for safety products that are mandatory in each discipline and subject to a period of expiration.
Formula 1 or *F1*	Formula One is the highest class of international auto racing for single-seater formula racing cars sanctioned by the Fédération Internationale de l'Automobile (FIA).

Formula E	means a single-seater motorsport championship for electric cars. The Formula E championship is currently contested by twelve teams with two drivers each. The sport features electric-powered race cars similar in style to the hybrid-drive cars of Formula 1.
Indycar Series	means the premier level of open-wheel racing in the United States.
Karting	means a variant of road racing with, four-wheeled vehicles known as or shifter karts. They are usually raced on, although some professional kart races are also held on full-size motorsport circuits.
Motorsport	means any competition or related sport activity restricted to vehicles that i) have at least 4 non-aligned wheels and ii) are constantly and entirely controlled by a driver onboard the vehicle.
Motorsport Safety Product or Motorsport Safety Equipment	means all items regarding protective equipment used in Motorsport.
Nascar	means an American auto racing sanctioning and operating company that is best known for stock car racing.
Products	means Car Parts and Driver Equipment.
Rally Cross World Championship or WRX	means a rallycross series organized by the FIA in conjunction with series promoter Rallycross Promote.
Rally-Raid	also known as cross-country rallying, is a form of long distance off-road racing that takes place over several days. The length of the event can be as short as 2–3 days for a cross-country baja to as long as 15 days with marathon rallies like the Dakar Rally, with other cross-country rally events lasting 4–5 days. With skill in navigation being key, the driving skill and endurance of riders, drivers, co-drivers, and machines are put to the test. The total distance covered can be anywhere between 600 km to over 5,000 km with terrain ranging from sandy dunes, forest roads, mountain roads, and dry river beds, among others.
Rest of the World	means Australia, Asia and Africa.
Soft Product	means gloves, suits, shoes, underwear, seats, seat belt.
World Endurance Championship or WEC	means an auto racing world championship organized by the Automobile Club de l'Ouest (ACO) and sanctioned by the Fédération Internationale de l'Automobile (FIA). The series

	features multiple classes of cars competing in endurance races, with sports prototypes competing in the Le Mans Hypercar and Le Mans Prototype categories, and production-based grand tourers competing in the LM GTE categories. World champion titles are awarded to the top-scoring manufacturers and drivers over the season, while other cups and trophies will be awarded for drivers and private teams.
World Rally Championship or ***WRC***	means the highest level of global competition in the motorsport discipline of rallying, governed and organized by the FIA. There are separate championships for drivers, co-drivers and manufacturers, with a new teams championship added in 2021. The series currently consists of 12 two to three-day events driven on surfaces ranging from gravel and tarmac to snow and ice. Each rally is usually split into 15–25 special stages which are run against the clock on closed roads.

1. RESPONSIBLE PEOPLE

1.1. Persons responsible for the Information Document and liability statement

Mr. Piero Paolo Delprato in the name an on behalf of Racing Force S.p.A., in his capacity as Chairman of the Board of Directors and Chief Executive Officer of Racing Force S.p.A., declares that, to the best of his knowledge, the information provided in this Information Document is fair and accurate and that, to the best of his knowledge, this Information Document is not subject to any material omissions, and that all relevant information is included in this Information Document.

1.2. Opinions or reports written by experts

For the purposes of the Information Document, no statements or reports have been issued by any expert.

1.3. Information from third parties

The information contained in the Information Document comes from third parties where expressly indicated.

With regard to the latter information, the Issuer confirms that such information have been faithfully reproduced and that, as far as the Issuer knows or is able to ascertain on the basis of information published by such third parties, no facts have been omitted that could make such information inaccurate or misleading. The sources of said information are specified in the specific sections of the Information Document where such information is reported.

2. AUDITORS

2.1. Statutory auditors of the Issuer

On May 14th 2020, the Issuer's shareholders' meeting appointed the auditing firm KPMG S.p.A. - with registered office in Piazza della Vittoria, 15, 16121 Genova GE, enrolled with Companies Register of Genoa, tax code and VAT no. 00709600159 - to audit the Company's financial statements for the financial year 2020-2022.

The Group's consolidated financial statements for the year ended on December 31st, 2021, prepared in accordance with the International Financial Reporting Standards National Accounting Standards, was approved by the Board of Directors of Racing Force on March 29th, 2022 and audited by KPMG, which issued its independent audit report on April 13th, 2022.

2.2. Information on relations with the Audit Company

At the Date of the Information Document, the Issuer has not revoked the audit mandate granted to the Audit Company, nor did the Audit Company resign from its mandate.

3. SELECTED FINANCIAL INFORMATION

3.1. Working capital statement

According to the definition of working capital – as the means by which the Group obtains cash and other available liquid resources in order to meet its liabilities as they fall due – contained in the guidelines ESMA 32-382-1138 dated March 4th 2021, the Issuer believes that the Issuer's working capital is sufficient to meet its present requirements, i.e. for a period of at least twelve months from the Admission Date.

3.2. Cash position statement established within three months prior to the scheduled Admission Date to trading

The table below sets forth a summary of the consolidated statements of cash position at the date of June 30th, 2022:

Cash and equivalents (A)	**17,849,235**
Debts with banks (B)	
ST Loans	4,511,602
LT loans - current portion	3,429,713
LT loans	10,114,406
	18,056,386
Net Financial position: A) - B)	**(206.486)**

3.3. Selected financial information

The following is a discussion and analysis of the results of operations and financial condition of the Group as of and for the year ended December 31st, 2020, and for the year ended December 31st, 2021.

In more detail, in this Chapter of the Information Document, are described the results of operations of the Group for the twelve-month periods ended December 31st, 2020 and December 31st, 2021 based on the relevant Group's audited consolidated financial statements.

Description of Key Income Statement Items Sales Revenue

Revenue

Revenues are valued based on the consideration specified in the contract with the customer. The Group recognizes revenues when it transfers control of goods or services.

For the sale of goods, the transfer of control, and therefore the recognition of revenues, generally corresponds to the date on which the goods are made available to the customer, or when the goods are released to the carrier responsible for their transport to the customer.

Revenues from services are recognized once the service is provided. If a service is provided on an ongoing basis over time, the related revenue is recorded pro rata on an accrual basis.

Cost of sales

Cost of sales mainly consists of raw material and semi-finished goods purchases and transport and duties on purchases.

Selling and distribution expenses

Selling and distribution expenses mainly consist of technical partnerships and sponsorships, costs for freight and commission and other cost on sales.

General and administrative expenses

General and administrative expenses mainly consist of cost of personnel like wages and salaries, social security contributions and employee severance indemnities, professional fees.

Depreciation

Depreciation relate to amortization of intangible fixed assets, of right of use assets and depreciation of tangible fixed assets.

Taxes

Taxes for the period includes current and deferred taxes recognized in profit / (loss) for the year, except for those relating to business combinations or items recognized directly in equity or among other components of the comprehensive income statement.

Results of Operations

The following table provides an overview of the results of operations for the year ended December 31st, 2020 and for the year ended December 31st, 2021:

	Year ended December 31,	
(€ thousand)	2021	2020
Revenue	46,674	33,733
Cost of sales	(19,471)	(13,598)
Gross profit	**27,203**	**20,135**
Other income	1,445	1,485
Selling and distribution expenses	(6,399)	(4,968)
General and administrative expenses	(14,098)	(10,823)
Other expenses	(250)	(467)
Gross operating profit (EBITDA)	**7,901**	**5,363**
Bad Debt and write offs	(138)	(212)
Depreciation	(2,251)	(2,305)

Net operating profit (EBIT)	**5,511**	**2,846**
Finance income	406	236
Finance costs	(682)	(936)
Net income (loss) before taxes	**5,235**	**2,146**
Taxes	(1,067)	(709)
Total net income (loss) after taxes	**4,168**	**1,437**
Other Comprehensive Income (Loss)	0	(131)
Total Comprehensive Income	**4,168**	**1,306**

Sales Revenues

Group's revenues are mainly generated by the sales of finished products to dealers, distributors, teams, car manufacturers and individual customers. The products made by the Group consist of safety components for drivers (fireproof and anti-abrasive suits, helmets, intercoms, gloves, shoes and more) and for racing cars (seats, seat belts, steering wheels, roll bars, fire extinguishers and other car components), which are marketed under the OMP, Bell, Zeronoise and B2 brands. In addition, Sports Mini Line is the line dedicated to the sale of mini-helmets.

The breakdown of revenue by geographical area is as follows:

	Year ended December 31,		
(€ thousand)	2021	2020	Variations + (-)
Area			
EMEA	30,019	21,837	8,182
AMER	11,086	8,327	2,758
APAC	5,569	3,569	2,000
Revenue	**46,674**	**33,733**	**33,733**

Group's revenues are generated in approximately 80 countries. Of these, only three countries (Italy, the United Kingdom and the United States) individually exceed the 10% threshold of the Group's total revenues during 2021 (the same countries were exceeding the threshold even in 2020).

The increase in revenues in 2021 compared to the prior year is mainly generated by the synergies resulting from the process of integration of the businesses acquired at the end of 2019, which in 2020 had not yet been able to fully express their potential, coming from the recent acquisition and to the Covid-19 emergency which involved the entire world economy. Particularly, at the end of 2019 OMP Racing SPA (today Racing Force) acquired Zeronoise LTD (this company was then liquidated at the end of 2020 and assets transferred to the subsidiary Racing Force International) and Tahru (today Racing Force Holdings Sarl). Tahru was the holding of the Bell Racing Helmets group. The synergies are between the brands OMP, Bell Helmets and Zeronoise.

Cost of sales

The breakdown of the cost of goods sold by nature of expenditure is shown below:

	Year ended December 31,		
(€ thousand)	2021	2020	Variations + (-)
Raw materials and semi-finished goods	18,839	12,227	6,612
Change in inventory	(1,750)	(208)	(1,541)
Transport and duties on purchases	1,898	1,033	865
Other costs related to purchases	484	547	(63)
Cost of sales	**19,471**	**13,598**	**5,873**

Contribution Margin

The Group focuses on Contribution Margin as a key metric to determine the profitability of the operations. The Group defines Contribution Margin as Revenue less the Cost of sales composed of costs directly related to production and distribution. The table below sets forth the Contribution Margin on an absolute basis and as a percentage of sales revenue for each period.

	Year ended December 31,		
(€ thousand)	2021	2020	Variations + (-)
Revenue	46,674	33,733	12,241
Contribution Margin	27,203	20,135	7,068
Percentage of sales revenue	58%	60%	(2%)

The Contribution Margin depends on the price at which the Group sell its products and the cost of materials and costs of services directly related to the production and distribution of such product.

Other income

Other income includes: Euro 494 thousand relating to sales of materials to suppliers (Euro 316 thousand in 2020); Euro 369 thousand euros for development services provided as part of technical partnerships (Euro 338 thousand in 2020); Euro 240 thousand of grants provided by Simest, under the Integrated Promotion Fund, within the terms and according to the procedures set out in the Italian Law Decree of March 17th, 2020, no. 19 converted with Italian Law no. 27 of April 24th, 2020, as subsequently amended; Euro 112 thousand of government grants received by the subsidiary Racing Force International, linked to the Covid-19 pandemic (Euro 191 thousand in 2020); Euro 83 thousand of non-repayable grants received from the American subsidiary Racing Force USA as part of the support measures provided by the US government to face the consequences of the pandemic.

Selling and distribution expenses

Expenses for each period are detailed as reported below:

	Year ended December 31,		
(€ thousand)	2021	2020	Variations + (-)
Technical partnerships and sponsorships	4,145	3,240	905
Freight out	1,678	1,122	556
Commissions and other cost on sales	576	606	(29)
Selling and distribution expenses	**6,399**	**4,968**	**1,431**

Technical partnerships mainly refer to the portion of costs related to fiscal year deriving from contracts entered into with leading car manufacturers and teams, for which there was an increase compared to the previous year, generated by a higher number of agreements signed in 2021 compared to the prior year.

The increase in freight out, commissions and other cost on sales is coming from the higher turnover recognized in 2021 compared to 2020.

General and administrative expense

Expenses in 2021 and 2020 are detailed as reported below:

	Year ended December 31,		
(€ thousand)	2021	2020	Variations + (-)
Personnel	9,208	7,148	2,053
Professional fees	2,158	1,340	819
Compensation to BoD	740	788	(47)
Utilities	463	384	79
Repair & maintenance	392	296	96
Other G&A	1,137	867	270
General and administrative expenses	**14,098**	**10,823**	**3,275**

Personnel costs include wages and salaries for employees of Group companies for Euro 7,120 thousand (Euro 5,469 thousand in 2020), as well as social security and other expenses relating to personnel for Euro 2,088 thousand (Euro 1,679 thousand in 2020). The increase compared to the previous year is mainly generated by the greater number of employees within the Group, as detailed in note 39 - Other information of the consolidated financial statements of the Group.

Compensation to the Board of Directors includes the remuneration of the Boards of Directors of the Company and its subsidiaries.

Professional fees include consultancies (i.e. costs/fees paid to professionals, such as legal costs, administrative expenses, etc.). The increase in Professional fees is mainly generated by the costs incurred for the listing on Euronext Growth Milan booked in the income statement for Euro 1,054 thousand, net of the impact from the termination of the contract with the US company Studiomilano (related party), which provided personnel and administrative services to the consolidated company Racing Force USA Inc.

until the end of 2020. Starting from January 1st, 2021, Racing Force USA has hired employees to cover positions that were previously outsourced.

The change in travel expenses is linked to the gradual reduction of restrictions imposed in 2020 to face the Covid-19 pandemic and, consequently, the higher number of employees' travels in 2021 fiscal year.

The other general and administrative costs mainly refer to consumables and other management costs. Furthermore, the item includes 35,664 Euro of fees for the board of statutory auditors of the parent company Racing Force (31,500 Euro in 2020).

Other expenses

Other expenses mainly refer to costs for research incurred during the period and development costs not meeting the requirements for capitalization for 119 thousand Euro (255 thousand Euro in 2020), to costs recognized in 2021 referring to previous years for 49 thousand Euro (160 thousand Euro in 2020), in addition to taxes other than income taxes and other charges for 82 thousand Euro (52 thousand Euro in 2020).

Bad Debt and write-off

The balance is generated by 124 thousand Euro bad debt provision (Euro 119 thousand in 2020) and 14 thousand Euro accrual for stock obsolescence (Euro 93 thousand in 2020).

Depreciation

The detail of depreciation by category of asset is provided below:

	Year ended December 31,		
(€ thousand)	2021	2020	Variations + (-)
Intangible Assets	892	808	85
Right of use assets	501	786	(285)
Property, Plant & Equipment	858	711	147
Depreciation	**2,251**	**2,305**	**(53)**

The variation is primarily generated by the reduction in depreciation deriving from right of use assets. Following the acquisition of Pier S.r.l., the building is no longer accounted for as a right of use deriving from a contract, but as an element of Property, Plant and Equipment with a longer useful life than the contractually established right of use.

Finance income and costs

Financial income and costs are recorded on an accrual basis during the fiscal year.

The composition of finance income and costs is detailed in the tables below:

(€ thousand)	Year ended December 31, 2021	2020	Variations + (-)
Interest with SAYE S.p.A.	21	37	(16)
Foreign exchange income	376	-	376
Other interest income	8	199	(191)
Finance income	**406**	**236**	**(254)**

(€ thousand)	Year ended December 31, 2021	2020	Variations + (-)
Banks	(501)	(493)	(9)
Interest leasing IFRS 16	(77)	(109)	32
Foreign exchange loss	-	(281)	281
Interest IAS 19	(2)	(4)	2
Racing Spirit Lc equity method evaluation	(15)	(21)	6
Other finance costs	(87)	(28)	(58)
Finance costs	**(681)**	**(936)**	**254**

The net foreign exchange rate income is generated by 386 thousand Euro unrealized income (Euro 77 thousand of realized loss in 2020) and 10 thousand Euro realized loss (Euro 203 thousand unrealized loss booked in 2020).

Moreover, the payment of interest by SAYE in favor of the Company refers to the interest-bearing loan agreement signed between SAYE and the Company, which was fully repaid by SAYE within the end of 2021.

Taxes

The composition of the balance as at December 31st for each period is as follows:

(€ thousand)	Year ended December 31, 2021	2020	Variations + (-)

Current income taxes	(806)	(634)	(172)
Prior year taxes	(136)	-	(136)
Deferred taxes	(126)	(75)	(51)
Taxes	**(1,067)**	**(709)**	**(358)**

Current taxes refer to income taxes for the fiscal year, calculated analytically by each company of the Group.

Taxes relating to previous years include 120,000 Euro of provision for tax risks, as described in Note 24 - Provisions of the consolidated financial statements of the Group, as well as 15,562 Euro of taxes relating to the company 2SM Europe Sprl, liquidated at the end of 2020.

Deferred taxes concern positive or negative income components respectively subject to taxation or deduction in periods other than the current one.

Description of Key Balance sheet Items

Property, plant and equipment

Tangible fixed assets are initially recognized at cost and include the purchase price, any costs directly attributable to bringing the assets to the place and conditions necessary to be able to operate in the manner intended by management and any initial estimate of the costs of dismantling and removal of the asset and the estimate of the costs of restoring the site where it is located. Internally generated assets are initially recognized at production cost. Subsequent expenses and the cost of replacing parts of an asset are capitalized only if the future economic benefits incorporated in that asset increase. All other expenses are charged to the income statement when incurred. When replacement costs are capitalized, the book value of the parts that are replaced is charged to the income statement.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful life; the depreciation methods, useful lives and residual values are verified at the closing date of the financial year and adjusted where necessary.

Some particular types of assets, such as historical helmets, are accounted for according to their fair value at the date of the measurement, net of any subsequent accumulated depreciation and any subsequent loss coming from accumulated impairment.

Intangible assets and goodwill

Goodwill arising from the acquisition of subsidiaries is valued at cost net of accumulated impairment losses. For the evaluation of goodwill, the full goodwill method is used as required by IFRS 3. Full goodwill is calculated on the entire business and not only on the share acquired by evaluating at fair value also the investment held by minority shareholders at the acquisition date.

Development expenses are capitalized only if the cost attributable to the asset during its development can be reliably assessed, the product or process is feasible in technical and commercial terms, future economic benefits are probable, and the Group intends and has sufficient resources to complete its development and to use or sell the asset. Other development expenses are recognized in profit / (loss) for the year at the time they are incurred. Capitalized development expenses are recognized at cost net of accumulated depreciation and any accumulated impairment losses.

Other intangible assets, including commercial relationships with customers, patents and trademarks, acquired by the Group, which have a defined useful life, are recognized at cost net of amortization and any accumulated impairment losses.

Intangible assets are initially recognized at cost and subsequently valued at cost net of accumulated amortization.

Depreciation is calculated on a straight-line basis; an intangible asset with an indefinite useful life (for example, a perpetual license) is not amortized, but is checked annually, or whenever there is an indication that it has not suffered a reduction in value.

Right of use assets and Lease liabilities

At the beginning of the contract, the Group assesses whether the contract is, or contains, a lease. The contract is, or contains, a lease if, in exchange for a consideration, it transfers the right to control the use of an identified asset for a period of time.

On the effective date of the lease, the Group recognizes the asset for the right of use and the liability of the lease. The right-of-use asset is initially measured at cost, including the amount of the initial valuation of the lease liability, adjusted for the payments due for the lease made on or before the effective date, increased by the initial direct costs incurred and an estimate of the costs that the lessee will have to incur for the dismantling and removal of the underlying asset or for the restoration of the underlying asset or the site where it is located, net of leasing incentives received.

The asset for the right of use is subsequently amortized on a straight-line basis from the effective date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group at the end of the lease term or, considering the cost of the asset for the right of use, it is expected that the Group will exercise the purchase option. In this case, the asset for the right of use will be amortized over the useful life of the underlying asset, determined on the same basis as that of property, plant and machinery. In addition, the asset for the right of use is regularly decreased by any losses coming from impairment and adjusted to reflect any changes resulting from subsequent valuations of the lease liability.

The Group evaluates the lease liability at the present value of the payments due for the lease not paid at the effective date, discounting them using the implicit interest rate of the lease. Where it is not possible to determine this rate easily, the Group uses the marginal loan rate. Generally, the Group uses the marginal borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest criterion and is remeasured in the event of a change in the future payments due for the lease resulting from a change in the index or rate, in the event of a change in the amount that the Group expects to have to pay as a guarantee on the residual value or when the Group changes its valuation with reference to the exercise or otherwise of a purchase option, extension or termination or in the event of a revision of the payments due for the leasing fixed in substance.

Due from related parties and due to related parties

All the balances with related parties at year end are disclosed throughout the Notes to the Financial Statements. Those balances consist of transactions with the parent company, associated companies and joint ventures, subsidiaries' shareholders and top managers and companies controlled by shareholders or top managers of the consolidated companies.

Cash and cash equivalents

Cash and cash equivalents mainly consist of bank deposits, cash and other cash that are not restricted and are fully available.

Trade receivables and trade payables

Trade receivables and trade payables are recognized at the time they originate. At the time of initial recognition, trade receivables and trade payables that do not have a significant financing component are valued at their transaction price.

Provisions for bad debts for trade receivables (including those relating to leasing) are always measured at an amount equal to the expected losses over the entire life of the credit.

Trade receivables and trade payables are classified as current, since they are collectable and payables by the end of the following fiscal year and do not include any significant past due balance for which the collection is at risk, except for those positions considered within the bad debt allowance.

Inventories

Inventories include raw materials, semi-finished and finished products.

Inventories are initially entered at purchase or production cost and subsequently valued at the lower of cost and the corresponding realizable value inferable from the market.

The cost calculation method adopted for fungible assets is the weighted average cost.

A provision is made for raw materials, finished products, spare parts and other obsolete or slow-moving inventories based on their expected future use and their realizable value, if this is lower than the book value. The realizable value is the estimated sale price in the normal course of business, net of the estimated completion costs and the estimated sales and distribution costs.

Equity

Equity mainly consists of share capital, additional paid-in-capital, legal reserve, translation reserve, retained earning (losses), other reserves, non-controlling interests and the results of the period.

Long term and short term loans

Financial liabilities are measured at amortized cost using the effective interest criterion. Interest expense and exchange gains / (losses) are recognized in profit / (loss) for the year, as well as any profits or losses resulting from the derecognition.

Other payables

Other payables consist mainly of payables to personnel, social securities payables, deferred income and other accrued payables.

Balance sheet

The following table provides an overview of the balance sheet situation for the year ended December 31st, 2021 with the comparative balances as at December 31st, 2020:

	Year ended December 31,	
(€ thousand)	2021	2020
Property, plant and equipment	6,331	2,844
Right of use assets	2,391	4,066
Intangible assets	6,727	5,994
Goodwill	5,663	5,663
Investments booked at Equity method	128	44
Due from related parties - non current	60	1,490
Tax receivables - non current	212	212
Deferred tax assets	658	246
Other non current assets	19	89
Non current Assets	**22,188**	**20,648**
Cash and equivalents	17,753	4,255
Trade receivables	7,676	6,240
Inventories	14,715	11,277
Due from related parties - current	425	106
Tax receivables - current	813	687
Other current assets	1,339	942
Current Assets	**42,721**	**23,507**
Total Assets	**64,910**	**44,155**
Share capital	2,376	1,926
Additional paid in capital	20,015	1,632
Legal reserve	399	399

Translation reserve	(94)	(363)
Retained earning (losses)	2,763	3,046
Other reserve	291	193
Net Result	4,168	1,355
Non-controlling interests	-	298
Total Equity	**29,917**	**8,486**
Long term loans - non current	10,875	11,905
Lease liabilities - non current	1,998	3,405
Employee benefits	78	754
Provisions	320	200
Non current liabilities	**14,109**	**16,264**
Short Term Loan	4,692	6,252
Trade payables	10,673	7,668
Long term loans - current portion	3,202	3,130
Lease liabilities - current	506	782
Due to related parties	106	157
Tax payables	195	109
Other payables	1,507	1,307
Current liabilities	**20,883**	**19,405**
Total Liabilities and equity	**64,910**	**44,155**

Property, plant and equipment

	Year ended December 31,		
(€ thousand)	2021	2020	Variations
Land and Building	3,307	-	
Plant, machinery and equipment	1,222	1,268	(100)
Furniture, fixtures and office equipment	381	279	(22)

Assets held at fair value	1,254	1,068	217
Other tangible assets	168	229	36
Property, plant and equipment	**6,331**	**2,844**	**131**

Variations for the period are detailed as follows:

(€ thousand)		Property, plant and equipment
Book value at the beginning of the year		
	Cost	5,576
	Accumulated depreciation	(4,308)
Net Book Value		**1,268**
Movements of the year		
Cost		
	Balances from Pier S.r.l. acquisition	130
	Additions	434
	(Disposals)	(123)
	Remeasurement at fair value IAS 16	272
	Exchange rate impact	163
Accumulate depreciation		
	Depraciation	(529)
	Balances from Pier S.r.l. acquisition	(120)
	Exchange rate impact	215
Book value at the year end		
	Cost	6,182
	Accumulated depreciation	(4,960)
Net book value		**1,222**

During the year, in accordance with the planning, the Group proceeded to make the necessary investments to renew plants, machinery, equipment and other depreciable assets, in order to guarantee the highest standards of production.

Some assets, of immaterial unit value, were expensed in the year in which they were purchased; the decision not to capitalize the value of these assets finds an economic reason in the fact that these are goods of small value, whose duration is very limited and difficult to determine.

Maintenance costs of an incremental nature are accounted for as an increase in the assets to which they refer; the incremental expenses do not assume independent relevance with respect to the asset they refer to and, therefore, the calculation of the depreciation takes place in a unitary and indistinct way both as regards the cost on which the depreciation is calculated, and as regards the relative percentage of depreciation.

The item Land and Buildings refers to the balances resulting from acquisition in the fiscal year of the company Pier S.r.l., owner of the headquarters of the parent company Racing Force in Ronco Scrivia. In detail, following the acquisition, Land for Euro 35,839 and Buildings for a net book value of Euro 3,188,739 were recorded, including the difference from the consolidation, allocated to the value of the property, for an amount equal to 188,739 Euro.

In addition, following the aforementioned acquisition, plants were acquired for a net book value of Euro 10,587.

The assets held at fair value refer to original helmets and replicas of historic Bell branded racing helmets, whose value at the end of the year is determined on the basis of an appraisal provided by an independent expert. Fair value was determined based on a market approach that reflects recent transaction prices for similar assets.

Reclassifications are related to the improvements on the building acquired following the acquisition of Pier S.r.l., recognized under Other tangible assets at the end of the previous year.

Right of use assets

Variations for the period, on the basis of consistent categories, are detailed as follows:

(€ thousand)		Buildings	Other assets	Total
Book value at the beginning of the year				
	Cost	5,315	293	5,608
	Accumulated depreciation	(1,387)	(155)	(1,542)
Net Book Value		**3,927**	**139**	**4,066**
Movements of the year				
Cost				
	Additions	244	69	313
	(Disposals)	(2,260)	-	(2,260)
	Other movements	104	(1)	104
Accumulate depreciation				
	Depreciation	(699)	(72)	(501)
	(Disposals)	638	-	638
	Other movements	45	(15)	30
Book value at the year end				
	Cost	3,403	363	3,766
	Accumulated depreciation	(1,132)	(243)	(1,375)
Net book value		**2,270**	**121**	**2,391**

In compliance with IFRS 16, buildings include the value of the rights of use relating to premises subject to leasing contracts in which the entities of the Group carry out their activities; other tangible assets mainly relate to printers and leased vehicles.

The increases in the year include the rights of use relating to the lease contract for the new Mooresville store for Euro 179 thousand, the lease agreement for the office in Belgium for Euro 65 thousand, in addition to long-term car rentals for Euro 69 thousand. The decreases in the year mainly refer to the termination of the rental contract for the building in Ronco Scrivia, following the acquisition of the company Pier S.r.l., owner of the building, by Racing Force.

The other movements mainly reflect the changes in the exchange rates of the lease contracts of the consolidated foreign companies.

Intangible assets

Variations for the period, on the basis of consistent categories, are detailed as follows:

(€ thousand)	Development costs	Licenses, patents and trademarks	Work in progress and advances	Total
Book value at the beginning of the year				
Cost	4,558	5,590	727	10,874
Accumulated depreciation	(3,155)	(1,723)	-	(4,880)
Net Book Value	**1,403**	**3,864**	**727**	**5,994**
Movements of the year				
Cost				
Additions	676	265	438	1,379
Exchange rate impact	79	192	17	288
Accumulate depreciation				
Depraciation	(565)	(328)	-	(892)
Exchange rate impact	(23)	(19)	-	(42)
Book value at the year end				
Cost	5,312	6,048	1,182	12,542
Accumulated depreciation	(3,743)	(2,072)	-	(5,815)
Net book value	**1,570**	**3,975**	**1,182**	**6,727**

Development costs mainly refer to expenses for technical, laboratory and homologation tests for the Group's products, incurred by Racing Force for OMP brand products and, starting from November 2020, also for Zeronoise branded products, and in the subsidiary Bell Racing Helmets International for Bell branded helmets.

Development costs are recognized under intangible assets since they are considered recoverable, as they relate to specific development projects that can be carried out and for which the Group has the necessary resources. These costs, in fact, relate to a product or process that is clearly defined as well as identifiable and measurable.

The increase in development costs during the fiscal year is generated by the recognition among intangible assets of the expenses incurred for the homologation of new OMP and Bell brand products.

The item licenses, patents and trademarks include the trademarks owned by the Group, the value of the licenses for the sale of Bell branded products and the international patent for the technology called In-Helmet Camera IHC (video camera inside the helmet) which integrates the so-called Driver's Eye.

The values of the Zeronoise brand and the Driver's Eye patent were recognized during the acquisition and first consolidation of Zeronoise Ltd at the end of 2019, based on the projections of the Business Plan made by the Group's management. Operating cash flows were discounted using the Unlevered Discounted Cash Flow method.

Work in progress includes the costs relating to the implementation of the new ERP system in Racing Force and the costs recognized in the consolidated companies for projects under development referred to Bell branded driver's helmets and, more broadly, to systems for head protection which can be adopted in motorsport or in other industries.

The increase in intangible assets between 2020 (Euro 6 million) and 2021 (Euro 6.7 million) is mainly generated by the following costs: Euro 0.7 million development costs; Euro 0.3 million of licenses (mainly software) and trademarks; Euro 0.4 million of work in progress (of which Euro 0.2 million for R&D projects related to the developments of helmets and Euro 0.2 million related to the new ERP software implemented by the Company in 2022). Total variance also includes Euro -0.9 million of depreciation and Euro +0.2 million of foreign exchange effects from consolidation of assets held by subsidiaries in currency different from Euro.

Goodwill

Below is a table summarizing the composition of the goodwill recorded in the Consolidated Financial Statements:

	Year ended December 31,		
(€ thousand)	2021	2020	Variation
Bell Racing Helmets International Llc	3,718	3,718	-
Racing Force USA Inc.	1,345	1,345	-
Racing Force S.p.A.	600	600	-
Goodwill	**5,663**	**5,663**	**-**

Goodwill represents the excess of the fair value of the consideration paid in a business combination over the fair value of net tangible and intangible assets separately identifiable at the time of the acquisition.

The values of goodwill have been all subject to the assessment and evaluation by the Group's management at December 31st, 2021, based on the projection of the discounted operating cash flows for each cash generating unit (impairment test).

Investments booked at Equity method

The list of investments in not consolidated companies is reported below:

	Year ended December 31,	Equity method evaluation	Increase/ (Decrease)	Year ended December 31,
(€ thousand)	2020	Equity method evaluation	Increases / (Decreases)	2021
Racing Spirit Llc	43	(18)	103	128
MSC Motorsport Safety Council	1	-	-	-
Investments booked at Equity method	**44**	(18)	103	**128**

Racing Spirit Llc is a 50% owned entity based in Miami (USA) that was established on March 23rd, 2018, with a paid-in share capital of 440 thousand USD at the end of December 31st, 2021. The company designs, manufactures and distributes clothing and accessories inspired by racing.

Due from related parties – non current

The balance is related to the long-term portion of the loan granted to KJK Protective Technologies LLC[1] in 2021 for the original amount of Euro 100 thousand. The collection of the credit, on which interest accrues at the rate of 2% per annum, is expected through 5 annual installments of Euro 20,000 each, the first installment collected in September 2021.

During the year, the parent company SAYE S.p.A. repaid in full the loan that was outstanding at December 31st, 2020 for Euro 1,490 thousand.

Complete information on transactions with related parties is provided in the section Other information - Transactions with related parties of the consolidated financial statements of the Group, to which reference should be made.

Cash and cash equivalents

Variations for the period are detailed as follows:

	Year ended December 31,		
(€ thousand)	2021	2020	Variation

[1] KJK Protective Technologies is the company owned by Mr. Kyle Kietzmann, CCO for AMER and shareholder of the Issuer.

Bank deposits	17,705	4,222	13,483
Cash and cash on hand	48	33	15
Cash and cash equivalents	**17,753**	**4,255**	**13,498**

Bank deposits, cash and other cash on hand are not restricted and are fully available.

The increase in cash and cash equivalents from Euro 4 million in 2020 to Euro 17.8 million in 2021 is mainly generated by: (i) Euro +4.5 million of cash from operations; (ii) Euro +18.8 million proceeds from the listing on Euronext Growth Milan (already net of costs related to the share capital increase); (iii) Euro -0.9 million investments in tangible assets (property, plant and equipment); (iv) Euro -1.4 million investments in intangible assets; (v) Euro -3 million investment for the acquisition of the company Pier S.r.l., owner of the building where the Company has its registered office (the company Pier S.r.l. was then merged by incorporation into the Issuer in the same year 2021); (vi) Euro -1.6 million decrease of short-term bank loans; (vii) of Euro -1 million repayment of long-term bank loans; (viii) Euro -0.3 million of lease repayments; (ix) Euro -1.3 million of dividends paid to shareholders; (x) Euro -0.6 million for the acquisition of the 35% minority interest in Bell Racing USA LLC (subsequently merged by incorporation into Racing Force USA in 2021), Head Protection Technologies LLC and Head Pro Tech LLC (liquidated in 2022); and (xi) the increase of Euro +0.3 million from translation and other reserves.

For the detailed analysis of cash variations, please refer to the Cash Flows paragraph.

Trade receivables

Trade receivables are shown net of the allowance for bad debt:

	Year ended December 31,		
(€ thousand)	2021	2020	Variation
Trade receivables	7,796	6,299	1,496
Bad debt allowance	(119)	(59)	(60)
Trade receivables	**7,676**	6,240	**1,436**

Trade receivables are classified as current, since they are collectable by the end of the following fiscal year and do not include any significant past due balance for which the collection is at risk, except for those positions considered within the bad debt allowance.

The bad debt provision is calculated on the basis of the principles set out in these explanatory notes, to which reference should be made.

The increase in the balance of trade receivables at December 31st, 2021 compared to the end of the previous year is in line with the strong increase in sales in 2021.

Inventories

Variations for the period, on the basis of consistent categories, are detailed as follows:

(€ thousand)	Year ended December 31, 2021	2020	Variation
Raw materials	4,865	3,176	1,689
Semi-finished goods	2,010	1,453	557
Finished products	7,901	6,708	1,192
Obsolescence Fund	(60)	(60)	0
Inventories	**14,715**	**11,277**	**3,438**

The increase in inventories is proportional to the increase of the business. In fact, days inventory outstanding ("*DIO*"), calculated as [average inventory/costs of sales x 360] decreased in 2021 (240 days) compared to 2020 (296 days).

Higher level of inventory is strategic for delivering higher sales and ensure the required level of service to the customers.

Due from related parties

Receivables from related parties are composed as follows:

(€ thousand)	Year ended December 31, 2021	2020	Variation
StudioMilano	111	95	16
Racing Spirit Llc	268	7	261
Racing Spirit Srl	26	-	26
KJK Protective Technologies Llc[2]	21	5	16
Due from related parties	**425**	**106**	**319**

During 2021, the parent company Racing Force has granted two loans expiring on December 31st, 2022 for a total of 265,000 Euro, at an interest rate of 1.5% per annum, in favor of the associated company Racing Spirit Llc, coming from the growing operational activities by the latter.

Net Equity

Share capital

The share capital increase was subscribed and fully paid up by all shareholders. Change in the period comes from the share capital increase following the listing on Euronext Growth Milan market.

Additional paid-in capital

[2] KJK Protective Technologies is the company owned by Mr. Kyle Kietzmann, CCO for AMER and shareholder of the Issuer.

Additional paid-in capital is the share premium reserve which includes the excess of the issuing price of the shares compared to their nominal value. Change in the period comes from the increase related to the listing on Euronext Growth Milan market, net of related costs and fiscal impact.

Legal reserve

The legal reserve is required by Italian law and must be set aside until reaching 20% of the share capital of the company to which it refers, the minimum annual provision is equal to 5% of the net profit for the year. There were no changes in the period.

Transalation reserve

The translation reserve is generated by the conversion into Euro of the financial statements of subsidiaries that have a functional currency other than the Euro. The change in the year is mainly generated by the exchange rate trend with the Bahraini Dinar, functional currency of the subsidiary Racing Force International.

Retained earnings (losses)

Retained earnings / (losses) are related to the results for the year that the Group has decided not to distribute or allocate to a specific reserve.

On May 17th, 2021, the shareholders' meeting of the parent company Racing Force approved the distribution of dividends for Euro 1,251,734, attributing a unit dividend of Euro 0.65 to each share. These dividends were paid in 2021, except for an amount of Euro 22,531.

Other reserves

Non-controlling interests constitute the portion of the minority shareholders' equity. The change in the fiscal year is mainly coming from the acquisition of the remaining 35% of the consolidated companies Bell Racing USA LLC, Head Protection Technologies LLC and Head Pro Tech LLC.

During the year, moreover, dividends were distributed to the minority shareholders of Bell Racing USA LLC for 56,774 Euro.

Non-controlling interest

Retained earnings / (losses) are related to the results for the year that the Group has decided not to distribute or allocate to a specific reserve.

On May 17th, 2021, the shareholders' meeting of the parent company Racing Force approved the distribution of dividends for Euro 1,251,734, attributing a unit dividend of Euro 0.65 to each share. These dividends were paid in 2021, except for an amount of Euro 22,531.

Long term loans

The breakdown of long-term loans between current and non-current portion is as follows:

	Year ended December 31,		
(€ thousand)	2021	2020	Variation

Current	3,202	3,130	(1,030)
Non current	10,875	11,905	(958)
Long term loans	**9,234**	**15,035**	**5.801**

The portion of long-term loans maturing within one year is classified under current liabilities.

Lease liabilities

	Year ended December 31,		
(€ thousand)	2020	2021	Variation
Current value of unexpired lease payments calculated using the interest rate of the lease, of which			
Payable within one year	506	782	75
Long term	1,998	3,405	(761)
Lease liabilities	**2,504**	**4,188**	**(687)**

Payables for long-term leases include 1,119 thousand Euro with a maturity between one and five years and 798 thousand Euro with a maturity over five years.

The expiry dates of the contracts on the basis of which the current value of the unexpired lease payments was determined are those indicated on the contracts, unless the Group has the reasonable certainty of exercising the renewal option.

Short term loans

The item refers to short-term loans, current account overdrafts and advances on invoices in relation to credit lines granted, with original maturity within twelve months.

The Group has credit lines with a plurality of financial institutions, such as to allow the adequacy of the financial resources that it requires.

Trade payables

The variation compared to December 31st, 2020 is mainly coming from the higher value of purchases made during fiscal year, in line with the higher volumes of turnover and the increase in warehouse stocks. The increase in working capital items is proportional to the increase of the business. In fact, days payable outstanding (“**DPO**”), calculated as [average trade payables / (costs of sales plus S&D plus G&A excluding payroll plus other expenses) X 360] decreased in 2021 compared to 2020. Indeed, in 2021 DPO are 106 days (133 days in 2020), while days sales outstanding (“**DSO**”) were 54 days (64 days in 2020), where DSO is calculated as [average trade receivables/sales X 360].

The variation compared to December 31st, 2020 is not affected by seasonality.

The breakdown of trade payables by geographical area, divided between the Americas (AMER), Asia and Oceania (APAC) and Europe, the Middle East and Africa (EMEA), is as follows:

	Year ended December 31,		
(€ thousand)	2021	2020	Variation
Area			
EMEA	9,907	7,265	2,642
AMER	315	248	68
APAC	406	154	296
Trade payables	10,673	7,668	3,006

Due to related parties

Payables to non-consolidated related parties at December 31st, 2021 and 2020 are composed as follows:

	Year ended December 31,		
(€ thousand)	2021	2020	Variation
Racing Spirit Llc	14	11	4
Racing Spirit Srl	9	-	9
Dinamo Srl	-	120	(120)
Stephane Alexandre Cohen	-	1	(1)
MSV ltd	21	-	21
AXH Management BV	10	-	10
Gabriele Pedone	-	4	(4)
GMP Consulting	30	9	21
Tyrrel Properties Llc	-	4	(4)
Due to related parties	964	149	(65)

Other Payables

Other payables are detailed in the table below:

	Year ended December 31,		
(€ thousand)	2021	2020	Variation
Payable to personnel	800	702	98
Social Security payables	272	259	13
Deferred income	78	106	(28)
Other accrued payables	358	240	118
Other payables	1,507	1,307	201

The increase in payables to personnel and social security is mainly coming from the higher number of employees at December 31st, 2021 (413 units) compared to December 31st, 2020 (309 units).

Liquidity and Capital Resources

Overview

Our liquidity needs relate principally to debt service obligations, capital expenditure and working capital.

Historically, the principal sources of liquidity have been cash generated from the operating activities, borrowings and bank credit lines under short term facilities agreements.

Cash Flows

The table below sets forth a summary of the consolidated statements of cash flows for the periods indicated:

	Year ended December 31,	
(€ thousand)	2021	2020
Cash from operating activities	4,455	2,366
Cash from investing activities	(5,278)	(1,148)
Cash from financing activities	14,321	2,059
Increase (decrease) in cash and cash equivalents	**13,498**	**3,277**
Cash and cash equivalents at beginning of period	4,255	978
Cash and cash equivalents at the end of the period	**17,753**	**4,255**

Cash Flows from Operating Activities

Cash flows from operating activities increased by Euro 2,089 thousand to Euro 4,455 thousand for the fiscal year ended December 31st, 2021 from Euro 2,366 thousand for the fiscal year ended December 31st, 2020.

As of December 31st, 2020 the cash flow from operating activities is primarily generated by the profit for the year before taxes and interests in the amount of Euro 2,846 thousand, increased by accruals for provisions, depreciation and amortization and other non-monetary items of Euro 2,527 thousand, partially absorbed by changes in net working capital of Euro 1,073 thousand and other variances in working capital of Euro 584 thousand, and finally adjusted for cash outflows of Euro 1,350 thousand relating to certain items mentioned above.

As of December 31st, 2021 the cash flow from operating activities is primarily generated by the net profit for the year before taxes and interests in the amount of Euro 5,501 thousand, increased by accruals for provisions, depreciation and amortization and other non-monetary items of Euro 2,551 thousand, partially absorbed by changes in net working capital of Euro 1,929 thousand and other variances in working capital of Euro 296 thousand, and finally adjusted for cash outflows of Euro 1,372 thousand relating to certain items mentioned above.

Cash Flows (Used In) Investing Activities

Cash flows from investing activities decreased by Euro 4,130 thousand to Euro -5,278 thousand for the fiscal year ended December 31st, 2021 from Euro -1,148 thousand for the six months ended December 31st, 2020.

The cash flow from investing activities as of December 31st, 2020 is generated by investment in tangible fixed assets for Euro 608 thousand and investment intangible fixed assets for Euro 540 thousand.

The cash flow from investing activities as of December 31st, 2021 is generated by investment in tangible fixed assets for Euro 873 thousand, investment in intangible fixed assets for Euro 1,379 thousand and investment in financial fixed asset for the acquisition of 100% of the shares of the company Pier S.r.l., owner of the property located in Ronco Scrivia where the Company is based, for Euro 3,026 thousand.

Cash Flows from Financing Activities

Cash flows from operating activities increased by Euro 12,263 thousand to Euro 14,321 thousand for the fiscal year ended December 31st, 2021 from Euro 2,059 thousand for the fiscal year ended December 31st, 2020.

The cash flow from financing activities as of December 31st, 2020 is positive mainly coming from the increase of medium/long-term loans for Euro 5,800 thousand and a share capital increase for Euro 500 thousand; this positive cash flow is partially offset by the absorptions for the purchasing of no. 3,121 shares, equal to 24.89% of the whole share capital of the subsidiary Racing Force International from previous shareholders amounting to Euro 3,246 thousand, the payment of lease instalments and differences from translation and other reserves for a total amount of Euro -1,099 thousand.

The cash flow from financing activities as of December 31st, 2021 is positive mainly generated by the share capital increase following the listing on Euronext Growth Milan for a total amount, net of incurred listing costs, equal to Euro 18,832 thousand; this positive cash flow is partially offset by the absorptions for the repayment of bank loans for Euro 2,518 thousand, dividends paid to shareholders for Euro 1,286 thousand, acquisition of non-controlling interests in the American companies Bell Racing USA Llc, Head Protection Technologies Llc and Head Pro Tech Llc for a total amount of Euro 628 thousand and the payment of lease instalments, differences from translation and other reserves for a total amount of Euro -79 thousand.

Net Working Capital

The Group actively manage its working capital requirements to optimize and improve its capital efficiency.

Net Working Capital represents inventories and trade receivables, less trade payables. The Group's working capital levels vary as a result of several other factors as well, including the terms for the collection of receivables from Group's customers or the payables by Group's suppliers, the effect of selling prices, changes in payment terms in the case of key suppliers, foreign exchange rates, the Group decisions to hold inventories, the operating level of the business.

The following table summarizes the Group's Net Working Capital for the periods indicated:

	Year ended December 31,	
(€ thousand)	2021	2020
Inventories	14,715	11,277
Trade receivables	7,676	6,260
Trade payables	-10,673	-7,668
Net working capital	**11,718**	**9,849**

The Group's Net Working Capital increased by Euro 1,868 thousand to Euro 11,718 thousand as of December 31st, 2021, from Euro 9,849 thousand as of December 31st, 2020. The increase was primarily generated by a higher level of the inventories at the end of fiscal year 2021 to support higher volumes of sales and ensure a high level of service to customers. The increase in trade receivables and trade payables is generated by higher turnover and purchases in fiscal year 2021, mainly coming from the synergies resulting from the process of integration of the businesses acquired at the end of 2019, which in 2020 had not yet been able to fully express their potential, coming from the recent acquisition and to the Covid-19 emergency which involved the entire world economy. Particularly, at the end of 2019 OMP Racing SPA (today Racing Force) acquired Zeronoise LTD (this company was then liquidated at the end of 2020 and assets transferred to the subsidiary Racing Force International) and Tahru (today Racing Force Holdings Sarl). Tahru was the holding of the Bell Racing Helmets group. The synergies are between the brands OMP, Bell Helmets and Zeronoise.

Quantitative and Qualitative Disclosures Regarding Market and Financial Risks Overview

For further information, please refer to Chapter 4 of this Information Document.

Use of Estimates and Assumptions

The preparation of the Group's financial statements requires its management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. 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.

The preparation of the financial statements requires the Group's management to apply accounting policies and methodologies that, in some cases, depend upon difficult or subjective assessments and estimates based on experience and assumptions deemed reasonable and realistic given the specific circumstances involved. Application of such estimates and assumptions affects the figures reported in the financial statements. The final results of the items for which such estimates and assumptions have been made may vary from those reported in the financial statements that show the effects of the occurrence of the event subject to the estimate, generated by the uncertainty that characterizes the assumptions and the conditions on which the estimates were based.

These estimates and the underlying assumptions are regularly reviewed. Any changes deriving from the revision of the accounting estimates are recognized prospectively.

The following is a brief description of the accounting policies that entail the greatest extent of management subjectivity in calculating estimates, and for which a change in the underlying conditions and assumptions could have a significant impact on the financial statements.

Impairment of Goodwill

The impairment of goodwill is verified by comparing the book value of the cash generating units and their recoverable value; the latter is represented by the greater of the fair value less the costs related to the sale and the value in use of the same unit. This complex evaluation process implies, among other procedures, the use of methods such as the discounting of expected cash flows, with the related assumptions on the estimate of cash flows. The recoverable amount in the discounted cash flow model depends significantly on the discount rate used, as well as on the expected future cash flows and the growth rate used for the calculation.

Impairment of intangible and tangible assets

At each balance sheet date, the Group checks whether there are indicators that both tangible and intangible assets may have suffered a reduction in value. To this end, both internal and external sources of information are taken into consideration. The identification of impairment indicators, the estimate of future cash flows and the determination of the fair value of each asset require management to make significant estimates and assumptions regarding the determination of the discount rate to be applied, the useful life and the residual value of resources.

Allowance for bad debt

The recoverability of receivables is assessed taking into account the risk of bad debt, their age and the losses on receivables recorded in the past for similar types of receivables.

Inventory obsolescence fund

Provisions are recorded for raw materials, finished products, spare parts and other obsolete and slow-moving inventories, based on their expected future use and their realizable value. The net realizable value is the estimated sales price in the normal course of business, less the estimated completion costs and the estimated sales and distribution costs.

Provisions, potential liabilities and employee benefits

Provisions for contingent liabilities require a significant level of estimates. The provisions relating to personnel, in particular to defined benefit obligations, are determined on the basis of actuarial assumptions.

Deferred tax assets

The assessment of the recoverability of prepaid taxes takes into account the estimate of future taxable income and is based on prudent tax planning.

4. RISK FACTORS

DISCLAIMER

The investment in the Shares issued by the Issuer presents the risk elements typical of investment in financial instruments admitted to trading on a multilateral trading facility, also referred to as "non-regulated market", such as Euronext Growth Paris and Euronext Growth Milan, where the Shares are traded. Potential investors in the Shares should thus notably take into account the fact that this Information Document has not been reviewed by AMF (Autorité des Marchés Financiers).

In order to make a correct assessment of the investment in the Issuer's Shares, investors are invited to carefully evaluate the specific risk factors relating to the Issuer and the business sector in which it operates, as well as the financial instruments admitted to trading.

This Chapter "Risk Factors" sets out only those risks that the Issuer considers to be specific to the Issuer and/or its Shares, and relevant for the purposes of making an informed investment decision, taking into account the probability of occurrence and the expected magnitude of the negative impact.

The risk factors described in this Chapter must be read in conjunction with the additional information contained in this Information Document.

As the Shares constitute risk capital, the investor may incur a total or partial loss of the money invested.

References to Chapters and Paragraphs refer to the Chapters and Paragraphs of this Information Document.

The Company has summarized these risks in three categories below, without ranking them in any particular order. However, within each category, the most significant risks according to the Company's evaluation are presented first, considering their negative effect on the Company. The Company assessed the degree of materiality of the risk, which is based on the joint analysis of two criteria: (i) the probability of seeing the risk materialize and (ii) the estimated magnitude of its negative effect.

The probability of occurrence is assessed on 3 levels:

- Low
- Medium
- High

The magnitude of the risk represents the effect of this event on the business. It is measured according to the following qualitative scale:

- Low
- Medium
- High

The degree of materiality of each risk is set out below, according to the following qualitative scale:

- Low
- Medium
- High

RISK FACTORS SUMMARY

Risk	Probability of occurence	Magnitude of risk	Materiality of risk
RISKS ASSOCIATED WITH THE ISSUER'S BUSINESS			
4.1.1.1 Risks associated with implementing future strategies and programs	Medium	Medium	Medium
4.1.1.2 Risks associated with the procurement and price fluctuation of raw materials	Medium	Medium	Medium
4.1.1.3 Risks associated with the Product liability and brand awareness	Low	Medium	Medium
4.1.1.4 Risks associated with protection of the Group's know-how and industrial secrets	Low	Medium	Medium
4.1.1.5 Risks associated with the Covid-19 epidemiological emergency and the complex conditions of the global economy	Low	Medium	Medium
4.1.1.6 Risks associated with products counterfeiting	Low	Low	Low
4.1.1.7 Risks associated with key people	Low	Low	Low
4.1.1.8 Risks associated with exchange rate trends	Medium	Low	Low
4.1.1.9 Risks associated with the loss of qualified resources and the difficulty of finding new ones	Low	Low	Low
4.1.10 Risks associated with APIs (Alternative Performance Indicators)	Low	Low	Low
4.1.1.11 Risks associated with transactions with related parties	Low	Low	Low
4.1.1.12 Risks associated with the license agreements to use the Bell Helmets trademark	Low	Low	Low
RISKS ASSOCIATED WITH THE REGULATORY FRAMEWORK			
4.1.2.1. Risks associated with international activities and regulations in the various markets in which the Group operates	Medium	Low	Low
4.1.2.2 Risks associated with compliance with workplace safety regulations	Low	Low	Low
4.1.2.3 Risks associated with tax regulations	Low	Low	Low
RISKS ASSOCIATED WITH THE CORPORATE GOVERNANCE			

4.1.3.1 Risks associated with the corporate governance requirements applicable to listed companies	Low	Low	Low
4.1.3.2 Risks associated with potential conflicts of interest of directors	Low	Low	Low
4.1.3.3 Risks associated with the adoption of the organizational model pursuant to Italian Legislative Decree no. 231/2001	Low	Low	Low
RISKS ASSOCIATED WITH THE FINANCIAL SITUATION OF THE ISSUER			
4.1.4.1 Risk of interruption of production/catastrophic/geopolitical events	Low	Low	Low
4.1.4.2 Risks associated with net financial debt	Low	Low	Low
4.1.4.3 Risks associated with trade receivables	Medium	Low	Low
4.1.4.4 Risks associated with interest rate fluctuations	Low	Low	Low
4.1.4.5 Risks connected to overdue tax payables	Low	Low	Low
RISKS FACTORS RELATING TO THE SHARES			
4.2.1 Risks associated with trading on Euronext Growth Paris markets liquidity and possible price volatility of financial instruments	Medium	Medium	Medium
4.2.2 Risks associated with the uncertainty of earning profits and distributing dividends	Low	Medium	Medium
4.2.3 Risks associated with the possibility of revocation and suspension from trading of the Issuer's financial instruments	Low	Low	Low
4.2.4 Risks associated with temporary inalienability commitments of the Issuer's Shares	Low	Low	Low
4.2.5 Risks associated with the non-contestability of the Issuer	N/A	N/A	N/A
4.2.6 Risks associated with conflicts of interest of the Listing Sponsor	Low	Low	Low

4.1. RISK FACTORS RELATING TO THE ISSUER

4.1.1. Risks associated with the Issuer's business

4.1.1.1. *Risks associated with implementing future strategies and programs*

The Group is exposed to the risk of not being able to achieve its growth strategy, or of not achieving it within the planned time frame, if the basic assumptions on which it is based, including the assumptions in the business plan (the "***Business Plan***"), prove to be incorrect or if the strategy does not produce the expected results for other reasons, including those outside the Group's control.

Furthermore, the Information Document contains certain estimates and statements on market trends and on the Issuer's competitive positioning, which are also based on calculations carried out by the Issuer itself, as well as pre-eminent statements based on estimates of the size of the reference market and the Group's competitive positioning, with the resulting subjectivity and margin of uncertainty. These pre-eminent statements and estimates may not be confirmed in the future, due in part to known and unknown risks, uncertainties and other factors set forth, among other things, in these risk factors.

The occurrence of such risks, considered by the Company to be of **medium probability**, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **medium materiality**.

The Group's ability to increase its revenues and to pursue its growth and development objectives and maintain adequate levels of profitability depends, among other things, on its success in pursuing its strategy and making investments in the development of its Products and new projects, which are deemed to contribute to the Group's growth and performance.

The Group's growth strategy aims to strengthen its competitive position in the reference market in order to constantly increase its long-term results.

With reference to the Business Plan, the Issuer has prepared it with certain strategic actions mainly based on (i) the consolidation of relations with its customers and the exploitation of new opportunities arising from its increased presence both in new product-based markets, such as rally helmets and communication systems, as well as geography-based market, to this date under penetrated, namely the North America; (ii) investments addressed both in tangible assets, such as machinery, plants, moulds and technical equipment, and in R&D; (iii) the growth beyond core markets, leveraging on the know-how developed in decades of experience within Motorsport and innovation capabilities (diversification program).

Should (i) the Group be unable to implement all or part of its strategy, including the Business Plan, or to implement it in the time frame and/or in the manner planned, or (ii) the basic assumptions on which the growth strategy is based are not correct, or (iii) the strategy does not produce the expected results for other reasons, significant negative effect may affect the business and the economic, equity and financial situation of the Issuer and/or the Group.

Furthermore, the estimates and statements included in the Information Document are based, where available, on data the sources of which are, depending on the case, public or available for consultation against payment of a fee and, in the absence thereof, on the basis of calculations carried out by the Issuer itself with the resulting degree of subjectivity and margin of uncertainty. In addition, the estimates and statements contained in the Information Document, although currently considered reasonable by the Issuer, may prove to be incorrect in the future also due to the occurrence of unforeseen factors and/or circumstances other than those considered, which could impact the Group's results or performance.

For further information, please refer to Chapter 6, Paragraph 6.2.4 of this Information Document.

4.1.1.2. *Risks associated with the procurement and price fluctuation of raw materials*

Several of the Group's products are the result of complex production processes that require the use of raw materials available in illiquid goods markets characterized by a small number of suppliers at the world level. Any production planning problems, delays in supplies and/or difficulties in the procurement of raw materials could have an impact on costs, especially in the event that replacement material is not promptly available.

During the two-year period 2020-2021 and the first half of 2022, various sectors, including those from which the Group procures its supplies, also as an effect of the current Russian-Ukrainian crisis, have recorded an increase in the price of certain noble metals, other basic raw materials and strategic advanced components, and a shortage or delay in the supply of electronic materials that led to a rapid increase in prices, with a consequent increase in purchase costs as well as problems in the supply chain.

The Group is exposed to such risk of difficulties in the procurement and increase in the prices of raw materials used for the production of items that are internally manufactured, and this could result in a negative impact on the Issuer and/or the Group's economic, equity and financial situation.

The risk of procurement of raw materials, as of the Date of the Information Document, mainly relates to electronic components (chips) used for Zeronoise products. The risk of price fluctuation in raw material may affect mainly carbon fiber used in the production of helmets or textile fiber used in the production of suits.

Moreover, the risks can have an indirect impact where the Group purchases finished or semi-finished products from a third-party manufacturer.

As regards the risk of shortage or delay in the supply of raw materials, the risk is mitigated through a careful planning of the purchases by the Group.

As to the increase of prices of raw materials, the risk is however mitigated by the capacity of the Group to re-charge any price increase to final customers. Due to the seasonality of the business, typically price increases related to materials are charged to the final customers the following season with the new price list. However, should not the Group be able to re-charge such increase in prices of raw materials to final customers, the profitability margins of its activities may be eroded.

The occurrence of these risks, considered by the Company to be of **medium** probability, could have significant effects negative on the business and the economic, equity and financial situation of the Issuer and the Group. Taking into account the foregoing, the risk referred to in this Paragraph is considered of **medium** importance.

4.1.1.3. *Risks associated with the Product liability and brand awareness*

The Products manufactured and distributed by the Group can be divided into two macro categories: homologated Products and non-homologated Products.

With regard to the first category, the customers with whom the Company directly interfaces in its sales and distribution activities are mainly professional racing teams that compete in FIA world and high-level national competitions and companies operating in the automobile construction sector (so-called "manufacturers") that require safety components (e.g. seats, belts, fire extinguishers, etc.) with FIA homologation. With the second category are meant all other types of items that are not subject to FIA regulation and control (e.g. steering wheels, communication devices, mechanic suits and accessories, etc). In both cases, any defects in the design or manufacture of the Group's Products could expose the Group itself to the risk of liability to third party and consequent claims for damages.

With regard to homologated Products, then, the Group and Issuer, as manufacturers, have the responsibility to homologate them in compliance with FIA standards. In this respect, the Issuer also has an in-house laboratory that is able to carry out in-house tests on Products that will then be carried out by FIA-accredited laboratories to verify compliance with homologation regulations.

Therefore, the Group cannot guarantee that the aforementioned compliance with the FIA standards will be maintained in the future, or that it will not be necessary to incur unforeseeable costs to maintain them, or that further compliance with the FIA standards necessary to carry out the business will be obtained, with consequent negative effects on the Issuer and/or the Group's business and on their economic, equity and financial situation.

Furthermore, pursuant to the regulations in force in Italy (art. 114 of Italian Legislative Decree no. 206/2005, the so-called "Consumer Code") and abroad on product liability, any design or manufacturing defects in both homologated and non-homologated Products offered by the Group could expose it to the risk of liability actions by third parties and, consequently, to potentially significant claims for damages.

Although at the Date of the Information Document no action for damages has ever been brought against the Group, it cannot be excluded that such actions may be brought against it in the future.

Moreover, one of the key factors in the Group's success is the recognizability of Racing Force Group's brand, namely OMP and Bell Helmets. In addition, linked to the product liability risk, the Group is subject to a reputational risk that may arise from any failures related to the commercialized products. Since the Group operates in the sector of safety equipment, any failure that could be attributable to the products may cause a significant impact in terms of media exposure and related damage to the Issuer's and Group's image, reputation as well as their economic, equity and financial situation. This recognition is influenced by many factors, such as the high quality of craftsmanship, creativity, attention to detail, the ability to meet the needs of individual customers and the presence. Moreover, the Group constantly strives to maintain and increase its brands recognition through advertising and promotional campaigns, including on social networks, as well as implementing communication and branding strategies.

Should, in the future, brand awareness not be effectively maintained and developed by the Group, this could result in a negative impact on the reputation and, therefore, on the economic, equity and financial situation of the Group itself and/or the Issuer, arising out in connection with (i) the possible confusion of the Group's brands with those of other companies operating in the same field, (ii) the inability to communicate to the market the distinctive values of its brand and to maintain them over time, or (iii) the spreading by third parties of partial, untrue or defamatory information about the Group and (iv) the inability to attract and/or retain customers.

The risk is mitigated by the tightly controlled process that products need to go through before the commercialization: (i) first of all the manufacturer has to be authorized and recognized by FIA to produce;

(ii) there are regulations and technical standards issued by FIA to which products must comply with; (iii) tests are performed in third-party FIA authorized laboratories.

The occurrence of such risks, considered by the Company to be of **low** probability, could have future significant negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **medium** materiality.

For further information, please refer to Chapter 6 of this Information Document.

4.1.1.4. *Risks associated with protection of the Group's know-how and industrial secrets*

The Group operates in the sector of Motorsport Safety Equipment, by manufacturing a wide range of product categories, both homologated and not homologated, such as seats, steering wheels, harnesses, roll bars and racing accessories, communication devices, suits, underwear, shoes and gloves, helmets and mechanic accessories.

To make its production processes increasingly efficient and, consequently, to make its product offerings competitive, the Group must continually update its technologies, also by investing in research and development. Should the Group not be able to acquire or adequately develop the technologies currently available, or those available in the future, it may have to change or reduce its development objectives or see its competitive strength reduced, with possible significant negative effects on the business and on the economic, equity and financial situation of the Issuer and/or the Group.

The overall investments carried out in these activities, together with the technical-scientific skills developed by the Group's technical department, have led this latter to the making of numerous product and process innovations. At this date the Issuer and the Group have the ownership of n. 16 patents and have obtained 177 FIA homologations. As a proof of the quality and reliability of the Group's products, this latter has been selected since 2012 by FIA as the official supplier for all the safety equipment for its staff and race personnel.

The Group and the Company, as owners of intellectual property assets that are worth and strategic for their success on the market, are subject to risks related to their protection and is actively engaged in implementing actions aimed at containing and, possibly, eliminating such risks of undue use of such intangible assets, directly bearing the related costs.

The Group has implemented both internal and external procedures aimed at the protection of the know-how internally developed.

However, it is not possible to exclude that, in the future, the confidentiality of this know-how may be breached due to attempted attacks on the Group's computer systems, or the violation of confidentiality and non-competition agreements undertaken by certain employees, or the Products subject to homologation manufactured by the Group being copied or counterfeited by competitors or third parties. It is not possible to exclude that if the circumstances described in this risk were to occur, the Group may suffer a loss of competitiveness as well as become involved in litigation and claims for compensation which, if upheld, would entail an increase in unforeseen costs, with consequent significant negative effects on the Issuer and/or Group's business and prospects, as well as on their economic, equity and financial situation.

Therefore, the Group, being characterized by the use of modern technologies both in the design and production stages, is also exposed to the risks associated with any difficulty or impossibility of adapting its processes to technological developments, as well as the inefficiency, breakdowns and malfunctioning of the machinery used to manufacture the aforementioned Products. Since the Group manufactures high-added value products, in the event that competitors were to strengthen their position on the market (i) through the development of specific technological components (ii) or due to the Group and Issuer's lower investment capacity, it cannot be excluded that this situation could have significant negative effects on the business and on the economic, equity and financial situation of the Issuer and the Group.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, could have significant future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **medium** materiality.

For further information, please refer to Chapter 6 of the Information Document.

4.1.1.5. *Risks associated with the Covid-19 epidemiological emergency and the complex conditions of the global economy*

The continuing epidemic related to the spread of the COVID-19 virus ("**Coronavirus**" or "**COVID-19**") has had, and may have in the future, a negative impact on the Group's operations, results and the entire market in which it operates. Even though the Group was not exposed to restrictive measures, made exception for the activity carried out in its industrial plant in Bahrain in 2020, it is not possible to exclude that it will be exposed in the future to the risk arising from the adoption by public authorities of additional and new measures to prevent and/or limit the spread of the Coronavirus and the operational and economic consequences arising from the adoption of such measures.

The occurrence of such risks, considered by the Company to be of **low** probability, could have future significant negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **medium** materiality.

In response to this emergency, the Issuer has also promptly adopted all the health and behavioral precautions imposed by the competent national and local authorities at its offices and production plants, including the development of social distancing plans, also implementing, where possible, remote operating methods for personnel.

Although, at the Date of the Information Document, the pandemic phenomenon linked to the spread of COVID-19 is partially limited and controlled, also due to the vaccination campaigns, it is not possible to exclude that this phenomenon may once again worsen or that similar pandemic phenomena may occur in the future, and it is therefore not possible to exclude that the aforementioned extraordinary measures may be reintroduced and that if they are reintroduced, they will have repercussions on economic conditions, particularly in the Group's reference sector, as well as on customer turnover with consequent adverse effects on the Issuer and/or the Group's economic, equity and financial situation.

4.1.1.6. *Risks associated with products counterfeiting*

The safety equipment market might be characterized by product counterfeiting by third parties.

The Group is subject to the risks that its products can be counterfeited by other manufactures, this potentially affecting the sales volume of products distributed by the Company and the Group at a global level.

This risk is however mitigated by the fact that it is mandatory for FIA homologated products to be equipped with a hologram, with unique serial numbers that are periodically communicated to the FIA, guaranteeing the originality of the product.

For safety reasons and to avoid using materials that do not comply with FIA strict regulations, only the manufacturer is authorized to apply the holograms and issue the certificate.

The occurrence of such risks, considered by the Issuer to be of low probability, could have future moderate negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of low materiality.

4.1.1.7. *Risks associated with key people*

At the Date of the Information Document, the results and success of the Group depend to a significant extent on top line management. The Group is exposed to the risk of a possible interruption of professional relationships with some key figures, as well as the risk of not being able to replace them, if necessary, in a rapid and effective manner, without repercussions on the quality of the activity and its competitive capacity.

The occurrence of such risks, considered by the Company to be of low probability, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of low materiality.

The figure of the Chairman of the Board of Directors and Chief Executive Officer, as well as a reference shareholder, Piero Paolo Delprato, was and is fundamental for the success of the Issuer and the Group, playing a key role, thanks to his experience and know-how, in the development and management of the core business, in the definition of business strategies and in the corporate culture. The Group's results and success also depend on a number of other key members of top management, such as Stephane Alexandre Cohen and Gabriele Pedone who play a decisive role in the worldwide development of the business, thanks to their extensive and long-lasting experience within the sectors in which the Group operates.

The loss of professional contribution by one or more of the key figures indicated above could affect the Group's growth strategy and the timing of the implementation of said strategy. The link between the key figures and the Group is a critical success factor for the latter.

Therefore, although the Issuer believes that it has an operational and managerial organization chart capable of ensuring the continuity and development of its activities, it is not possible to exclude that losing the professional contribution of these key figures, should the Issuer not be able to keep and/or promptly replace them with equally qualified persons capable of guaranteeing the same operational and professional contribution, may result in negative effects on the growth objectives, on the business and more generally on the Issuer and/or the Group's economic, equity and financial situation.

For further information, please refer to Chapter 9 of this Information Document.

4.1.1.8. *Risks associated with exchange rate trends*

The Group operates at worldwide level and is therefore exposed to risks arising out from fluctuations in exchange rates, as it does not use derivative financial instruments, nor does it adopt specific policies to hedge fluctuations in such rates. Exposure to the risk of exchange rate fluctuations derives from: (i) commercial activities carried out in currencies other than the Euro, namely the US Dollar; (ii) a portion of Racing Force International's purchases related to the raw materials used in the production of helmets in Bahrain plant, that are in US Dollar; iii) a portion of purchases of raw materials and most of the general and administrative expenses, including payroll, incurred by Racing Force International in Bahrain Dinar (BHD).

The Group is therefore exposed to the risk arising out from fluctuations in exchange rates that may affect its and/or the Issuer's economic, equity and financial situation. The risk is mitigated by the fact that the total volumes of transactions in currency other than Euro is much lower than the volumes in functional currency. Moreover, the weight of sales made in currencies other than Euro is substantially matched by the weight of costs incurred in those foreign currencies. As consequence, the Group benefits from a natural hedging effect, therefore it was not considered necessary and / or appropriate to enter into any financial hedging instruments.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **medium** probability of occurrence, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

4.1.1.9. *Risks associated with the loss of qualified resources and the difficulty of finding new ones*

The Group employs highly qualified technical personnel, both in the Products engineering design and modeling and in their manufacture; the ability to attract and retain qualified personnel is an important element for the success and development of the Group's businesses. Should the Group not be able to attract and/or retain qualified personnel, the quality standards maintained to this date could be affected.

The occurrence of such risks, considered by the Company to be of **low** probability, could have future adverse effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **low** materiality.

In the event of termination, for whatever reason, of employment relationships with a significant number of qualified personnel, it is not possible to guarantee that the Group will be able to identify, within a short period of time, persons with similar professionalism and experience and who are able to make the same contribution to the business.

For further information on the Group's personnel, please refer to Chapter 11, Paragraph 11.1 of this Information Document.

4.1.1.10. *Risks associated with APIs (Alternative Performance Indicators)*

The Issuer is exposed to the risk that the alternative performance indicators ("**APIs**") used may be inaccurate or inefficient. In fact, said APIs, although widespread in practice, are not defined or specified by the accounting standards applied in preparing the annual or interim financial statements.

The occurrence of such risks, considered by the Company to be of **low** probability, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **low** materiality.

To facilitate the understanding of the Issuer and the Group's economic and financial performance, the Company has identified some APIs. These indicators are also tools that help the Issuer to identify operational trends and make decisions about investments, allocation of resources and other operational decisions.

With reference to these indicators, the following should be noted:

- APIs are not measures determined and regulated by the IFRS or the Italian Accounting Principles and, although they are derived from the Issuer and the Group's financial statements, they are not subject to audit;
- APIs should not be considered as a substitute for the indicators provided for by the reference accounting standards (IFRS);
- APIs must be read together with the Issuer and the Group's financial information taken from the relevant financial statements;
- the definitions of the APIs used by the Issuer, insofar as they do not derive from the reference accounting standards, may not be consistent with those adopted by other companies and therefore comparable with them;
- the APIs used by the Issuer have been prepared with continuity and uniformity of definition and representation for all periods for which financial information is included in this Information Document.

4.1.1.11. *Risks associated with transactions with related parties*

The Issuer is subject to the risk that, if transactions entered into with Related Parties were to be concluded between, or with, third parties, the latter would not conclude them under the same conditions and in the same way as agreed between Related Parties. The Issuer considers the occurrence of such circumstances to be of low probability.

The Issuer has had, has and may continue to have commercial and financial dealings with Related Parties as part of its operations.

In this regard, on October 29th, 2021, the Board of Directors of the Issuer resolved to adopt a procedure for transactions with related parties of Racing Force, effective as of the start date of trading of its Shares on Euronext Growth Milan, in compliance with the principles contained in the Related Parties Regulation.

The Issuer and the Group are therefore exposed to the risk that the above-mentioned transactions with related parties: (i) lead to inefficiencies in the process of allocating resources; (ii) expose the Issuer and/or the Group to risks that are not adequately measured or monitored; and (iii) cause potential damage to the Issuer, the Group and their various stakeholders. In fact, there is no guarantee that, if such transactions had been concluded between or with third parties, these parties would have negotiated and entered into the relevant contracts, or performed the transactions, under the same conditions and procedures.

The occurrence of such risks, considered by the Company to be of **low** probability, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **low** materiality.

For further information, please refer to Chapter 13 and 15 of the Information Document.

4.1.1.12. *Risks associated with the license agreements to use the Bell Helmets trademark*

Bell Helmets brand recognition is one of the factors of success of the Group. In 2020, a significant part of the turnover is represented by Bell-branded helmets, which are sold by the Group on the basis of two license agreements both executed with the US company Vista Outdoor Group, which is the owner the Bell trademark.

The aforementioned license agreements allow the Group to carry out its business correctly and are essential for the purposes of establishing commercial relations with its customers, as they allow the Group to be recognized as a first level player.

The Group cannot guarantee that the aforementioned license agreements will be maintained in the future, or that it will not be necessary to incur unforeseeable costs to maintain them, with consequent negative effects on the Issuer and/or the Group's business and on their economic, equity and financial situation.

That being said, one license, dating back to 2000, is perpetual and royalty-free and concerns the territory of Europe and of the Rest of the World, while the second license, in force since 2010 and limited to North and South America and New Zealand territories, provides for a royalty calculated on the basis of annually net sales recorded by Racing Force USA in the relevant markets. As at the Date of the Information Document, the Issuer is not aware of any circumstances under which these licenses may cease to be valid or whose contractual terms may be modified, which would result in material adverse effects on the Issuer and/or the Group's economic, equity and financial situation.

Furthermore, even in the remote event that the non-perpetual license agreement concerning the US market was to be terminated, for whatever reason, the negative effects that would be caused on the Group's business would be very limited, since, in any case, the Group's would retain the know-how and the full ownership both of the helmet models and moulds thereof, thus being able to keep selling them under another brand. Besides, in the remote case the licensor would terminate the agreement and buy back the license rights, a written multi-years advance notice shall be provided considering the effective date of the buy-back.

Therefore, the occurrence of such risks, considered by the Company to be of **low** probability, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **low** materiality.

For further information, please refer to Chapter 15 of this Information Document.

4.1.2. Risks associated with the regulatory framework

4.1.2.1. *Risks associated with international activities and regulations in the various markets in which the Group operates*

The Group is subject, in the jurisdictions in which it operates, to the legal provisions, protection policies and technical standards applicable to its business, for instance the FIA Regulation and, therefore, is exposed to the risk of changes in the relevant regulatory framework that may result in limitations on the Group's businesses and reputational damage. In addition, certain contracts entered into with operators in such jurisdictions are and may be governed by laws that are different from those of Italy.

The occurrence of such risks, considered by the Company to be of **medium** probability, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the risk referred to in this Paragraph is considered of **low** materiality.

The Group's business is subject to the regulations of the foreign markets and countries in which it operates, which require compliance with requirements that are not necessarily homogeneous. The regulations of these countries - with particular reference to tax, protection of industrial and intellectual property rights and competition, workers' health and safety, and the environment - may lead to limitations in the Group's operations, or a loss of earnings and/or an increase in costs. Moreover, changes in international customs regimes, with the consequent application of duties and other protectionist measures, may lead to a decrease in the interest of operators in purchasing Group Products. In this respect, it is possible that the adoption of specific protectionist regulations by foreign countries may limit or prejudice the Group's ability to sell its products abroad, thus negatively affecting its business.

In addition, unforeseeable changes in legislation (which could, in some cases, also entail retroactive application) may also negatively affect the Group's ability to operate in certain countries and/or could entail the need to make investments in order to comply with new regulatory provisions or interpretations.

At the Date of the Information Document, the contracts entered into by the Group with international parties governed by foreign jurisdictions have never given rise to any dispute and/or litigation, whether active or passive, nor has there ever been any form of suspension, termination or other form of early termination of business relations with such parties that have resulted in unfavorable or prejudicial measures for the Issuer or the Group.

However, it is not possible to exclude that in the future, disputes of any nature may arise in relation to these contracts, which may result, even without prior notice, in (i) the suspension for extended periods of time and/or the interruption of the services that bind the parties; and/or (ii) the need for the Group to incur additional expenses and charges, even significant, in order to protect its rights, through the aforementioned arbitration and/or judicial authorities respectively governed and established abroad. In addition, the disputes and/or litigation resolution may only partially satisfy the reasons of the Company and/or the Group or the outcome of such disputes/litigation may be - in whole or in part - unfavorable to the Group and satisfy - in whole or in part - any claims for damages by the counterparties, the extent of which is not foreseeable to this date. The occurrence in the future of these events may result in material negative effects on the business and on the economic, equity and financial situation of the Issuer and/or the Group.

4.1.2.2. *Risks associated with compliance with workplace safety regulations*

The Group is exposed to risks related to accidents involving the workforce. Any violations of the regulations applicable to these areas may lead to restrictions on the Group's business, the recording of material costs and reputational consequences.

The occurrence of these events, which is considered by the Issuer as having a low probability of occurrence, could have future significant negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of low materiality.

The Group's activities are subject to the regulations on the protection of safety in the workplace of the country in which the Group carries out its production and distribution activities, *i.e.* Italy, Bahrain, USA and Belgium.

Occupational safety, health and hygiene are kept under control by constantly updating and carrying out checks that are required by law. It should be noted that since its foundation and up to the Date of the Information Document, there were no accidents in the workplace resulting in serious or very serious injuries to personnel or other events for which the Company has been liable.

It cannot be excluded that in the future it will be necessary to increase the level of attention regarding current legislation, by increasing the investments made in the past in the safety sector, in order to comply with changes in the standards required or the technologies used. In addition, it is not possible to exclude that possible violations, or a system of prevention and protection and of delegated safety management that is not appropriate to the real needs of the Group, may lead to the application of material administrative sanctions, of a monetary or inhibitory nature, against the Group or criminal sanctions against corporate representatives and top management (including the Group's directors, who may be jointly held responsible for some of the aforementioned violations).

Due to the epidemiological emergency from COVID-19, the Group has implemented, taking into account the Italian manufacturing plants and workplace, the measures provided for in the "*Shared regulatory protocol for combating and containing COVID-19 in the workplace*" of March 14th, 2020, as subsequently amended and supplemented, and taken the necessary precautionary measures, in compliance with the provisions of the decrees of the President of the Council of Ministers, ministerial circulars, orders of the Civil Protection, as well as the indications disseminated by other authorities in the area.

Regardless of compliance with the relevant regulations and the measures taken, the Group is also exposed in general terms to potential cases of COVID-19, as well as to the potential tightening of regulations on health and safety in the workplace as a result of the epidemiological emergency caused by COVID-19.

Finally, it cannot be excluded that the individual risks referred to above may not be covered by the insurance policies currently in force, or that the related coverage may not be sufficient to cover any damages that may occur from time to time, exposing the Group to payment of a portion or the entire amount due in relation to the specific event, with consequent potential negative effects on the Issuer and/or the Group's economic, equity and financial situation.

4.1.2.3. *Risks associated with tax regulations*

The Group is exposed to risks deriving from the differentiation of the applicable tax regulations. Unfavorable changes in Italian, as well as any orientation of local tax authorities or case-law with reference to the application and interpretation of tax regulations concerning the extraordinary transactions carried out and, more generally, with regard to the determination of the tax burden as well as for the purposes of Value Added Tax "VAT", may have material negative effects on the Issuer and/or the Group's economic, equity and financial situation.

The occurrence of these events, which is considered by the Issuer as having a low probability of occurrence, may have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of low materiality.

In carrying out its business, the Group is exposed to the risk that the tax authorities or the case-law may adopt different interpretations or positions in relation to tax and fiscal legislation from those adopted by the Group in carrying out its own business. Tax and fiscal legislation, as well as its interpretation, are particularly complex, also because of the continuous evolution of the legislation itself and its interpretation by the administrative and judicial bodies in charge.

In view of the complexity and constant changes in tax and fiscal regulations, as well as in their interpretation, it is therefore not possible to exclude that the financial administration or case-law may in the future come to interpretations, or take positions, that conflict with those adopted by the Group in carrying out its business, with possible negative consequences on the Issuer and/or the Group's economic, equity and financial situation. This is the case, for example, of the regulations relating to the tax credit for research and development, where the complexity of the matter, the reference to supranational references and criteria and the several clarifications of practice that have followed over the years, also differing from one another, have contributed to making the application of such facility sometimes uncertain, leaving room for possible disputes by the tax authorities.

In addition, transfer pricing rules provide that the transactions between parties resident in different countries and belonging to the same group are carried out under the conditions and at the prices that would be agreed upon between independent parties operating under conditions of free competition for the purposes of the correct allocation of the tax base of each of the participating companies. This discipline is therefore characterized by the application of valuation rules and by estimative parameters which lack certainty and are therefore likely to give rise to valuations by the competent financial authorities that are potentially different from those made by the Group.

Therefore, due to the evaluative and therefore subjective nature of the rules for determining transfer prices, it is not possible to exclude, as it is generally the case for all multinational groups, that the tax authorities of the countries in which the Group companies operate may raise objections against the individual companies regarding the fairness of the transfer prices. Moreover, it cannot be excluded that the tax authorities of different countries may take contradictory positions with respect to the same intra-group transactions, causing double taxation (which can only be eliminated by activating the national or international procedures provided for), as well as the application of administrative sanctions, including fines, provided for by the applicable regulations, with possible negative effects on the Issuer and/or the Group's business and on their economic, equity and financial situation.

To exclude the application of the anti-avoidance legislation dictated on CFCs (Controlled Foreign Companies), the Issuer has filed during 2020 with "*Agenzia delle Entrate*", the Italian tax authority, no. 2 tax ruling ("*Interpello*") with reference to the business operations carried out by the subsidiary Racing Force International (formerly named Bell Racing Helmets International WLL), as it is located in a country (Bahrain) considered to have privileged taxation.

With the first tax ruling the Issuer has requested the disapplication of the anti-elusion rule set forth in Article 167 of Italian Presidential Decree no. 917 of 22 December 1986 (TUIR), which establishes the taxation of the business income of the subsidiary CFC directly to the resident parent company. In this respect, Agenzia delle Entrate has ruled the disapplication of the CFC rules for the 2019 fiscal year; such opinion will be applicable also with reference to potential profits that Racing Force International may generate across the fiscal years following the 2019, provided however the occurrence of the same assumptions of fact and law on the basis of which the Agenzia delle Entrate's response has been issued.

With the second response, the Authority specified that the acceptance of the aforementioned ruling on the non-application of the "CFC" discipline as regards the taxation of the business income of the subsidiary Racing Force International also produces effects in relation to the recognition of the exemption provided for by letter a) of paragraph 2 of art. 47-bis of Italian Presidential Decree no. 917 of 22 December 1986 and, therefore, confirmed the application of art. 89, paragraph 3 of the TUIR on the basis of which the profits deriving from companies resident in States or Territories with privileged taxation contribute to form the taxable income of the Italian parent company to an extent of 50%, provided that the foreign subsidiary operates with its own employees, machinery and at its premises.

At the Date of the Information Document, there are two disputes against the Agenzia delle Entrate, both currently pending ahead of Italian Supreme Court "Corte di Cassazione". The first concerns the fiscal year ended up on 31 December 2008, while the second proceeding is referring to VAT matters across the year 2010, 2011 and 2012. No other disputes concerning tax matters against "Agenzia delle Entrate" as well as against other Tax authorities all around the world are pending before the Tax Commissions (Provincial or Regional) or other judicial courts.

4.1.3. Risks associated with corporate governance

4.1.3.1. *Risks associated with the corporate governance requirements applicable to listed companies*

As a company with shares admitted to trading on Euronext Growth Milan and Euronext Growth Paris markets, the Issuer is required to comply with more stringent legislative and regulatory requirements than those provided for unlisted companies. The continuous review and adaptation of the Issuer's disclosure and governance practices may lead to unavoidable repercussions on the costs of legal, financial and compliance nature, with possible negative effects on the Issuer and/or the Group's business and on their economic, equity and financial situation.

The occurrence of these events, which is considered by the Issuer as having a low probability of occurrence, could have future significant negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of low materiality.

The Issuer has adopted the By-Laws, which will become effective upon admission of the Company's Shares to trading on Euronext Growth Milan.

The By-Laws of the Issuer currently in force provide for a governance system inspired by certain principles established in the TUF as well as by some provisions of the EG Milan Issuers' Regulations. It provides for, in particular:

- the appointment of the Board of Directors through list voting;
- the appointment of at least one member of the Board of Directors who meets the independence requirements expressly provided by article 147-ter, paragraph 4, TUF;
- the shareholders' right to ask questions during the meetings.

The Issuer has appointed an independent director chosen among the candidates previously identified/ positively assessed by the Euronext Growth Milan Advisor.

In addition, the Issuer has appointed Roberto Ferroggiaro as Investor Relations Manager.

It should be noted that the members of the Board of Directors of the Issuer in office at the Date of the Information Document have been appointed prior to the admission to trading on Euronext Growth Milan market and will expire on the date of the shareholders' meeting convened to approve the financial statements for the year ending on December 31st, 2023. Therefore, it is only from that moment onwards that the provisions of the By-Laws regarding list voting for the appointment of the Board of Directors will apply.

For more information on the Company's corporate governance, please refer to Chapter 9 and 10 of this Information Document.

4.1.3.2. *Risks associated with potential conflicts of interest of directors*

The Issuer is exposed to risks related to the fact that at the Date of the Information Document, certain members of the Issuer's Board of Directors and of the board of directors of the other companies belonging to the Group have interests that might conflict with the interests of the Issuer. The Issuer considers the occurrence of such circumstances to be of low probability.

At the Date of the Information Document, Piero Paolo Delprato is one of the two shareholders of SAYE, which is in turn the majority shareholder of the Issuer, holding a stake equal to 57.01% of the Issuer's share capital. Furthermore, Kyle Kietzmann, Alexandros Haristos, Stephane Alexandre Cohen, by way of its own vehicle Nehoc Systems Limited, and Aref Khalil Yazbek, as well as being shareholders in the parent company Racing Force, hold various management roles within the Group's subsidiaries.

This may lead to decisions being taken in conflict of interest with possible negative effects on the Issuer and/or the Group's economic, equity and financial situation.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, may have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

For further information, please refer to Chapter 9, Paragraph 9.2 of this Information Document.

4.1.3.3. *Risks associated with the adoption of the organizational model pursuant to Italian Legislative Decree no. 231/2001*

The Issuer is exposed to the risk of incurring the administrative liability of entities envisaged by Italian Legislative Decree no. 231/2001 and any sanctions provided for in said decree. The Issuer considers the occurrence of such circumstances to be of low probability.

Italian Legislative Decree no. 231/2001 introduced into the Italian legal system the administrative liability of entities for certain offences committed in their interest or to their advantage, by persons in top management positions or persons subject to their direction or supervision.

On July 1st, 2022, the Board of Directors of the Issuer has resolved upon the adoption of the organization and management model required by Italian Legislative Decree no. 231/2001 (the "**231 Model**"), aimed at ensuring conditions of fairness and transparency in the conduct of its business activities, to prevent the risk of commission of criminal offenses within the Company and protect its position and image.

Pursuant to Italian Legislative Decree no. 231/2001, Racing Force has appointed a surveillance organism to monitor the operation, adequacy and observance of the Issuer's 231 Model.

The Issuer's 231 Model is available on the Issuer's website www.racingforce.com.

The adoption and constant updating of the organization, management and control models would not mean that the applicability of the sanctions provided for in Italian Legislative Decree no. 231/2001 is excluded per se. In fact, if an offence is committed, both the models and their actual implementation are subject to scrutiny by the Judicial Authority and, if the latter deems the models adopted to be unsuitable for preventing offences of the kind committed or for preventing non-compliance with the model by the body appointed for this purpose, the Issuer could be subject to sanctions. In the event that the administrative liability of the Issuer is actually ascertained, even after the adoption of the organization and management models referred to in Italian Legislative Decree no. 231/2001, in addition to the consequent application of the relevant sanctions, it is not possible to exclude that there will be negative repercussions on the Issuer and/or the Group's reputation, as well as on their operations and economic, equity and financial situation.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, may have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

4.1.4. Risks associated with the financial situation of the Issuer

4.1.4.1. *Risk of interruption of production/catastrophic/geopolitical events*

The Group is exposed to the risk of having to interrupt its production activities due to strikes, accidents, breakdowns, malfunctions, damage, or other causes arising from events beyond its control, as well as geopolitical issues in view of the Group's global operations. These circumstances may have a negative effect on the Issuer and/or the Group's economic, equity and financial situation.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a low probability of occurrence, could have future significant negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of low materiality.

Strikes, other forms of industrial action or any deterioration in relations with employees as well as work interruptions, including those caused by force majeure, may lead to interruptions in the Group's production activities, making the use of production facilities more costly and potentially causing delays in deliveries.

It should be noted, in any case, that historically, there have never been any interruptions in production activities, made exception for a short period of interruption as to Bahrain manufacturing plant in 2020 due to COVID-19 pandemic.

It is not possible to exclude that further health safety measures that may be adopted in the future, at various levels, to counter new waves of COVID-19 may negatively affect the Group's operations, as well as those of its suppliers, leading to possible slowdowns, obstacles, or the interruption of activities, with negative effects on the Issuer and/or the Group's economic, equity and financial situation. Moreover, the Group's production processes depend on certain plants and machinery that could be subject to unforeseen interruptions. Such interruptions could be caused by plant breakdowns, difficulties or delays in obtaining spare parts, labor shortages, shortages of raw materials, prolonged rationing in the supply of electricity, fires, natural disasters, civil unrest, industrial accidents and the need to comply with applicable legislation on hygiene, health, safety and environmental protection and with protocols concluded with local authorities or the results of inspections carried out by them. The restoration of plants following such events may result in increased costs and potential losses.

Furthermore, with reference to the geopolitical crisis, it should be noted that the activity of Racing Force Group is significantly influenced by exogenous elements such as the different commercial policies adopted by states, and, in general, the presence of exceptional events such as attacks, wars or financial crises, which may affect the free movement of the Products.

Any failure or serious malfunction, or any under-performance of the machinery, which is not repaired or recovered promptly or properly, or the occurrence of other events of an extraordinary nature such as wars, terrorist attacks, other pandemics or situations of economic or political tension may result in disruption of production as well as slowdown or interruption of growth or even recession of the Motorsport industry. In such cases, the Group may not be able to meet its contractual obligations to customers. Although the Group has entered into insurance policies for partial coverage of potential direct material damage to plants and machinery (which, in any case, do not include the coverage of the loss of profit associated with the damage), if there is no insurance coverage for such an event, or if such coverage is insufficient, these circumstances could have a significant negative effect on the Issuer and/or the Group economic, equity and financial situation.

With specific reference to the current situation of international tension caused from the Russian invasion of Ukraine, the Group's performance could be influenced by: (i) the imposition of sanctions of various nature (including restrictions on the banking systems, commercialization of products and import/export of materials and energy) against the Russia and Belarus and the adverse reaction of Russia, which, in turn, has adopted sanctioning measures against countries considered hostile, entailing the risk for the Group of violating such complex and constantly evolving system of reciprocal sanctions; (ii) the consequent difficulties – on a global level – in the supply, with an uncontrolled increase in prices, of raw materials for the production of components and energy; (iii) the consequent general rise in inflation, at a national and global level.

Finally, the persistence of a situation of military conflict in Ukraine and the increase in tensions between Russia and the countries in which the Group operates could adversely affect global macroeconomic conditions and the economies of such countries, leading to a possible contraction in demand and a consequent decrease in production levels. Consequently, it is possible that in the context of phenomena of economic recession, the customers and partners of the Group reduce the purchase of products offered by the Group.

In this context of great uncertainty and geopolitical instability, the Group carefully monitors exports to Russia, trying to minimize its credit exposure to customers from that country. As regards the price of energy, the Group has started projects aimed at improving the energy efficiency of its production sites, with the goal of reducing the risk deriving from the increase in the cost of energy.

However, at the Date of the Information Document, the Group maintains limited relationships with customers based in Russia (in fact relevant Group's revenues accounted for less than 2% of total revenues for the year ended on December 31st, 2021) and does not import raw materials from Russia.

4.1.4.2. *Risks associated with net financial debt*

The Issuer and the Group obtain their financial resources not only from the flows deriving from the business operations, but also through the traditional banking channel, through the usual medium/long-term financing instruments. At the Date of the Information Document, the Issuer is the sole company in the Group which entered into loan agreements.

The Issuer is therefore exposed to the risk of having to repay its financial debt in advance in the event of default or forfeiture of the benefit of the term provided for in the loan agreements in place at the Date of the Information Document.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, may have future significant negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

Here below are listed the existing medium/long-term loan agreements the Issuer has entered into at the Date of the Information Document.

Parties	*Date of subscription*	*Amount disbursed (Euro)*	*Remaining debt as at December 31st, 2021*	*Outstanding debt as at the Date of the Information Document (Euro)*	*Expiry date*
Racing Force S.p.A. - Banca Carige	09/04/2020	5,000,000	5,000,000	5,000,000	08/31/2026
Racing Force S.p.A. - Credit Agricole	05/31/2019	700,000	438,974	176,181	02/28/2023
Racing Force S.p.A. - Banco Popolare	06/23/2017	600,000	226,640	145,137	10/31/2023
Racing Force S.p.A. - Banco Popolare	12/10/2019	4,000,000	3,733,767	3,464,665	06/30/2028
Racing Force S.p.A. - Banco Popolare	11/20/2018	500,000	188,576	21,039	09/30/2022
Racing Force S.p.A. - Banco Popolare	05/26/2021	1,750,000	1,655,420	1,546,243	05/31/2031
Racing Force S.p.A. - Banco Popolare	04/13/2022	1,000,000	-	1,000,000	30/04/2026
Racing Force S.p.A. - Monte dei Paschi di Siena	05/30/2018	350,000	175,000	116,667	06/30/2023
Racing Force S.p.A. - Monte dei Paschi di Siena	12/16/2019	400,000	400,000	285,714	09/30/2023

Racing Force S.p.A. - Credito Valtellinese	06/06/2019	400,000	383,761	310,231	10/05/2025
Racing Force S.p.A. - Credito Valtellinese	10/24/2018	500,000	335,624	210,847	10/05/2023
Racing Force S.p.A. - Credito Emiliano	11/29/2017	400,000	203,553	163,336	06/30/2024
Racing Force S.p.A. - UBI (now Intesa Sanpaolo)	01/13/2020	500,000	500,000	313,844	10/13/2023
Racing Force S.p.A. - Simest	04/19/2021	600,000	360,000	360,000	12/31/2027

The Issuer's ability to meet its bank debt obligations depends on its operating results and its ability to generate sufficient liquidity, which may depend on circumstances that cannot be foreseen and/or directly managed by the Company.

The medium/long-term loan agreements from which the Issuer benefits contain certain clauses and commitments, typical of this type of loan agreements, which require the debtor to repay the instalments on a timely basis, as well as to maintain its solvency, the violation of which could result in the obligation for the Issuer to repay the amounts paid out in advance, with consequent negative effects on the business and the economic, equity and financial situation of the Issuer and/or the Group.

It should also be noted that some of the loan agreements in place at the Date of the Information Document provide for (i) change of control clauses pursuant to which the Issuer loses the benefit of the term with the consequent obligation to repay the loan immediately and in full in the event of a change of control in the shareholding structure of the financed party and (ii) pari passu clauses pursuant to which all new financial debt must be in the same position, as regards priority of payment, as all other obligations.

Finally, it should be noted that some of the loan agreements in place at the Date of the Information Document provide for obligations to notify and/or obtain prior consent for the completion of certain transactions that involve changes in the legal and corporate structure of the Issuer or other Group companies. It is not possible to exclude that in the future, the Issuer may not be able to raise the financial resources necessary for the repayment commitments or may not be able to meet, or may be required to meet, their current contractual obligations with the consequent obligation to immediately repay the remaining portions of the loans. The occurrence of such events could have a negative effect on the economic, equity and financial situation of the Issuer and/or the Group. There is also no guarantee that, in the future, the Issuer and the Group will be able to negotiate and obtain the loans necessary for the development of their business or for the refinancing of maturing loans, with the terms and conditions offered to this date by current creditors.

However, the risk is mitigated by the following circumstances: the Group has generated a significant amount of cash from operations in the last year (as well as in 2020 and 2019); the Group has a solid net financial position as of June 30th, 2022, equal to Euro -0.2 million; the Group maintains solid relationships with several banks and it is not dependent on a single one.

Therefore, any worsening in terms of the economic conditions of the new loans with respect to those currently applicable and/or any future reduction in the credit capacity with the banking system could limit the Issuer's and/or the Group's ability to grow and, ultimately, have a negative effect on their business, operating results and economic, equity and financial situation. For further information, please refer to Chapter 15 of this Information Document.

4.1.4.3. *Risks associated with trade receivables*

The Group is exposed to the risk that its customers may delay or fail to fulfill their payment obligations within the agreed terms and conditions, with potentially material negative effects on the economic, equity and financial situation of the Issuer and/or the Group.

The customers with whom the Company directly interfaces in its distribution activities are mainly professional racing teams that compete in FIA world or national high-level competitions and companies operating in the automobile construction sector. The Products that the Company supplies to the teams are largely related to customized production based on requested specifications. Technical partnerships exist with some of these organizations. These sales are handled directly by the Company, without the use of intermediaries.

The wholesale channel, on the other hand, is developed through the sale of products to distributors who in turn resell the products to final consumers and Racing Force USA a subsidiary of Racing Force through which the latter has distributed its products in the American market, due to the peculiarities of this market. Racing Force USA does not carry out any production activity, but manages the functions relative to marketing and commercializes the finished products previously purchased by the Company.

At the Date of the Information Document, the average collection time for receivables from major customers is around 60 days from delivery of the product.

At the Date of the Information Document, the Group's accrued bad debts provision amounts to Euro 119,797. Despite the fact that the Group carefully monitors and recovers receivables, it cannot be excluded that in the future, the percentage of losses on receivables will increase and/or that more customers will default for amounts greater than those allocated to the bad debts provision, with possible negative repercussions on the economic, equity and financial situation of the Issuer and/or the Group.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **medium** probability of occurrence, may have future negative effects on the Issuer and/or the Group's economic, financial and equity situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

For further information, please refer to Chapter 3 of the Information Document.

4.1.4.4. *Risks associated with interest rate fluctuations*

The Group is exposed to the risk of significant changes in interest rates with a consequent increase in financial charges relating to floating rate debt. As of December 31st, 2021, the Group's medium/long-term debt was mainly represented by fixed rate debt.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a low probability of occurrence, may have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of low materiality.

The Group does not consider it necessary and/or appropriate to enter into any financial hedging instruments.

Any future growth and/or fluctuation in interest rates due to various factors that are not under the Group's control, such as the epidemiological emergency caused by COVID-19, which is still ongoing in Italy and the rest of the world at the Date of the Information Document, monetary policies, macroeconomic trends and the economic and political situation in Italy, could lead to a limited increase in the Group's borrowing costs with consequent low negative effects on the Issuer and/or the Group's economic, equity and financial situation.

4.1.4.5. *Risks connected to overdue tax payables*

Tax payables at December 31st, 2021, amounted to Euro 272,958. Tax payables refer mainly to income taxes accrued for the year by the consolidated companies and the parent company. As of December 31st, 2021, there are no overdue tax payables.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a low probability of occurrence, could have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of low materiality.

For further information, please refer to Chapter 3 of this Information Document.

4.2. RISK FACTORS RELATING TO THE SHARES

4.2.1. Risks associated with trading on Euronext Growth Paris markets liquidity and possible price volatility of financial instruments

Subsequent to the Trading Start Date of the Shares on Euronext Growth Paris, there is a risk that a liquid market in the Issuer's Shares may not be formed or maintained and/or that the price of the Shares may fluctuate substantially, also adversely, due to factors beyond the Issuer's control. The occurrence of such circumstances could have significant negative effects on the market price of the Shares. Furthermore, as the Shares are risk capital by nature, the investor may incur a total or partial loss of the capital invested.

The Shares will not be listed on a regulated market and, although they will be traded on Euronext Growth Paris in continuous trading, it is not possible to guarantee that a liquid market will be formed or maintained for them. Such occurrence, therefore, could present common and generalized liquidity problems, independently of the Issuer's performance, as requests for sale may not find adequate and timely counterparts and may be subject to fluctuations, even significant, in price.

In addition, the market price of the financial instruments may fluctuate significantly in relation to a number of factors and events, some of which are beyond the Issuer's control, and may therefore not reflect the Issuer's operating results or may be lower than the subscription price at the time of placement. Such factors and events include, but are not limited to, market liquidity, differences in actual operating and financial results from those projected by investors and analysts, changes in analysts' forecasts and recommendations, changes in general economic conditions or market conditions and significant market fluctuations.

An investment in financial instruments traded on Euronext Growth Paris could therefore involve a higher risk than an investment in financial instruments listed on a regulated market.

The uncertainty of the macroeconomic situation could also have an effect in terms of increasing the volatility of share prices, including those of the Shares. In recent years, stock markets have shown considerable fluctuations in both the price and volume of securities traded. These uncertainties could adversely affect the market price of the Shares in the future, irrespective of the Company's earnings or financial condition. In this regard, the epidemiological emergency from COVID-19, still ongoing in Italy and in the rest of the world at the Date of the Information Document, as well as the implications of the current Russian-Ukrainian crisis, represent additional factors of uncertainty, which could negatively affect the market price of the Shares in the future.

As the Issuer's Shares constitute risk capital, the investor may incur a total or partial loss of the capital invested.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **medium** probability of occurrence, may have significant future negative effects on the Issuer's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **medium** materiality.

4.2.2. Risks associated with the uncertainty of earning profits and distributing dividends

At the Date of the Information Document, the Issuer has not adopted a dividend policy. Although the Issuer has regularly distributed dividends to its shareholders over the last years, in the future, this latter may not make profits distributable in the form of dividends or, even if it does, it may not distribute dividends to shareholders.

The amount of dividends that the Issuer will be able to distribute in the future will depend, among other things, on its actual revenues as well as, in general, on its results of operations, financial position, cash flows, net working capital requirements, capital expenditures and other factors. In addition, the Company may decide not to make distributions or adopt different distribution policies, even in the event of profits for the year.

It is not possible to ensure that in the future the Issuer will distribute dividends, even though it has the availability of such dividends, thus favoring investments for the benefit of the growth and expansion of its activities and those of the Group, unless otherwise resolved by the shareholders' meeting. The distribution of dividends by the Issuer will be conditioned, *inter alia*, for future years by the results achieved, the establishment and maintenance of reserves required by law, the general operating performance and future resolutions of the shareholders' meeting approving (in whole or in part) the distribution of distributable profits.

In the absence of dividend payments, shareholders may only obtain a return on their investment in the Shares if they dispose of them at a market price which is higher than the purchase price.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, may have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **medium** materiality.

For further information, please refer to Chapter 3 of the Information Document.

4.2.3. Risks associated with the possibility of revocation and suspension from trading of the Issuer's financial instruments

In accordance with the EG Milan Issuers' Regulations and the EGM Rule Book, in the event of non-compliance with the rules set out therein, the Issuer may be subject to sanctions, including the removal of its Shares from trading on the relevant markets.

Pursuant to the EG Milan Issuers' Regulations, Borsa Italiana may order the removal from trading on Euronext Growth Milan of the Issuer's financial instruments in case of occurrence of the following conditions:

- the Issuer fails to replace the Euronext Growth Milan Advisor within six months after the suspension from trading due to the absence of the Euronext Growth Milan Advisor;
- the securities have been suspended from trading for at least six months;
- the revocation is approved by a number of shareholders representing at least 90% of the votes of the shareholders gathered at the meeting.

Pursuant to the EGM Rule Book, without prejudice to national law and regulations applicable to the Issuer, Euronext may remove the Shares admitted to trading on Euronext Growth Paris in case of occurrence of the following conditions:

- at the request of the Issuer;
- on its own initiative as market operator or as competent authority in terms of listing, as the case maybe;
- at the request of the competent authority pursuant to national law and regulations applicable to the Issuer.

Euronext may remove the Shares listed on Euronext Growth Paris at its own initiative on any appropriate grounds including (without limitation):

- manifest failure of the Issuer to comply with the obligations imposed and the requirements set pursuant to the EGM Rule Book or the application form for the request of admission;

- the legal entity that has issued the securities shall cease to exist pursuant to a liquidation, merger, dissolution (or equivalent corporate event in any jurisdiction);
- the Issuer of the securities has been declared bankrupt (or analogous procedure has been declared applicable in any jurisdiction);
- without prejudice to Rule 4403/2 of the EGM Rule Book, in the opinion of Euronext, facts or developments occur or have occurred with regard to a security which prevent the continued listing of that security or which cause Euronext to believe that a fair, orderly and efficient market for a security cannot be maintained;
- adequate clearing and/or settlement services for a type of securities are no longer available; or
- facts or developments occur or have occurred in respect of an Issuer which in the opinion of Euronext is detrimental to the reputation of Euronext as a whole;
- the Issuer or its beneficial owners are on the EU Sanction List or the list drawn up by the Office of Foreign Assets Control (OFAC) .

Euronext may decide not to remove securities upon the Issuer's request if such removal would adversely impact the fair, orderly and efficient functioning of the market.

Euronext may subject any removal of securities to such additional requirements as it deems appropriate.

In the event that the Shares are removed from trading, the investor would hold Shares which are not traded and, therefore, difficult to liquidate.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, may have significant future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

4.2.4. Risks associated with temporary inalienability commitments of the Issuer's Shares

At the Date of the Information Document, certain lock-up agreements relating to some of the Issuer's Shares are in place, as they have been entered into in the context of the admission of the Shares to trading on Euronext Growth Milan. The Issuer is therefore exposed to the risk that, upon expiration of the temporary inalienability commitments undertaken by certain shareholders, any disposal of the above Shares by such shareholders may lead to a negative trend in the trading price of the Shares.

SAYE (in which Chairman of the Board of Directors, Piero Paolo Delprato, is a shareholder), Nehoc Systems Ltd (in which the Executive Director Stephane Alexandre Cohen is a shareholder), Aref Khalil Yazbek (General Manager of Racing Force International and the Group Chief Business Officer – CBO), Alexandros Haristos (Group Chief Operating Officer – COO) and Kyle Kietzmann (Chief Commercial Officer – CCO for Americas) have undertaken towards the Euronext Growth Milan Advisor and the Issuer, which in turn has undertaken towards Euronext Growth Milan Advisor, certain lock-up commitments whereby they are not allowed to transfer the Shares they held at the date of admission to trading on the Euronext Growth Milan for a period of 12 (twelve) months beginning from the starting date of trading on Euronext Growth Milan.

Upon expiration of the above-mentioned lock-up commitments, there is no guarantee that the above mentioned shareholders will proceed with the sale, in whole or in part, of their Shares, with a consequent potential negative impact on the price trend of the Shares.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, may have future negative effects on the Issuer and/or the Group's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

For further information, please refer to Chapter 16, Paragraph 16.8 of the Information Document.

4.2.5. Risks associated with the non-contestability of the Issuer

The Issuer is exposed to the risk of not being contestable, also following the admission of its financial instruments to trading on Euronext Growth Milan and Euronext Growth Paris.

SAYE, 48.20% of whose share capital is held by Piero Paolo Delprato and 51.80% by Giuliana Ghezzi, is the Issuer's current controlling shareholder, pursuant to art. 2359, paragraph 1, no. 1, of the Italian Civil Code, maintaining the control by right with a 57.01% stake in the Issuer's share capital.

Considering that SAYE will continue to exercise legal control over the Issuer, it will have a decisive role in the adoption of the resolutions of the shareholders' meeting of the Issuer, such as, for example, the approval of the financial statements, the distribution of dividends, the appointment and removal of the administrative and supervisory bodies, changes in the share capital and by-laws amendments.

For further information, please refer to Chapter 7 of the Information Document.

4.2.6. Risks associated with conflicts of interest of the Listing Sponsor

The Listing Sponsor, due to the activities it carries out in favor of the Issuer, could find itself in a situation of conflict of interest.

The Listing Sponsor finds itself in a situation of conflict of interest in that it will receive compensation for services rendered in relation to such role. In addition to the above, the Listing Sponsor, in the normal exercise of its business, may in the future provide advisory services in favor of the Issuer, for which it may receive commissions.

Pursuant to EGM Rule Book, each Listing Sponsor shall have internal procedures in place, organization and routines to identify, mitigate, and disclose any conflicts of interests. If a Listing Sponsor has a potential conflict of interest in respect of an issuer for which it acts as Listing Sponsor it shall inform Euronext of the potential conflict of interest. A Listing Sponsor shall at the request of Euronext provide satisfactory evidence to Euronext that the potential conflict of interest shall not affect the performance of its duties.

The occurrence of the events subject to this risk, which is considered by the Issuer as having a **low** probability of occurrence, may have future negative effects on the Issuer's economic, equity and financial situation. In view of the above, the Issuer estimates that the risk referred to in this Paragraph is of **low** materiality.

5. INFORMATION RELATING TO THE ISSUER

5.1. Issuer's name

The Issuer's name is "Racing Force S.p.A.".

5.2. Details of the registration with the Companies' Register and LEI Code

The Issuer is enrolled in the Companies' Register at the Chamber of Commerce of Genoa with tax code and registration number 02264760105, R.E.A. (*Repertorio Economico Amministrativo*) of Genoa no. GE-260454, "Legal Entity Identifier" (LEI) no. 8156005B22B0857C7357.

5.3. Date of incorporation and duration of the Issuer

The Company was incorporated in Genoa (GE), on January 19th, 1981, in the form of a limited partnership company, with the corporate name "OMP Racing di Percivale Piergiorgio & C. società in accomandita semplice", by notarial rep. no. 780 deed n. 228 of the Notary Public Giancarla Dea Garro Raiteri.

Pursuant to art. 4 of the By-Laws, the duration of the Issuer is established until December 31st, 2050.

5.4. Domicile and legal form, legislation under which the Issuer operates, country of incorporation and registered office

On May 7th, 2013, by deed drawn up by Notary Mr. Paolo Lizza, deed no. 95347, the Shareholders' Meeting resolved, *inter alia*, to transform the company from a limited liability company to a joint stock company and to change the Company name to "OMP Racing S.p.A.".

On August 31st, 2021, by deed drawn up by Notary Mr. Paolo Torrente, rep. no. 33368 and deed no. 15332, the Shareholders' Meeting resolved, *inter alia*, to change the Company name to "Racing Force S.p.A.".

The Issuer is a joint stock company and operates according to the laws of Italy.

The Issuer has its registered office in via Bazzano n. 5, 16019, Ronco Scrivia (GE), and its phone number is +39-010 96501.

The Issuer's website is www.racingforce.com.

6. BUSINESS DESCRIPTION

6.1. Main activities

6.1.1. Overview and description of the activities carried out by the Issuer and Group

Racing Force (previously recognized as OMP Racing S.p.A.[3]) started as a business in 1973 in Genoa by Percivale family and having today its headquarter at Ronco Scrivia, nearby Genoa. Since 2008 the control of the Company has been acquired by Genoa-based SAYE S.p.A., the holding company referable to Mr. Piero Paolo Delprato, which is the current Chairman of the Board of Directors as well as Chief Executive Officer at the Group level. The Group is currently one of the leaders in the field of design and manufacture of Motorsport safety products. Its product range spans from suits, gloves, shoes, seats, harnesses, helmets, rollbars, racing nets, steering wheels, fire extinguisher systems, intercoms, to other accessories strictly related to Motorsport industry.

Thanks to the complete range of Motorsport Safety Product developed and boosted by Racing Force Group, today its products are widely used in all world racing championships, namely by professional drivers and teams, among which F1, World Rally Championship - WRC, Rally Cross World Championship – WRX, Karting and Rally-Raid, World Endurance Championship – WEC, Indycar Series and Nascar. More than 30 FIA World Championship titles have been achieved in the last 4 years by the teams and drivers supplied by Racing Force Group.

Racing Force Group's catalogues offer a complete range of more than 2,000 safety and performance items designed and manufactured for racecars and drivers' safety. Almost all products are homologated by Fédération Internationale de l'Automobile (FIA, whose Racing Force Group is official exclusive partner), FIA Karting, SFI Foundation and Snell Foundation. In addition, to this date the catalogues continue to expand its offer, by introducing new innovative technology-driven products, such as the patented Drivers' Eye video-technology developed internally by the Group technicians and currently marketed to Formula E championship and Formula 1 championship.

Thanks to the acquisition started in 2019 of entire share capital of the historic US-based helmets manufacturer Bell Racing Helmets Group, both brands (OMP and Bell Helmets) have maintained their historical identity and respective production plants.

As to Racing Force, the R&D and production lines have been maintained in Ronco Scrivia (Genoa) for the products under the OMP brand, in Pisa for the electronic products under the Zeronoise brand, while the R&D activity and production lines for Bell Racing helmets have been kept in Sakhir (Bahrain) within the area of the BIC (Bahrain International Circuit).

As regards the distribution of the products, starting from February 2020 the parent company of the Group Racing Force is in charge of the commercialization of both OMP and Bell products in Europe and Rest of the World (before the acquisition, the distribution of Bell products in Europe was under High Protection Systems, previously named as Bell Racing Europe S.A., with headquarters in Belgium). Today the Belgian

[3] On August 31^{st}, 2021, the extraordinary Shareholders' Meeting of Racing Force approved the change of company name from OMP Racing S.p.A. to Racing Force S.p.A.

company provides racing and custom painting services only and it is the entity under which the Group wants to develop some of the projects within its diversification program portfolio.

In the US market, before the acquisition, there were two different companies (OMP Racing Inc. and Bell Racing USA LLC), each of them in charge of the distribution of the respective brand. Starting from October 1st, 2020, the warehouse and headquarters of Bell Racing USA LLC were moved to Miami, where OMP Racing Inc. is based. Then, in April 2021, OMP Racing Inc. changed its corporate name to Racing Force USA and subsequently, with effects from June 1st, 2021, Bell Racing USA LLC was merged by incorporation into Racing Force USA.

After the aforementioned reorganizations, Racing Force USA, with headquarters and showroom in Miami, is the only entity in charge of the distribution of both OMP and Bell branded products in all the Americas. The company operates two other pro-shops in the US, one in Mooresville and one in Indianapolis.

Moreover, the Group has also broadened its own product range by completing the acquisition of Zeronoise Ltd, a UK-based start-up company incorporated in 2019 active in the field of design, manufacturing and marketing of particular audio-video communication systems installed inside the professional race helmets. On December 23rd, 2020, Racing Force and Racing Force International entered into a share sale and purchase agreement for the sale of the entire corporate capital of Zeronoise Ltd corporate capital to Racing Force International.

As of today, following the acquisition of the going concern of ZN Europe S.r.l. completed in 2020, Racing Force operates a branch in Pisa dedicated to the R&D and production of Zeronoise branded products. Particularly, ZN Europe S.r.l. (based in Italy) was a company owned by Zeronoise Ltd. The business of ZN Europe S.r.l. (mainly inventory and employees, plus some A/R, A/P and a few assets of low value) was transferred to Racing Force in 2021 and then ZN Europe S.r.l. was liquidated.

Moreover, on December 17th, 2020, Racing Force and Racing Force International entered into an agreement, for the provision by Racing Force of certain services in favor of Racing Force International, concerning the R&D activity for the development of the Driver's Eye to be carried out at its Pisa plant. On January 3rd 2022, Racing Force and Racing Force International entered in a new agreement replacing the former one (the December 17th, 2020 agreement) for the supply of the same services.

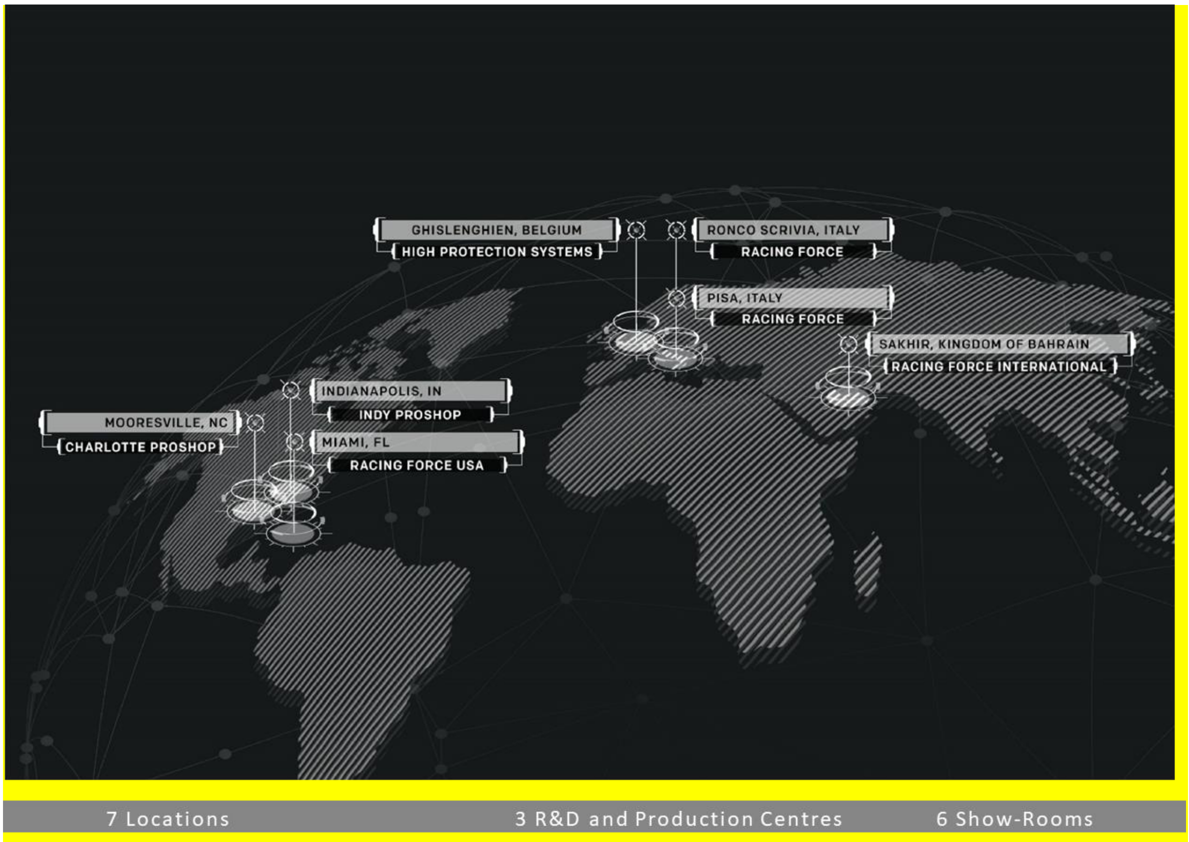
As to the safety and quality high standard ruled by the FIA which Racing Force Group has to comply with, the latter have adopted a strict quality policy across the years, based on which the over 2,000 in-house tests performed in the last decade ensure its products a standard that goes well over the parameters requested by the regulators to grant the relevant homologation. The acknowledgment of all this is represented by the partnership entered into with the FIA since 2012, by which both parties have strongly committed themselves to guarantee the most possible protection to drivers on roads and racetracks.

To this date technical racing clothing for FIA officials and safety car drivers across a range of FIA world championships comes exclusively from Racing Force Group: fire retardant suits, shoes, gloves and underwear and both OMP and Bell Racing branded helmets.

The Group globally counts 7 sites and 6 showrooms located in America, Europe and Asia and 3 R&D centers.

At the Date of the Information Document, Racing Force Group accounts for 480 employees from 34 different countries, which contribute to generate a fusion of cultures, ideas and industry knowledge.

The Group operates and sells directly its products over quite 80 countries worldwide, since export represents approximately more than 85% of the annual global sales recorded. The Group can count on more than 3.400 direct customers, such as dealers, teams, car manufacturers, individuals, other kind of customers.



Sites, showroom in 3 continents and R&D centers[4]

6.1.2. Group brands and product categories developed and marketed by the Issuer

As of the Date of the Information Document, the Group markets the following 4 global brands that guarantee this latter to have a product offering covering the full spectrum of Motorsport Safety Equipment.

[4] *Source: Management*

BRANDS

Brands of Racing Force Group[5]

OMP: under the Issuer-owned brand "OMP", the Group develops a wide range of performance products that are used by drivers and teams in all major racing championships worldwide, most of them successfully homologated to industry standards including FIA, FIA Karting, SFI and Snell.

Bell Helmets: created in 1954, Bell Helmets is the world premium auto racing and karting helmet brand, which the Group markets and distributes worldwide under two different license agreements. Throughout its history, the brand has pioneered key innovations and today Bell brand is associated with racing helmets incorporating advanced materials and the latest manufacturing techniques. The Group manufactures helmets in a state-of-the-art production facility located in Bahrain within the premises of the world championship level Bahrain International Circuit racing facility.

Zeronoise: Zeronoise is the Group owned-brand through which this latter develops and manufactures communication devices for the racing industry; the technologies that are developed under the Zeronoise™ brand are mainly focused on audio communication and video devices, such as intercoms, known for their design and high performance, are used by professional teams in top rally and rally-raid series. Moreover, Zeronoise developed the world first in helmet camera (international patent) for real time TV broadcasting homologated (as a bundle with Bell helmets) by FIA, known today as Driver's Eye.

At the end of October 2021, the subsidiary Zeronoise Ltd was liquidated and the residual assets, consisting of the Zeronoise brand, the patent for the Driver's Eye and other liquid resources, were distributed to its parent company Racing Force International.

For more information about the Driver's Eye, please refer to Chapter 6, Paragraph 6.1.6 of the Information Document.

Racing Spirit: the brand that was co-owned (50%) between the Group and Mr. Gabriele Pedone, CEO of Racing Force USA which held the other 50% of the company Racing Spirit LLC, which in turn owned the entire corporate capital of Racing Spirit S.r.l., is the owner and markets such brand for casual clothing motorsport inspired, which was established in 2012 with the vision of making auto racing specific clothing that strives to incite those who love the sport with beauty, design technology and functionality. Racing Spirit combines maximum wearer comfort with top performance by meeting every requirement in terms of function and style. The power of racing is both the soul of Racing Spirit and the inspiration behind the name Racing Spirit is the first premium racing inspired apparel brand engineered by racers for racers.

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[5] *Source: Group information*

On July 1st, 2022, the Board of Directors of Racing Force approved a transaction contemplating, *inter alia*: (i) the acquisition by the Issuer of the Racing Spirit S.r.l. business; (ii) the acquisition by the subsidiary Racing Force USA of the business of Racing Spirit LLC; (iii) the purchase of the Racing Spirit trademark in the USA by the subsidiary Racing Force USA (the brand was already registered in the name of the Group in Europe and China); (iv) the sale to Mr. Gabriele Pedone of the shareholding held by the Issuer in Racing Spirit LLC equal to 50% of the share capital of the same.

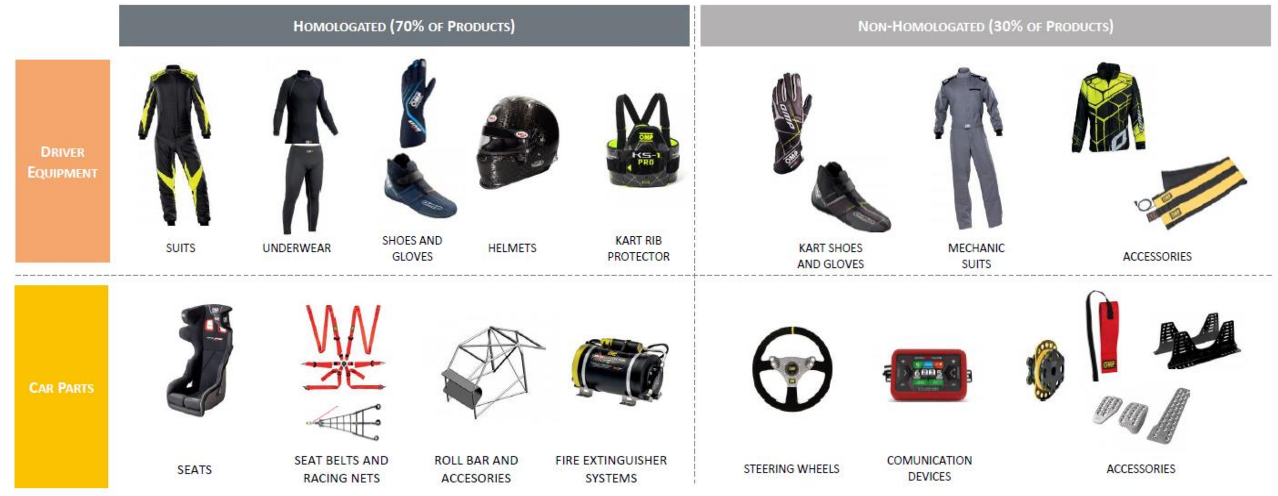
For more information on the above transaction, please refer to Chapter 13 of this Information Document.

Product category/family general overview

Based on the situation existing as of December 31st, 2021, it is possible to identify the following product families within the Group extensive offer:

- **Driver's Equipment**: this product family includes fireproof technical clothing (intended for racing car sector) and anti-abrasive clothing (intended for the karting sector) for driver safety, in particular suits, underwear, gloves, shoes, helmets and various accessories;
- **Car Parts**: this **product** family includes all specific components for racing cars, such as roll bars (which are tubular steel structures that are installed inside the car, racing harnesses and nets, racing seats, racing steering wheels, racing fire extinguisher systems, and other mechanical components;
- **Other**, this **residual** family of products includes both non-technical sportswear such as T-shirts, sweatshirts, mechanics' suits or other "standard" products.

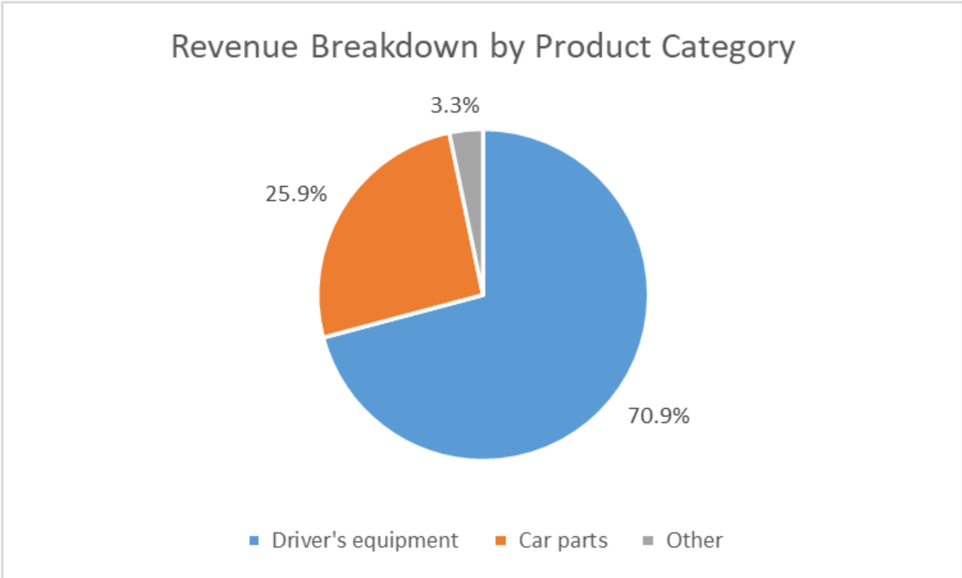
It is however possible to set out a more granulate division of the entire product portfolio, based on the best seller product categories: Driver Equipment and Car Parts, which can be homologated or not by the FIA, as better shown in the chart below.



Racing force products range[6]

[6] *Source: Group information*

Analysing the breakdown of 2021 Racing Force Group's consolidated turnover, the Driver Equipment category accounts for approximately 71% of global sales, while Car Parts category accounts for an aggregate 25.9%, as shown in the chart below.



Revenue breakdown by Product category[7]

The Group sells more than 2,000 Products, dividing its offer into 3 main levels for OMP branded items, with increasing quality and price range: Amateurs (Good), Pro-Racing (Better), Top of the range (Best), as shown in the chart below referred to suits.

There are 4 main levels for Bell branded Products: Sport, Pro, Carbon and Advanced, including helmets of increasing quality and price range.

[7] *Source: Group information*

Products sorted by level and price[8]

As regards suits, items in the price list can range from 343 Euro (First-S) to 1,260 Euro (One Evo X); as regards full-face helmets, prices can range from 450 Euro (GT5 – Sport, no hans) to 4,800 Euro (HP77). Detailed prices for all the products of each brand are available on the Group's websites.

Driver Equipment

This macro-product category comprises, on a side, homologated items like suits, underwear, gloves, shoes, and helmets, and, on the other side, not homologated items such as mechanic accessories and suits and other accessories; these latter are mainly meant for racecar teams professional mechanics and do not require the prior homologation by FIA committees.

A. __Not homologated Products__

Not homologated technical wear features **(i)** professional suits made, for instance, of lightweight and resistant polyester and cotton fabrics to repeated washing and most stubborn stains; **(ii)** technical short gloves for professional use, made of elastic fabric leather and silicon rubber design as well; **(iii)** shoes, apron, and sleeves; **(iv)** a wide range of technical accessories.

B. __Homologated Products__

1. __Suits__

The Group's catalogue features several configuration of professional suits, which are spanning from models that can be customized through the use of image, photos and color blendings, thanks to a proprietary technology named "*Art Technology*", to certain models with fireproof characteristics, to other which are equipped with the so-called "*stretch dry system*" designed and engineered by the Group's technicians, to allow the drivers the maximum breathability combined with elasticity of 3D materials,

[8] *Source: Group information*

ensuring better freedom in movements while reducing body temperature. A large number of suits model are customizable through embroideries, heat transfers and/or prints.

The suits too are constantly involved in R&D activity run by the Group.

With specific reference to the suits and technical racing clothing, these latter are developed, designed, and homologated (when required) by Racing Force directly at the Ronco Scrivia factory. As to the manufacturing, only during the peak seasons (approximately from December to April), the latter is partially entrusted to external suppliers, to comply with the delivery deadline to worldwide dealers. Once manufactured and homologated, such products are then distributed by Racing Force itself across Europe and the Rest of the World, and by its subsidiary Racing Force USA, which is committed in selling within North America and South America markets all the Racing Force Group branded sport suits.

Here below are given some images as an example of some products above outlined.

2. <u>Helmets</u>

As to Bell Racing-branded helmets, they can be categorized by series or by discipline.

- By series, the product range features four different "categories". In each class Bell offers full face (used mainly in circuits) and open face helmets (mainly used in Rallies: Rally is one of the most challenging racing sports, putting cars and drivers through the toughest and most varied conditions on the planet, including snow, ice, asphalt and gravel. To face these challenges, Bell offers a line of premium quality Rally products with high-performance features designed for top professional drivers including a lightweight shell, enhanced comfort and fit, high-quality intercom systems, noise insulating ear protection, noise erasing microphones, ear cups with ultra-thin speakers, advanced styling, and optimal protection. The Rally Helmets supplied by Bell are all equipped with Zeronoise Technology).
- "***Advanced Series***": Bell's FIA8860 helmets are designed for top-level professional drivers competing in the premier forms of motorsports. Bell's Advanced Series uses a proprietary high-pressure molding system to create an ultra-lightweight aerospace grade carbon shell combined with a high-performance multi-density energy absorbing liner system delivering the ultimate in

protection. Advanced Series HP (High-Performance) helmets are the pinnacle of technology and innovation, representing the best of Bell. The models belonging to this series are 5 and pictures below shows two of them.

– “***Carbon Series***”: Bell’s Carbon Series combines leading-edge design, enhanced ventilation, performance features, advanced energy management system and a lightweight carbon shell made using Bell’s proprietary high-pressure molding system to deliver an enhanced performance to value ratio in motorsports. The Carbon Series is designed for the professional racer who values the latest technical innovations and is looking for a performance edge. The models belonging to this series are 6 and picture below shows two of them.

– ***“Pro Series***”: the Pro Series is designed for drivers at all levels of racing who expect industry-leading performance, professional features, and the latest engineering advances. The Bell Pro Series models feature contemporary design, ultra-lightweight composite shell construction, advanced energy management system, enhanced ventilation and a professional fit to meet the unpredictable demands of any racing environment with supreme confidence. The models belonging to this series are 7 and picture below shows two of them.

– ***“Sport Series***”: the Sport Series delivers enhanced styling and ventilation, high-quality construction, lightweight composite shell technology and the latest energy management system, good fit and multi-purpose features. The models belonging to this series are 5 and picture below shows two of them.

Bell offers also the ***“Karting Series***”: Bell’s Karting Series designed for youth and adult kart racers combines lightweight construction, good fit, enhanced ventilation and perspiration management, positive visor seal, anti-fog performance and advanced aerodynamics. The models in this category are 11 and the picture below shows two of them.

As to OMP-branded helmets, are meant both for auto racing and karting use. For auto racing use, the product line features for instance the GP-R model, a FIA approved full-face helmet made in composite material, lightweight, with soft and comfortable high breathability fire retardant internal lining, bordered strap with double ring closure and high precision adjustable visor with easy block system. This helmet is suitable for several motorsport disciplines, from formula cars to GT cars.

The catalogue also displays a different model, the J-R Rally, an FIA approved open face helmet made of lightweight composite material shell, high breathability fire retardant internal lining with pre-installed intercom kit.

All the racing helmets, both OMP and Bell Racing-branded, are fully developed, designed, homologated, and manufactured by the subsidiary Racing Force International, based in Sakhir, Bahrain. Once manufactured and homologated, helmets are then distributed by Racing Force itself across Europe and Rest of the World, by its subsidiary Racing Force USA for North and South American markets and directly by Racing Force International in some specific countries.

3. *Underwear, gloves, and shoes*

Professional underwear catalogue displays a wide range of product, all of them FIA approved, such as the ultra-light underwear top with exclusive features, ultra-light pants, balaclava, long sleeved underwear top with high neck for maximum protection, body protection as elbow and knee pads, socks, cool shirt, and other stuff.

Here below are given some images as an example of some products above outlined.




Professional gloves catalogue displays a wide range of gloves with different specifications, most of them FIA approved.

Below are shown some images as an example of some products described above.

Professional shoes catalogue displays a wide range of race boots with different specifications, all of them FIA approved, intended both for racing, mechanics and for karting use. The race boots too have been involved in R&D activity run by the Group.

Below are shown some images as an example of some products described above.

<u>Car parts</u>

1. ***<u>Seats</u>***

OMP branded seats are an important product line that is developed internally and manufactured externally.

This is possible thanks to the know-how on structural carbon and composite fiber acquired in decades.

The seats are developed, designed, and homologated by Racing Force, at the Ronco Scrivia factory. Then, the product engineering is completed in partnership with selected suppliers. After that, the manufacturing is entrusted to external suppliers, which are mainly based in Europe (only for a few models in China, too). Once manufactured and homologated, such products are then distributed by Racing Force across Europe and Rest of the World, and by its subsidiary Racing Force USA for North and South American markets. This kind of products need the homologation issued by FIA committees.

2. ***<u>Fire Extinguisher Systems</u>***

The fire extinguishers systems for racing cars are completely developed, homologated, and assembled by Racing Force, at Ronco Scrivia factory. Once manufactured and homologated, such products are then distributed by Racing Force across Europe and Rest of the World, and by its subsidiary Racing Force USA for North and South American markets. This kind of product needs the prior homologation issued by FIA committees.

Previously developed and manufactured externally, now the electronics that control the fire extinguisher systems has been re-engineered and manufactured internally by Racing Force, thanks to Zeronoise know-how.

3. ***<u>Steering Wheels</u>***

The steering wheels are developed and designed by Racing Force, at the Ronco Scrivia factory. After that, the manufacturing is entrusted to external suppliers. Once manufactured, such products are then distributed by Racing Force across Europe and Rest of the World, and by its subsidiary Racing Force USA for North and South American markets. This kind of product does not need FIA homologation.

4. ***Harnesses and Racing nets***

The harnesses and Racing Nets are developed, designed, and homologated by Racing Force, at the Ronco Scrivia factory. Only high-quality harnesses are manufactured internally. Once manufactured and homologated, such products are then distributed by Racing Force across Europe and Rest of the World, and by its subsidiary Racing Force USA for North and South American markets.

5. ***Roll bars***

The roll bars are developed, designed, and homologated by Racing Force, at the Ronco Scrivia factory. Then, the product engineering is completed in partnership with selected suppliers. After that, the manufacturing is entrusted to external suppliers. Once manufactured and homologated, such products are then distributed by Racing Force across Europe and Rest of the World, and by its subsidiary Racing Force USA for North and South American markets.

6. ***Car accessories***

Helmet kits and Intercoms:

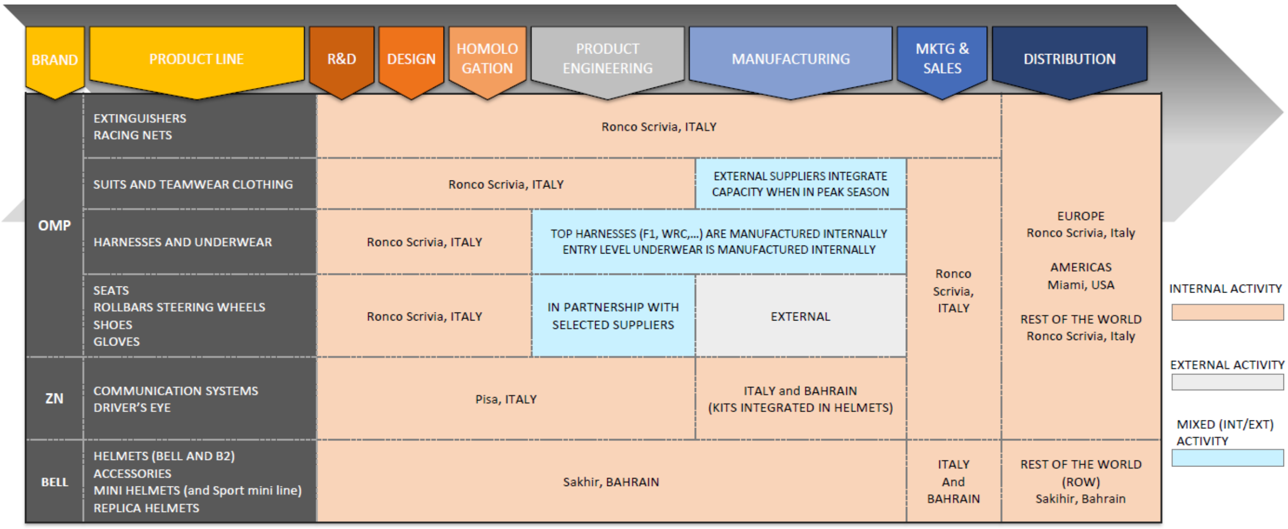
It is normal practice that helmet kits and intercom systems are sourced externally by the helmet manufacturer. At Racing Force International, Zeronoise has set up an electronic department for the production and integration of the helmet kits directly in the production flow increasing overall efficiency in the factory in Bahrain.

The Zeronoise branded intercom systems are developed, designed, and manufactured by Racing Force at the Pisa-based factory and R&D center. Once manufactured, such products are then distributed by Racing Force across Europe and Rest of the World, and by its subsidiary Racing Force USA for North and South American markets.

6.1.3. Business model and value chain

The value chain of the Group shows a tight control of the organization, on almost every single activity, with an emphasis on R&D, design, planning and homologation activities (this latter where due) that are at the core of the business. Manufacturing process is internal or external depending on the type of product and the workload needed to meet demand in specific times of the year. This means that the know-how is developed and remains completely internal within the Group organization. On the other hand, commercial activities such sales, marketing, and distribution of all the Group brands are likewise managed internally. This allows to control every step and guarantee a top-quality service to the end client. This is made possible thanks to the 3 different logistic hubs and 3 *R&D* and production plants of the Group.

The business model adopted by the Group can be summarized in the following overview:



Racing Force Group value chain by Brand and Product Category[9]

R&D:

Developing innovative and better products is the core of what the Group does to maintain its competitive advantage within its own industry. Operating in a highly specialized niche market, such as the design and manufacturing of safety equipment for drivers and racecars, R&D is striving to a constant innovation and the pursuit of higher performance on all product categories. As a result, R&D is one of the main drivers of the Group's development strategy. The overall investments carried out in these activities, together with the technical-scientific skills developed by the Group's technical department, have led to the development of numerous product and process innovations, which have led to the filing of a number of patents over the years.

Furthermore, the technological improvement and regulatory framework of the relevant sector requires the constant development of innovative solutions to improve the product and/or the production process in order to guarantee the quality standards that distinguish the Group. The strategy implemented by the Group to consolidate its market leadership and share consists in providing, through its products, a high added value to its clients, developing innovative but at the same time reliable solutions, capable of generating a competitive advantage for the client in terms of performance and safety. This innovation consists of both new solutions to launch on the market and the integration and improvement of existing technologies, by way of testing new materials and new technical solutions as well.

The technical department, which is deputy to R&D activity, handles the design, modelling, configuration and subsequent modification of all the products in the portfolio.

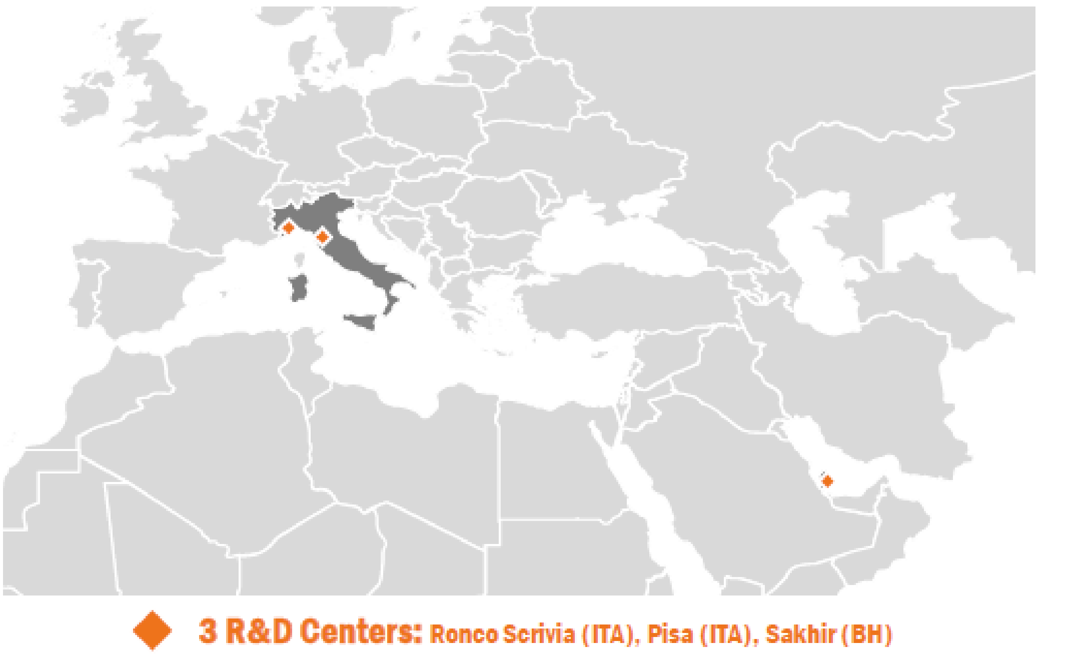
The technical department is in part committed to "pure" R&D activity, disconnected from any specific customer requests, and driven by inputs generated by the technological or regulatory evolution of the reference market, and in part to the implementation of new solutions that meet specific needs expressed by customers or by particular geographical markets of the products.

[9] *Source: Group information*

The technical department can count also on in-house laboratory deputed not only to carry out all the functional tests arising out of R&D activities, but also to simulate the tests that will be carried out by FIA-accredited laboratories, necessary to issue homologations, according to the required safety standards.

Historically around 2% of the Group turnover is invested in R&D capex, even if the size of the investments can change from a year to another in consideration of the projects that are carried on. In 2021, Euro 0.8 million were recorded among development costs and Euro 0.2 million R&D under work in progress, for a total of Euro 1 million investment in capex.

Today Racing Force Group can count on 3 R&D sites, two of them located in Italy, and one in Bahrain, each dedicated to a specific product category, as shown in the chart above. However, to fully leverage on the internal know-how, the R&D centers work in concert to deliver multi-disciplinary projects such as the one of rally helmets and communication devices.



R&D centers of the Group[10]

Design and planning:

The identity of the products is defined by performances as well as by design that strengthens the brand identity and keep up with the latest trends.

Homologation (where due):

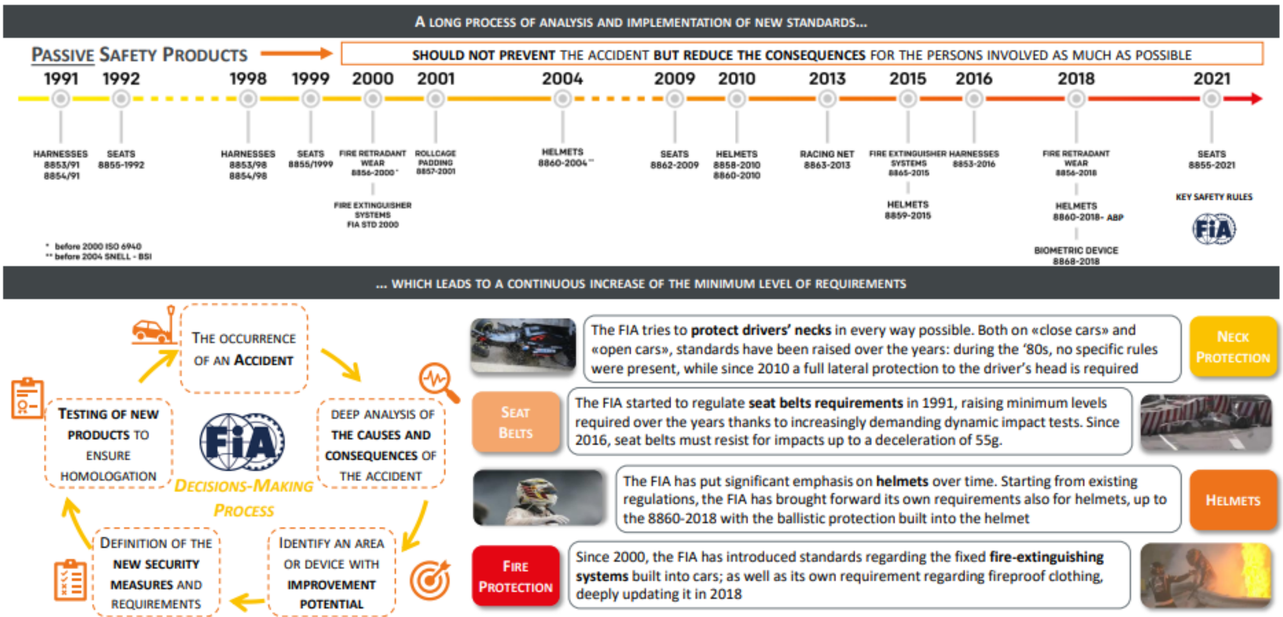
Motorsport Safety Equipment is a market characterized by a very high level of regulation. Any competition that falls within the definition of Motorsport lies under the regulatory umbrella of the FIA or other regulatory bodies such as SFI and Snell.

[10] *Source: Group information*

Almost all products (safety and non-safety) that are used in motorsport (by drivers and in vehicles) must pass a long and stringent homologation process, whose criteria and requirements are defined by:

- FIA: for European competitions and RoW, and for some American competitions, such as Indy and IMSA, where both FIA and SFI can be used, with the exception of NASCAR;
- SFI: for US competition safety equipment, except helmets;
- Snell: for the helmets of drivers competing in US championships.

FIA has, throughout its history, worked ceaselessly to improve safety at all levels of competition, by i) the constant improvement of the safety standards of the devices used and ii) the recent introduction of new and revolutionary devices strongly desired and "imposed" by the regulatory bodies. The evolution of FIA approach regarding new standard of safety can be summarized in the chart below.



FIA homologation requirements[11]

The product homologation process is often very long and uncertain in terms of time framework and outcomes (from the issuing of a new standard - about every 5 years for helmets and suits - to the development phase, to the testing phase, several years can pass), and requires significant investments in R&D, laboratories and testing facilities. The effort, however, does not in any way guarantee the issue of certification.

[11] *Source: Group Information*

FIA homologation process[12]

The first step of the FIA process of homologation is the developing of the product according to FIA standards defined for each championship and product family. After that, the manufacturer tests the product in FIA certified laboratories, where test according to FIA safety standards are carried out. Then the laboratory issues a dossier to the ASN (National Sport Association) for the request for homologation by the manufacturer.

The next step is the submission of the homologation dossier from the laboratory and the homologation request by the ASN to the FIA for the homologation issue. After that the FIA issues the homologation to the manufacturer and supply them with the holograms that must be applied to each product as homologation proof and requires full traceability of all the products. In addition, FIA carries out post-production test to verify the compliance of the products with the original manufacturer's homologation.

Moreover, FIA's monitoring of homologated products does not end with the conclusion of the homologation process but continues afterwards. Even after the achievement of the homologation, the manufacturer must periodically send reports on the homologated and marketed products to FIA, thus placing an ongoing obligation on the manufacturer to meet FIA standards at all times.

At the Date of the Information Document, Racing Force Group achieved 177 FIA homologations concerning both Driver's Equipment and Car Parts Products.

Product engineering / industrialization:

Making complicated things as simple as possible is fundamental to ensure quality and standards are maintained over time when they are handed to manufacturing.

Manufacturing:

[12] *Source: Group Information*

Dealing with seasonality and urgent requests require a high degree of flexibility, using both internal and external production capacity.

On the basis of production orders picked by the Group, this department manufactures several products that range from sports and technical racing clothing for professional drivers to automotive components intended for personal safety.

The manufacturing activity can be, in turn, divided into two further sections:

– Standard production, which is comprising all the Racing Force Group products displayed on the catalogue;
– Custom production, which includes race-wear (*i.e.* suits, gloves, shoes, underwear, and helmets), and it circles on all those products customized upon the request of a specific client, usually professional drivers who require modifications based on custom fitting and design (specific colors, sponsors, graphics).

As to the seasonality, generally the second half of the year is dominated by the production of all Racing Force Group Products that will be displayed on the catalogue, whereas during the first half of the year, the manufacturing department is mainly focused on custom products for drivers and professional teams, since the main Motorsport championships begin in the first few months of the year, such as Formula 1 and WRC.

Another distinction can be made by taking into account the manufacturing processes that characterizes the Group.

– Full in-house manufacturing: fire extinguishers and top seat belts are entirely manufactured at the Group headquarter in Ronco Scrivia (Genoa); communication systems and other electronics devices are manufactured and assembled either in Italy (Pisa) or in Bahrain at Racing Force International premises (Sakhir), where radio kits are integrated in the helmets.
– Mostly internal manufacturing: in particular, this process refers to the professional OMP-branded suits, whose manufacture is generally carried out internally by the Group at Ronco Scrivia factory. However, during certain periods of the year, namely during the peak season, the Issuer entrusts some phases of the manufacturing process (i.e. cutting, embroidery, packaging) to external laboratories located throughout Italy. The outsourced activities may be more or less numerous, depending on purchase orders picked up by the Issuer.
– Fully outsourced manufacturing: the manufacture of OMP-branded seats, roll bars, shoes, gloves, some harnesses, and steering wheels are entirely outsourced. The Issuer purchases these product categories from suppliers, mainly based in Italy, who manufacture them according to the Issuer's technical specifications. After having completed the homologation process according to FIA standards, such products become part of the Issuer's catalogue.

Sales and marketing:

Sales and marketing of all OMP, Bell Racing Helmets and Zeronoise branded portfolio products are managed and carried out by the marketing department located in Ronco Scrivia.

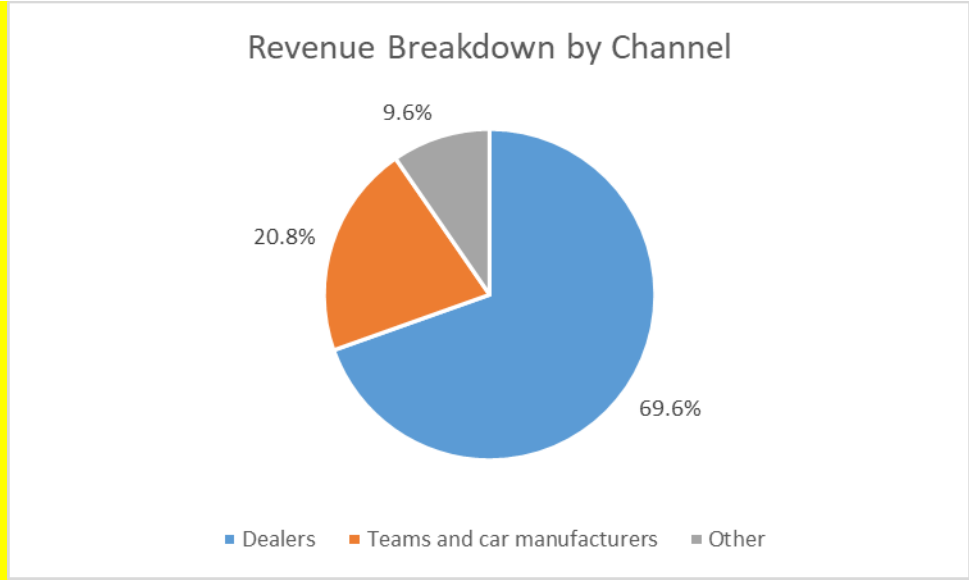
Logistic and distribution:

The Group handles internally the activities related to the management and storage of raw materials. Once the manufacturing of finished products is completed, these are stored at the companies' warehouses, which also schedule worldwide shipments. Namely, with reference to all Issuer portfolio Products, their distribution across Europe and the Rest of the World is managed by personnel employed at Ronco Scrivia, whereas Racing Force USA is committed in distributing them to the Americas continent, north and south.

The distribution channels can be divided in two categories:

- an **'indirect' distribution channel**, which is represented by subjects that purchase products from the Group and then distribute them to final consumer. Within this channel can be identified:
  - the dealers, small and medium sized organizations scattered in 80 countries in the world. Dealers are third party distributors (1-2 per country, up to a maximum of 5-6, except for Italy where the dealers presence is much higher) which purchase products from the Group companies and resell them directly to the end customer through their shops, websites or through their presence in the world of Motorsport. The distribution of Group's products through this capillary worldwide network of distributors contributes significantly to Group's global sales in terms of revenues and margins;
  - the subsidiary Racing Force USA, through which the Group directly controls the American market by distributing its products directly and through other dealers;
- a **'direct' distribution channel** for customers that have specific needs due to their specific activity. These sales are managed directly by the Group, without relying on local distributors. The customers with whom the Group deals directly are mainly represented by professional top driver and teams competing in FIA world or national high-level championships, as well as carmakers (so-called "constructors") that require safety components (i.e. belts, fire extinguishers, etc.) with FIA homologation. The products range supplied to these team and carmakers are widely composed by a strong customized production based on the specifications requested.

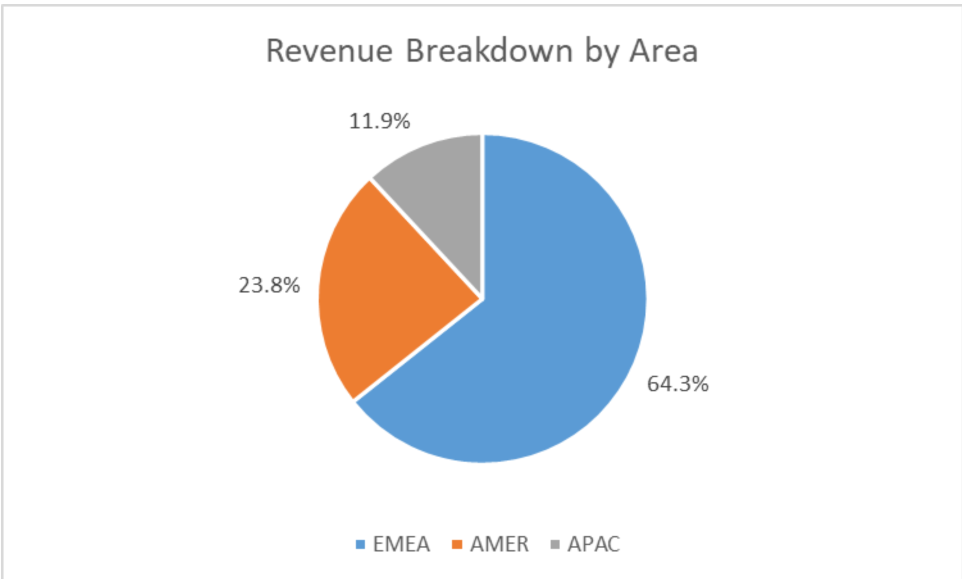
Finally, there is a residual category of customers (representing 9.6% of total sales) which refers mainly to football teams (or other sports) to which the Group sells OMP branded chairs for the stadium; individual customers; or other entities not operating in Motorsport.



Figures related to financial year 2021[13]

During 2021, all 3 macro-regions worldwide delivered outstanding growth with Italy, USA and UK representing the 3 largest countries by revenues. APAC represents the macro-region with the highest growth, with Australia and China leading the pack.

As to the European and American market, Germany and the US posted the most significant growth versus 2020, mainly due to significant multi-year agreements with major German teams/car manufacturer, and strong commercial synergies from the successful integration of the two main brands of Racing Force, OMP and Bell, in the United States.



Figures related to financial year 2021[14]

[13] *Source: Group information*
[14] *Source: Group information*

6.1.4. Marketing strategy

The marketing department aims at highlighting the characteristics, quality, and performance of the Group products, in particular:

- promotion of the portfolio Products both on social media platforms and on the Group companies website. Since the Group is mainly a B2B, this is one of the few direct advertising activities which is targeting the final consumer in order to boost sales of Group's products through dealers and through Racing Force USA with regard to North America market;
- content creation of various kind of material to support dealers in better promoting the products with the customers (photos, presentations, video presentations, etc.);
- production of an annual catalogues presented at the Racing Force World Meeting, a convention usually held in the last months of the year during which the Group presents the new Products pipeline and innovation of the upcoming year to its main dealers;
- attending to national and international trade fairs;
- organization of site visits, usually from June onwards, by so called opinion leaders, basically relevant customers who are granted a preview and a closer look over the Product pipeline.

The key activity of the marketing department is represented by entering into strategic partnerships with professional drivers or team, which may be defined as technical partnerships, aimed at developing in synergy new Products, more and more performing, innovative and able to respond to new market needs. In a second moment, the Products, technical innovations, and new knowledge developed by way of these collaborations are "showcased" by the Group's through the annual commercial catalogue.

Technical partnerships are in place with important players, including but not limited to Hyundai Motorsport, Toyota Gazoo Racing, Williams Racing, Ferrari, Lamborghini, and others. Finally, Racing Force Group has in place some partnership also with certain famous and important drivers, such as Lewis Hamilton and Charles Leclerc.

6.1.5. Key factors characterizing the Group

In the opinion of the Issuer, the Group's main distinctive factors are:

- **internal know-how:** the Group, depending on the Product type, has implemented different methods, keeping its design and planning stages (and homologations where due) always internal; in this respect, the strong know-how developed by Group over the past years may be summarized in 177 FIA homologations inherent to its car parts and driver safety equipment products;
- **total control of sales, marketing, and distribution**: sales, marketing and distributions for all the brands possessed by the Group are entirely managed internally, in order to control every step of the value chain and deliver a high-quality service to the end client;
- **3 Logistic Hubs**: which are used to serve and distribute in a capillary way to the end customer all the brands marketed by the Group:
  - Ronco Scrivia (Italy)
  - Shakir (Barhain)

- Miami (USA)

– **racing teams and car manufacturers partnerships:** the Group's long-standing presence in the reference market has enabled Racing Force to enter into partnership agreements racing teams and car manufacturers with a full product range coverage;

– **strong competitive advantage gained through research and development, brand awareness, and strong cross-selling capabilities**: thanks to R&D activities, completely integrated in the value chain of the Group, this latter will continue to be a leading player in innovation in the coming future;

– **interception of new markets**: thanks to its know-how and credibility in the Motorsport landscape, the Group will continue to intercept and penetrate new market segments like the top rally series (WRC), by signing new agreements with the top drivers.

6.1.6. New products launched

Targeting a new market segment, such as the one of Open Face Rally helmets and Communication systems is a multidisciplinary activity that involves deep collaborations with professional drivers and teams at the top of the pyramid. In January 2021, Racing Force Group introduced the new generation of Bell Rally Helmets and Zeronoise communication systems. The two brands entered the World Rally Championship with Thierry Neuville (Hyundai), long course rally champion, and expanded in Hyundai, M-Sport Ford and Skoda teams adding more drivers creating a marketing platform for the new products.

The market reacts fast to the new products and technologies, and Bell Rally helmets equipped with Zeronoise devices have seen a steep increase in sales during 2021 (+177%).

Bell Rally helmets, as well as Zeronoise devices have not been developed for the professionals only, but for all segments of the market including amateurs. In other words, a full range of products that cover all price ranges to increase market share quickly and establishes the new products as the standard.

When the aim is to open a new space in the market, the innovation must be more than incremental. This is the case of a technology today known as the Driver's Eye. It's the smallest camera in the world for live TV broadcasting. It was patented by Zeronoise and homologated in the Bell Helmets.

The camera fits inside the helmet, next to the driver's eye, and offers the perspective of the driver during the race. It adds a human component with a perspective that many tried to explore but until now was not available for the big audience of the live TV.

The project involved fully customizing every part of the electronics to make the system suitable for a racing environment. That lead to a camera that weighs 2.5 grams of the size of a fingernail. Since August 2021, the system has been further developed, increasing the quality of the images and decrease the size of the device.

In that context, the Driver's Eye became a great addition to the motorsport series, such as Formula E and Formula 1, opening the opportunity of designing a new business model, in which the safety manufacturer provides technology to enrich the content of the TV production. In addition, the Driver's Eye will be mandatory from 2023 in Formula 1 for all the drivers.

The Driver's Eye is fully integrated with the broadcasting systems, and it is provided as a service, not a product. Also in this case, the key element was a successful R&D integration between a safety product, the helmet, and high-end custom technology.

6.2. Main markets in which the Group operates

6.2.1. Motorsport Safety Equipment Market

Any competition that falls within the definition of Motorsport lies under the regulatory umbrella of the FIA (Federation International de l'Automobile), or SFI and Snell in US.

The FIA is the governing body for world motorsport and the federation of the world's leading motoring organizations, and regulates and monitoring every single aspect of the various competitions: from the regulations of the races to the competition calendar and the homologation criteria for all products used in the cars, or worn by both drivers and teams.

Founded in 1904, with headquarters in Paris, the FIA is a non-profit association that brings together 245 international motoring and sporting organizations from 146 countries on five continents and is the sum total of the individual national motoring authorities[15].

For example, American competitions such as Nascar or Indycar are not classified as FIA Championships, but fall under the ACCUS (Automobile Competition Committee for the US): the ACCUS, however, is simply the National Sporting Authority (ASN) of the FIA for the US (comprised of the six major motorsport sanctioning organizations: IMSA, INDYCAR, NASCAR, NHRA, SCCA, USAC).

To date, the motorsport industry boasts 33 International Racing Series (of which, 6 World Championships), more than 60k events per year (of which, 324 FIA World & Regional Championships, 556 FIA International Series rounds and 59k+ national and local championships), 7,200 fixed facilities (not counting touring circuits such as rally circuits) and more than 2.7mn participants (including drivers, teams, officials, safety personnel, etc.)[16].

In the UK alone, one of the main motorsport countries, around 5,000 motorsport events take place every year[17].

Motorsport is definitely a multi-billion dollar (Euro 60bn in 2019) global industry attracting the interest of millions of fans and enthusiasts worldwide (in 2019, the total global TV cumulative audience for Formula 1 stood at 1.9bn, with >400mn unique viewers), with a high degree of complexity represented by the very high number of different actors and interests at stake[18].

6.2.2. Competitive scenario

The Motorsport Safety Equipment is a really fragmented market basically dominated by 3 main players, namely Racing Force Group, the Italy-based Sparco Group and US-based Simpson Performance Group. Most of the companies active in this field are based in Italy (10) and UK (8), followed by USA (4), Japan (3), Germany (2), Australia (2), France (2), Brazil (1), Argentina (1), as described in the graph below.

[15] Source: *FIA Activity Report 2020*
[16] Source: *FIA Global Motor Sport Economic Study*
[17] *Source: Motorsport UK - https://www.motorsportuk.org/events/*
[18]*Source: https://www.formula1.com/en/latest/article.formula-1-announces-tv-and-digital-audience-figures-for-2020.3sbRmZm4u5Jf8pagvPoPUQ.html*

# of companies per countries	Extended Range	Driver Equipment	Car Parts
🇮🇹	6	4	
🇬🇧			8
🇺🇸	2	2	
🇫🇷		1	
🇩🇪			2
🇯🇵		3	
🇦🇺		1	1
🇪🇸		1	
🇧🇷	1		
🇦🇷		1	

Distribution of companies by size and category[19]

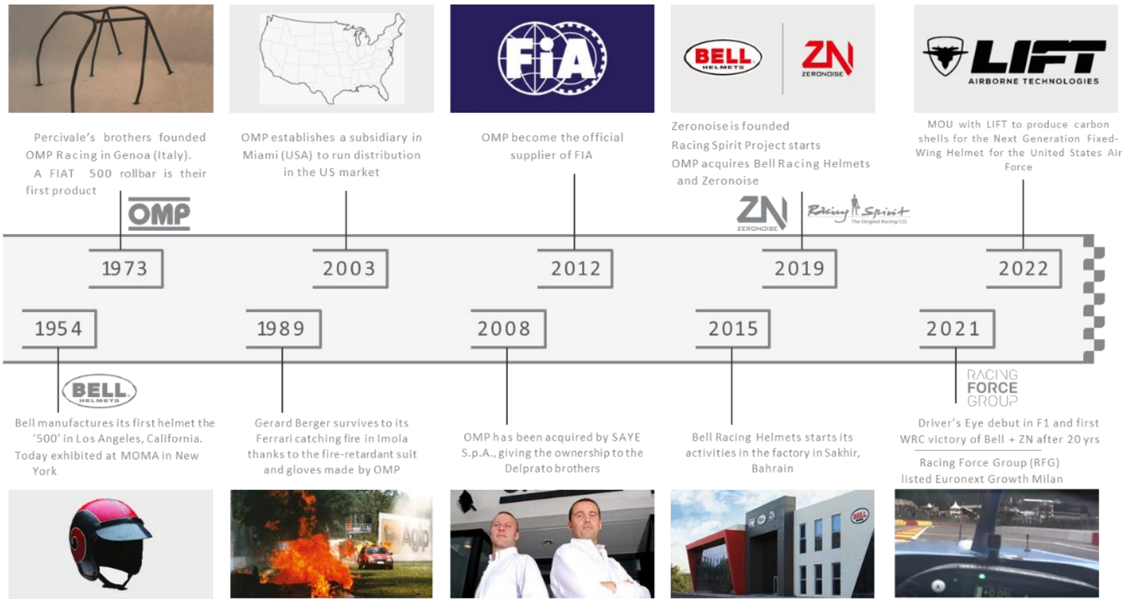
Competitive landscape[20]

The range offer of the 3 main players is very extensive as it spans form safety driver equipment to car parts and accessories, while a lower range offer characterizes some minor relevant players, more focused on single category products.

[19] *Source: Group information and estimates*

[20] *Source: Group information and estimates (for Motor Safety Equipment segment only)*

6.2.3. Relevant events in the evolution of the Issuer's business



Racing Force Group timeline[21]

In 1973, Percivale's brothers founded OMP (now Racing Force) in Genoa, intending to develop and marketing the cages, so-called roll bars, metal structures made to measure inside a racing car, with the function of avoiding the crushing of the driver in the event of an accident, strengthening, and stiffening the car structure.

The introduction by the FIA of the obligatory use of products approved by the FIA itself, led to growth of the Racing Force business. The Company then moved first to Bolzaneto, a suburb of Genoa, and then landed in 1986 in Ronco Scrivia, also in the province of Genoa, where the Company is still based.

During the San Marino Formula 1 ® Grand Prix in Imola in April 1989, the F1 Ferrari of driver Gerard Berger collapsed in the pylon that supported the front wing, near the Tamburello curve; an impressive fire broke out and after 23 seconds the driver could get out of the cockpit, with only few bruises. The suit and equipment saved Berger's life: they were made by OMP (Racing Force).

In 2003, Racing Force established the subsidiary USA-based in Miami, Racing Force USA, in order to strengthen distribution of its products in North America.

In 2008, the ownership of Racing Force was transferred from the Percivale brothers to three new partners: SAYE S.p.A. (51%) – company headed by the Delprato family of Genoa – MPS Venture (31%) and MFO Racing S.A. (18%) a Family Office. Paolo and Alberto Delprato were then appointed to manage the Company in 2009 and started the Company reorganization, making it efficient and more profitable. At the end of 2013 Alberto Delprato decided to leave the Company and Piero Paolo Delprato managed it since then.

[21] *Source: Group information*

Since 2012, the Company has further established itself in the Motorsport industry by becoming an official supplier to the FIA.

On December 2019 Racing Force acquired 100% of the share capital of the company Tahru Sarl (today Racing Force Holdings Sarl), formerly the holding of the Bell Racing Helmets Group. Tahru Sarl (today Racing Force Holdings Sarl) held the companies manufacturing and distributing the Bell helmets in the Motorsport business. The use of the Bell brand is regulated trough several license agreements, as better described under Chapter 15, Paragraph 2 of the Information Document.

Racing Force also acquired Zeronoise Ltd, a start-up operating in the development and production of communications systems for helmets. At the end of October 2021, the subsidiary Zeronoise Ltd was liquidated and the residual assets, consisting of the ZN Zeronoise brand, the patent for the Driver's Eye and other liquid resources, were distributed to its parent company Racing Force International. Starting from financial year 2021, the Bell and ZN brands are marketed in Europe and Rest of the World by Racing Force, while for the Americas the products are marketed by Racing Force USA, based in Miami (FL-USA).

Starting from November 16th, 2021, the Issuer's Shares are listed on Euronext Growth Milan market.

In 2022 a memorandum of understanding with LIFT Airborne Technologies was signed to produce carbon shells for the Next Generation Fixed-Wing Helmet (NGFWH) designed for the United States Air Force (for further information on the agreement with LIFT, please refer to the following Paragraph 6.2.4).

6.2.4. Strategies and objectives

The Group aims to grab solid growth opportunities not only in its core market, but also in new technology / high performance-driven safety market niches. The Group's strategy has been leveraging on the strengths and the new potential of the organization with clarity, by defining three areas of growth for the coming years, and already launched the major initiatives that are bringing tangible results in the current year.

CORE MARKET PENETRATION: although the Group has a predominant position in the European Market, this does not apply to the US, in which is a top player, but not in a leadership position. The acquisition of Bell, and the consequent merge between the OMP and Bell organization, as well as the signing of a further Bell brand multi-year term worldwide license agreement to market Soft Products, facilitated the setup of a powerful platform to increase market penetration. The territoriality of Bell as an America brand has in fact a traction on the OMP brand and improves cross-selling. This resulted in a consistent increase in the Group's revenues in 2021 compared to prior year (+38.4%). In addition, the integration between OMP USA and Bell Racing USA has enabled a more efficient commercial and distribution effort across Brands, economies of scale, full integrations of OMP and Bell commercial platforms as well the set-up of new pro-shops, in addition to the existent ones.

However, the real potential is yet to be expressed, as it is represented by a number of major racing series (i.e. Nascar), in which OMP is not present as they are regulated by a different homologation (SFI). The organization is in the process of homologating a full range of products for these racing series, leveraging on the potential of the Bell brand also for soft goods.

GROUP INTEGRATION & CROSS-SELLING: by increasing control and internalization across the value chain and exploit cross-selling opportunities. In this regard, cross-selling and one stop-shop setup is an important pillar of the strategy. With a focus on the dealers and distributors point of view, offering a whole Product range means to foster the end-client retention, the sales force penetration and maximization of commercial effort. As for professional racing teams, having one single supplier instead of multiple suppliers will help them to reduce management complexity, to increase accountability and to make greater synergies.

INNOVATION: to pursue through a never-ending product and process innovation, as it is considered a key in a constantly evolving regulatory framework in the Motorsport safety devices industry. Thanks to its R&D department, the Group has always been ready to keep the pace with the new strict regulations imposed by the FIA.

DIVERSIFICATION: by diversifying the business into high-value / performing niches markets by leveraging innovation and technological leadership. In this respect, the management deems that the Group has a solid ground for penetration in other technology and performance market safety niches.
Namely, some of the future applications of the Group may regard sectors such as special force head protection, jet pilot shell systems and technology platform, such as the Drivers' Eye. This latter represents a pioneering camera developed by Zeronoise for live TV broadcasting used in the races such as Formula E, and recently Formula 1. It is a patented and FIA homologated technology. For further information, please refer to Chapter 6, Paragraph 6.1.6. of the Information Document.

Driver's Eye developed by Zeronoise[22]

[22] *Source: Group information*

View on the track through the eyes of Esteban Ocon, Alpine F1[23]

As to the special forces head protection, the diversification has led the Group to develop a new technology assessed by the Fraunhofer Institute for micro-structures in Germany and a feasibility study that involved experts in the field of head protection, and so to create a new material structure that guarantees performances with an amazing weight saving as well as the highest protection. The R&D project carried out by Racing Force International and the above-mentioned Institute aims at setting new standards for head protection systems. As a result, a new material structure and production process was defined after achieving a remarkable weight saving and a reduction in production costs compared to the actual market reference. Prototypes are ready for final design and industrialization starting 2023.

Special forces head protection[24]

Lastly, the Group has developed a new range of carbon fiber advanced shells for jet pilot helmets, specifically designed to achieve top performances in the avionic industry. The shape, the weight and the safety performances are unparalleled, thanks to the knowledge of composite materials used in Formula 1 helmets, where the G force requires the helmets to be as light as possible as well as resistant to high impact. Such developments, recently, led to the signature by US subsidiary Racing Force USA of a memorandum of understanding with LIFT Airborne Technologies to produce carbon shells for the Next

[23] *Source: Group information*
[24] *Source: Group information*

Generation Fixed-Wing Helmet (NGFWH) designed for the United States Air Force. On July 8th, 2022, the United States Air Force announced that LIFT was the final winner of the multi-year NGFWH Competition to continue with prototype development of a new helmet for Air Force fixed-wing aircrew.
Racing Force USA will produce the carbon shell for LIFT, for versions of the NGFWH for both military and civilian applications.

Jet pilot shell systems[25]

EXTERNAL GROWTH: the Group will carry a constant scouting for potential target companies to take over with the view to consolidate its market leadership position, given the very fragmented market in which the Group itself operates. The M&A activity may boost and strengthen the technological capabilities not yet available in the Group current offering, broaden geographical diversification, products offering and the customer base, as well the acquisition and retention of highly qualified talents and the management team with in-depth knowledge of local markets.

6.2.5. ESG Strategy

Racing Force Group is strongly committed to achieve key objectives in terms of environmental sustainability, with a clear future strategy which grounds on well-defined fundamentals.
Racing Force Group is a multi-ethnic and inclusive workforce, which values social cohesion and intergenerational solidarity. At the Date of the Information Document, Racing Force Group accounts for:

- 480 employees from 34 different nationalities, with more than 70% of workforce based outside Italy (where Racing Force Group is headquartered);
- 0.54x female to man ratio within the Group, well above the industry average of 0.33x;
- average age of 37 years old, as the Group encourages youth employment to be combined with the expertise of professionals with decades of experience in the motorsport industry.

Moreover, Racing Force Group meets all key social ESG objectives such as #5 (Gender Equality), #8 (Decent word and economic growth) and #10 (Reduced Inequalities);
Furthermore, its core business is that of protecting motorsport drivers and staff from injuries or death: therefore, the Group boasts decades of collaboration with regulatory bodies in order to (i) increase minimum safety standard at all levels and (ii) foster product quality and innovation, with tangible results over the years.

[25] *Source: Group information*

Thanks to its severe quality control standards, the Products are all UNI EN ISO 9001:2015 certified and rated by the most important International sanctioning bodies such as FIA, SFI and SNELL.
Moreover, on September 10th, 2021, the Issuer approved its future sustainability plan aimed at reducing the carbon footprint and increasing the business sustainability.

6.3. Dependence on patents or licenses, industrial, commercial, or financial contracts or new manufacturing processes

At the Date of the Information Document, the Issuer does not depend on the use of patents, licenses, industrial, commercial, or financial contracts, concessions or manufacturing processes, except for what described below.
It should be noted that Racing Force Group currently holds three licenses for the use of the "Bell" trademark.
The first two licenses grant the Group the right to market, on a global level, Bell-branded helmets intended for the 4-wheel Motorsport industry. Both licenses have been granted by the licensor; the first one is a perpetual, royalty-free license which covers the entire European Union territory and the Rest of the World, while the second license covers the territory of North America, South America and New Zealand, and provides for the payment by the Group in favor of the licensor of a variable royalty calculated on the basis of annually net sales recorded by Racing Force USA in such markets.
With reference to the third license, the Group has also entered in 2021 into a further multi-year term worldwide license agreement with the same licensor to market Soft Products under the "Bell" brand, against payment of royalties in an amount calculated on the basis of total net sales of all licensed products sold by the Group during each quarter.
For further information, please refer to Chapter 15 of the Information Document.

6.4. Certifications

At the Date of the Information Document, the Group holds the following certifications:

i. the Group is the holder of 177 FIA homologations, which are compulsory for all FIA racing competitions as well as for the performance of certain activities by companies operating in the automobile construction industry;

ii. ISO 9001:2015 certification: (Quality management systems) defines the requirements of a quality management system for an organization.

6.5. Indication of the basis of any statement made by the Group regarding its competitive position

The Information Document contains pre-eminent statements on the Issuer's positioning, market evaluations and comparisons with competitors, formulated, unless otherwise specified, by the Issuer itself on the basis of its specific knowledge of the sector, its own experience and public data.
For further details on the competitive position of the Issuer and the Group, please refer to Chapter 6, Paragraph 6.2.

6.6. Investments

6.6.1. Investments made by the Issuer in each financial year for the period covered by the financial information

In the table below are reported figures of the investments in tangible and intangible assets for the periods indicated.

(€ thousand)	Year ended December 31 2021	Year ended December 31 2020
Property, Plant and Equipment	4,127*	664
Right of use assets	313	248
Intangible assets	1,379	789
Total Investments	**5,819**	**1,701**

(*) including balances from the acquisition of Pier S.r.l., previous owner of the building in Ronco Scrivia, for a net book value of Euro 3,235 thousand.

Investments made in Property, Plant and Equipment in 2020 amounted to Euro 473 thousand for plant, machinery, and equipment, Euro 69 thousand for furniture, fixtures and office equipment and Euro 121 thousand for other tangible assets. Investments were made on the basis of planning for the renewal of plant, machinery, equipment and other depreciable assets, in order to guarantee the highest standards of production.

In 2021 capital expenditure on Property, Plant and Equipment amounted to Euro 434 thousand for plant, machinery, and equipment, Euro 243 thousand for furniture and Euro 117 thousand for other tangible assets. Similarly to the previous financial year, capital expenditure in 2021 was made on the basis of planning for the renewal of plant, machinery, equipment and other depreciable assets, in order to guarantee the highest standards of production.

During 2021, Racing Force acquired the company Pier S.r.l., owner of the property in Ronco Scrivia, headquarters of the parent company Racing Force. Following the acquisition, Land was recorded for Euro 36 thousand and Buildings for a net book value of Euro 3,189 thousand, including the higher value deriving from the consolidation, allocated to increase the value of the property, for an amount of Euro 189 thousand. In addition, as a result of the above acquisition, plants were purchased for a net book value of Euro 11 thousand.

Investments in Rights of use assets in 2020 amounting to Euro 248 thousand mainly refer to the new rental contracts for the branch in Pisa (which replaced the existing one) and the Indianapolis pro-shop, in addition to the new lease contracts for company cars.

In 2021 increases in Rights of use asset amounted to Euro 313 thousand and related to the new agreement for the pro-shop in Mooresville for Euro 179 thousand, the lease agreement for the office in Belgium for Euro 65 thousand and car rentals for Euro 69 thousand.

Investments made in Intangible assets in 2020 financial year amounted to Euro 331 thousand for development costs, Euro 62 thousand for Licenses, patents and trademarks and Euro 416 thousand for Work in progress and advances. Investments made in intangible assets in financial year 2021 amounted to Euro 676 thousand for development costs, Euro 265 thousand for Licenses, patents and trademarks and Euro 438 thousand for Work in progress and advances.

Development costs mainly refer to expenses for technical, laboratory and homologation tests for Group products, incurred by Racing Force S.p.A. for OMP and Zeronoise branded products and by the subsidiary Racing Force International for Bell branded helmets.

Development costs are recorded among intangible fixed assets as they are deemed recoverable, as they relate to specific development projects that can be implemented and for which the Group has the necessary resources. Such costs relate to a clearly defined, identifiable and measurable product or process.

The increase in development costs during the year is due to the recognition under intangible fixed assets of expenses incurred during the year for the approval of new products under the OMP and Bell brands.

The item licenses, patents and trademarks includes the trademarks owned by the Group, the value of licenses for the sale of Bell brand products and the international patent for the technology called In-Helmet Camera IHC (video camera inside the helmet), which integrates the so-called Driver's Eye.

Assets under construction include costs relating to implementation of the new ERP system at Racing Force and costs recorded in the consolidated subsidiary Racing Force International for projects under development relating to Bell branded driver’s helmets.

6.6.2. Issuer’s current investments

At the Date of the Information Document, the Issuer has approved the realization of a project for the expansion of the Ronco Scrivia building of around 1,600 sqm. The project was approved by resolution of the Board of Directors of Racing Force held on July 1st, 2022. The purpose of this project is to increase production capacity, logistics and office spaces, to support future growth of the business. The project includes the installation of solar panels (230 kW) and the optimization of energy-saving façades, as well as the realization of green areas and car parks, with the installation of car recharging stations.

6.6.3. Issuer’s future investments

In September 2022, the Issuer has entered into a lease agreement (starting from November 2022) for a building situated in Mooresville (North Carolina, USA), where a new plant will be located, of around 1,900 sqm, with the possibility to increase it up to more than 4,600 sqm. The new plant will mainly be functional for the diversification projects, with particular reference to the production of the jet pilot helmets for the memorandum of understanding signed with LIFT (for further information on the agreement with LIFT, please refer to Chapter 6, Paragraph 6.2.4 of the Information Document), and could also produce some equipment for the American market. Racing Force also has a purchase option on the building and is planning to make Mooresville its main logistics hub for the US.

With the exception of the above, at the Date of the Information Document, the Issuer does not have any further future investments subject to final and binding commitment.

6.6.4. Joint ventures and companies in which the Issuer holds a share of capital such as to have a significant impact on the valuation of the Issuer's assets and liabilities, financial position or profits and losses

At the Date of the Information Document, the Issuer is not party to joint ventures nor does it hold a share of capital in companies that may have a significant impact on the valuation of the Issuer's assets and liabilities, financial position or profits and losses.

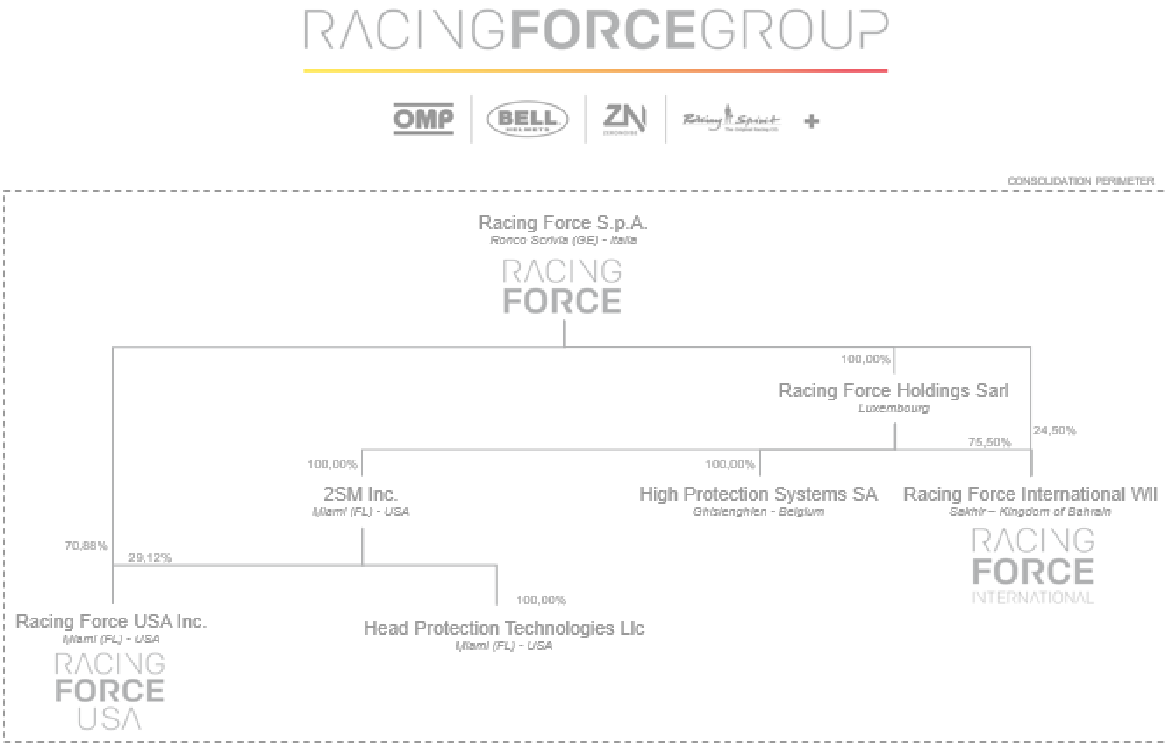
6.7. Environmental issues that may affect the use of tangible assets

At the Date of the Information Document, the Issuer is not aware of any environmental issues that could significantly affect the use of tangible assets.

7. ISSUER AND GROUP'S CORPORATE STRUCTURE

7.1. Description of the Issuer and the Group

At the Date of the Information Document, the Issuer is part of a corporate group. A graphical representation of the Group is provided below.



Group Structure[26]

The following chart of the Group summarizes the different entities belonging to the Group's consolidation perimeter as of the Date of the Information Document, with an indication of the main activities carried out by each company, as well as an indication - where applicable - of the main performance indicators extracted from the financial statements as at December 31st, 2021.

Company	*% of the share capital held directly or indirectly by the Issuer*	*Country*	*Main activity*	*Value of production (Euro/000)*	*Net assets (Euro/000)*	*Net income or (loss) (Euro/000)*
Racing Force S.p.A.	-	Italy	Manufacturing and distribution of	32,546	29,869	

[26] *Source: Group information*

			Motorsport safety equipment			
Racing Force USA Inc. (*)	100%(**)	Florida (USA)	Distribution of Motorsport safety equipment	10,616	2,020	749
2SM Inc.	100%	Florida (USA)	Holding company	-	551	43
Head Protection Technologies LLC	100%	Florida (USA)	Management of brand licenses agreement	315	167	46
Racing Force International Wll	100%(***)	Sakhir (Bahrain)	Manufacturing and distribution of Motorsport safety equipment	11,712	4,557	1,893
High Protection Systems S.A.	100%	Belgium	Manufacturing and Distribution of safety equipment	1,340	81	4
Racing Force Holdings Sàrl	100%	Luxemburg	Subholding	-	203	4

(*) Net income of Racing Force USA includes the result of Bell Racing USA LLC, merged by incorporation into Racing Force USA during 2021.

(**) whose a 71% stake is directly held by Racing Force and the remaining 29% by 2SM Inc., which is in turn entirely owned by Racing Force.

(***) whose a 24.5% stake is directly held by Racing Force and the remaining 75.5% by Racing Force Holdings Sàrl, which is in turn entirely owned by Racing Force.

7.2. Companies controlled by the Issuer

The following is a brief description of the Issuer and its subsidiaries.

– Racing Force S.p.A. is a company incorporated under Italian law at the head of the Group. Its main activities are manufacturing and distribution of Motorsport safety equipment. The Company was incorporated on January 19th, 1981. The fully subscribed and paid-up share capital amounts to Euro 2,375,745.00. In the financial year ended on December 31st, 2021, the Issuer earned a profit of Euro 1,812,595 and recorded positive net assets of Euro 29,868,682.
– Racing Force USA is a company incorporated under the laws of Florida and is engaged in the distribution of Motorsport safety equipment. The company was incorporated on June 12th, 2003. In April 2021 Racing Force USA changed its corporate name from OMP Racing Inc. to Racing Force USA and subsequently, with effect from June 1st, 2021, Bell Racing USA LLC was merged by incorporation into Racing Force USA. The fully subscribed and paid-up share capital amounts to USD

361,159. For the financial year ended 31st December 2021, Racing Force USA earned a profit of USD 373,379 and recorded positive net assets of USD 2,288,245.

– 2SM Inc. is a company incorporated under the laws of Florida and is a holding company. The company was incorporated on July 15th, 2010. The fully subscribed and paid-up share capital amounts to USD 275,000. For the financial year ended on December 31st, 2021, 2SM Inc. earned a profit of USD 50,542 and recorded positive net assets of USD 624,123.
– Head Protection Technologies LLC is a company incorporated under the laws of Delaware and registered to operate in Florida, actually engaged in the management of brand licenses agreement. The company was incorporated on July 16th, 2010. The fully subscribed and paid-up share capital amounts to USD 10,000. For the financial year ended on December 31st, 2021, Head Protection Technologies LLC earned a profit of USD 54,420 and recorded positive net assets of USD 189,499.
– Racing Force International Wll is a company incorporated under the laws of Bahrain and is engaged in the manufacturing and distribution of Motorsport safety equipment. The company was incorporated on April 9th, 2014. In October 2021 Racing Force International Wll changed its corporate name from Bell Racing Helmets International Wll to Racing Force International Wll. The fully subscribed and paid-up share capital amounts to BHD 1,253,900. For the financial year ended on December 31st, 2021, Racing Force International earned a profit of BHD 842,454 and recorded positive net assets of BHD 1,941,278.
– High Protection Systems S.A. is a company incorporated under the laws of Belgium and is engaged in the manufacturing and distributing of safety equipment. The company was incorporated on April 6th, 1994. In September 2021 High Protection Systems S.A. changed its corporate name from Bell Racing Europe S.A. to High Protection Systems S.A.. The fully subscribed and paid-up share capital amounts to Euro 665,000. For the financial year ended on December 31st, 2021, High Protection Systems earned a profit of Euro 4,107 and recorded positive net assets of Euro 81,006.
– Racing Force Holdings Sàrl is a company incorporated under the laws of Luxembourg and is a holding company. The company was incorporated on July 11, 2016. In August 2021 Racing Force Holdings Sàrl changed its corporate name from Bell Racing Holdings Sàrl to Racing Force Holdings Sàrl. The fully subscribed and paid-up share capital amounts to Euro 12,500. For the financial year ended on December 31st, 2021, Racing Force Holdings earned a profit of Euro 3,762 and recorded positive net assets of Euro 203,026.

The former subsidiary of the Issuer, named Head Pro Tech LLC, a company incorporated under the laws of Delaware and registered to operate in Florida, previously engaged in the distribution of motor sport safety equipment, currently dormant, on April 5th, 2022 cease its existence and was cancelled.

8. LEGAL FRAMEWORK

FIA Regulation

Motorsport Safety Equipment is a market characterized by a very high level of regulation. Any competition that falls within the definition of Motorsport lies under the regulatory umbrella of the FIA or other regulatory bodies such as SFI and Snell.

Almost all products (safety and non-safety) that are used in motorsport (by drivers and in vehicles) must pass a long and stringent homologation process, whose criteria and requirements are defined FOR THE MOST by FIA, entitled for European competitions and RoW, and for some American competitions, such as Indy and IMSA, with the exception of NASCAR.

FIA has, throughout its history, worked ceaselessly to improve safety at all levels of competition, by i) the constant improvement of the safety standards of the devices used and ii) the recent introduction of new and revolutionary devices strongly desired and "imposed" by the regulatory bodies.

The product homologation process is often very long and uncertain in terms of time framework and outcomes (from the issuing of a new standard - about every 5 years for helmets and suits - to the development phase, to the testing phase, several years can pass), and requires significant investments in R&D, laboratories and testing facilities. The effort, however, does not in any way guarantee the issue of certification.

The first step of the FIA process of homologation is the developing of the product according to FIA standards defined for each championship and product family. After that, the manufacturer tests the product in FIA certified laboratories, where test according to FIA safety standards are carried out. Then the laboratory issues a dossier to the ASN (National Sport Association) for the request for homologation by the manufacturer.

The next step is the submission of the homologation dossier from the laboratory and the homologation request by the ASN to the FIA for the homologation issue. After that the FIA issues the homologation to the manufacturer and supply them with the holograms that must be applied to each product as homologation proof and requires full traceability of all the products. In addition, FIA carries out post-production test to verify the compliance of the products with the original manufacturer's homologation.

Moreover, FIA's monitoring of homologated products does not end with the conclusion of the homologation process but continues afterwards. Even after the achievement of the homologation, the manufacturer must periodically send reports on the homologated and marketed products to FIA, thus placing an ongoing obligation on the manufacturer to meet FIA standards at all times.

Patent Box

Optional taxation regime introduced by Article 1, paragraphs 37 to 45 of Law No. 190/2014 which allows to exclude from taxation, for IRES and IRAP purposes, a 50% share of the income deriving from the direct and indirect use of certain intangible assets.

The Decree of 28 November 2017 of the Ministry of Economy and Finance in agreement with the Ministry of Economic Development setting forth provisions for the implementation of the Patent Box introduced by Article 1, paragraphs 37 to 45, of Law 190/2014 and the revision in the field of implementation of this matter previously regulated through the Decree of 30 July 2015. Following the option for the patent box regime, a portion of the income deriving from the use of intangible assets is not included in the total income, as 50% of the relevant amount is excluded.

In addition, capital gains arising from the transfer of intangible assets are not included in the total income, provided that at least 90% of the consideration is reinvested, before the end of the second tax period following the one in which the transfer occurred, in the maintenance or development of other intangible assets.

The Issuer has developed intangible assets mainly in the categories of patents and business information and technical-industrial experience. For this reason, on 2020, the Company filed an application for admission to the procedure for a prior agreement connected with the use of the aforementioned intangible assets, pursuant to above mentioned Article 1, paragraph 37, of Law no. 190 of 23 December 2014.

The Issuer filed for the application of the patent box regime by the end of 2021 with the option to obtain an advance tax ruling with the Italian tax Authority.

As of the Date of the Information Document, the proceeding is still ongoing.

Occupational safety regulations

The rules on the health and safety of workers in the workplace are contained in Italian Legislative Decree no. 81/2008 (the "**Decree 81/08**") issued to reorganize and coordinate the relevant regulations.

Decree 81/08 establishes the way in which a series of preventive actions, such as risk assessment in the company, must be compulsorily carried out and, consequently, a series of actions must be taken to improve the safety and health of workers, including: (i) the adaptation of facilities, plants and equipment; (ii) health control, (iii) training courses and all other mandatory aspects, the deficiency or lack of which could expose the company to significant sanctions.

Decree 81/08 provides for the establishment and appointment within the company of specific figures (including the R.S.P.P., the workers' representative, the competent doctor) among which the employer, who shall carry out an assessment of the risks present in the company, adopt the prevention and protection measures that may eliminate or contain the risks and ensure that each worker is adequately trained and informed.

As regards the sanctions applicable in case of violations of the legislation in question, please refer to the applicable provisions of law.

9. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGERS

9.1. Administrative, management and supervisory bodies and senior managers

9.1.1. Board of Directors

Composition

The Issuer adopts a traditional management system consisting of a Board of Directors and a Board of Statutory Auditors.

Pursuant to art. 20 of the By-Laws, the management of the Issuer is entrusted to a Board of Directors composed of a number of members ranging between 3 (three) and 9 (nine), depending on the decision taken by the ordinary shareholders' meeting, one of which shall comply with the independence requirements set out in art. 148, paragraph 3, of TUF, as referred to in art. 147-ter, paragraph 4, of TUF.

On October 29th, 2021, the Board of Directors positively assessed the independence requirements of the director Mr. Marco Caneva. The independent director has also been previously positively assessed by Euronext Growth Milan Advisor.

The Issuer's Board of Directors in office as of the Date of the Information Document consists of 7 (seven) members. The Board of Directors was appointed by resolution of the shareholders' meeting of October 28th, 2021, and will remain in office until the approval of the financial statements of the Issuer as of December 31st, 2023.

The members of the Board of Directors of the Issuer are listed in the following table:

Position	*Name and surname*	*Place of birth*	*Date of birth*
Chairman of the Board of Directors and Chief Executive Officer	Piero Paolo Delprato	Genova	September 17th, 1974
Director	Silvia Portaluri	Genova	August 9th, 1975
Director	Filippo Salomone	Genova	February 11th, 1969
Director	Guido Maria Pedone	Milano	March 2nd, 1960
Executive director (co-Ceo)	Stephane Alexandre Cohen	Uccle	January 11th, 1965
Director	Alexandros Haristos	Stockport (UK)	December 6th, 1980
Independent Director	Marco Caneva	Genova	September 30th, 1969

The members of the Board of Directors are domiciled for their office at the registered office of the Issuer.

All members of the Board of Directors comply with the requirements of integrity expressly provided by article 147-*quinquies* of TUF.

A short *curriculum vitae* of the members of the Issuer's Board of Directors is provided below:

Piero Paolo Delprato:

Engineer with a Master in Business Administration. Since 2006, he has been a shareholder and director of SAYE, which operates as a holding company for investments and services. In 2008, he became a director of OMP Racing S.p.A. (now Racing Force S.p.A.). Since 2019, he has been Chairman of Bell Racing Europe S.A. (now High Protection Systems) and Bell Racing Helmets International WLL (now Racing Force International Wll).

Silvia Portaluri:

She graduated in maritime and transport economics at the University of Genoa. From 2003 to February 2020 she worked as an employee at Maersk Italia S.p.A. covering the following tasks: customer service import agent from 2003 to 2005; customer service import team leader from 2006 to 2011; customer service import/export team leader from 2011 to 2018; customer service import/export manager - global key client from 2018 to February 2020.

From March 2020 to date, she works as an employee at Ocean Network Express company where, from March 2020 to January 2021, she held the position of customer service import team leader. From February 2021 she takes up the position of Customer Service Import Manager.

Filippo Salomone:

He graduated with honours in 1994 in Economics and Commerce, University of Genoa. In 1994, he qualified as a Chartered Accountant. Since 1997, he has been enrolled in the Register of Technical Consultants of the Court of Genoa for category 03. In 1999, he obtained the qualification of auditor, while in 2008 he was enrolled in the Register of Experts of the Arbitration Chamber for Public Contracts. Since 2010, he has been a member of the National Association of Italian Tax Advisors (ANTI). Since 2011, he is enrolled in the register of experts of the Court of Genoa for the category "Accountants". Thanks to his proven professional experience in commercial law, corporate law, bankruptcy law, tax law, with specific assignments in voluntary and out-of-court settlements, corporate and tax consultancy, tax litigation, he works as Curator with the Bankruptcy Section of the Court of Genoa; Technical Consultant for civil and criminal matters, Technical Consultant for the Court of Genoa and the International Arbitration Chamber of Milan, expert certifier of out-of-court reorganization plans pursuant to Art. 67, paragraph 3, letter d) of R.D. 267/1942, the so-called Bankruptcy Law, tax defender before provincial and regional tax commissions and regional sections of the Central Commissions, member of the Board of Chartered Accountants and Accounting Experts of Genoa for the period 2013 - 2016 and for the period 2017 - 2021. He has also held a number of academic positions, including contract professor of Bankruptcy Law at the Faculty of Economics and Business of the University of Genoa for the period 1998 - 2001 and contract professor and holder of the course in "Commercial Law" for the degree in "Foreign Languages and Cultures for Business and Tourism" at the Faculty of Languages of the University of Genoa for the period 2001 - 2005. Finally, he is the author of several publications including a paper on "Le operazioni sul capitale delle società per azioni", in Trattato Teorico Pratico delle Società, edited by Prof. Giorgio Schiano di Pepe, ed. Ipsoa, 1999 and a paper commenting on articles 2448 - 2456 of the Italian Civil Code (relating to the dissolution and liquidation of companies). (relating to the dissolution and liquidation of S.p.A.), in Codice Civile Commentato, edited by Guido Alpa and Vincenzo Mariconda, ed. Ipsoa, 2005.

Guido Maria Pedone:

He graduated in Law, University of Parma. As a business manager, from December 2019 to date, he worked as partner and non-executive director of OMP Racing S.p.A. (now Racing Force), Bell Racing Holdings Sàrl (now Racing Force Holdings Sàrl), Bell Racing Helmets International Wll (now Racing Force International), Bell Racing Europe S.A. (now High Protecion Systems), 2SM Europe S.A; from December 2012 to December 2017, as founding partner and non-executive director of Performa Investments PTE Limited; from September 2010 to March 2017, as founding partner, director and CFO, of Silver Arrows Marine; from May 2007 to December 2011, as founding partner and executive director of GMP Asia Management PTE Limited; from October 2006 to date, as partner and publisher of various motorsport books and corsanews of Milkane Ltd; from 2002 to date, as founding partner and executive director of GMP Consulting LLC; from July 2001 to December 2001, director and fiduciary business consultant of Profida Servizi Fiduciari S.A.

Alexandros Haristos:

He is a Business Manager who started his career in management consultancy in London (UK), where he helped executive directors and top managers of major listed companies with organizational issues. In this context, Alex developed the ability to quickly understand and translate strategies into modelling tools and use them to deliver solutions in a variety of industries. He left consultancy to be an entrepreneur when he was 29 years old, and developed a real estate business and an industrial services company, Dinamo, based in Italy. Leveraging on the experience he had acquired in re-structuring and developing businesses of different nature, he saw the opportunity of acquiring distressed small businesses with two characteristics: excellent technical know-how, and potential to grow. In 2018, Alex founded Zeronoise, that was then sold to Racing Force Group, of which today he's Chief Operating Officer and shareholder.

Stephane Alexandre Cohen:

From 1986 till today, Stephane Cohen acted as CEO, Chairman or Executive Director of his various companies in Europe, Asia and the USA, making him a truly global entrepreneur and business person. He forged in-depth and practical experience in all the aspects of structuring and managing small and medium size companies, from finance, manufacturing, Research & Development, marketing and sales in many different environments and countries.

Marco Caneva:

Over the last 10 years he has served on the boards of directors of Italian and foreign companies in a variety of sectors, leveraging his international experience in finance, gained in the previous decade at one of the best-known US investment banks where he worked on mergers, acquisitions, equity, debt and hybrid listings. Between 2009 and 2017, he was investment manager of a large Italian family office, which he left to launch his own consulting firm (GBADV ITALIA S.r.l.) providing support to institutional investors in extraordinary finance transactions on the Italian market.

Offices held by the members of the Board of Directors in companies other than the Issuer

The following table shows the offices that the members of the Board of Directors of the Issuer currently hold – or used to hold in the past 5 years – in other companies, as well as the participations that they currently hold – or used to hold in the past 5 years – in the share capital of other companies.

Name and surname	*Company*	*Office or shareholder*	*Situation at the Date of the Information Document*
Piero Paolo Delprato	SAYE S.p.A.	Shareholder	Current
	Delfim S.r.l.	Shareholder	Current
	SAYE S.p.A.	Chairman of the Board of Directors	Current
	MSC Motorport Safety Council	Director	Terminated
	Pier S.r.l.	Sole Director	Terminated
	Racing Spirit S.r.l.	Sole Director	Terminated
Silvia Portaluri	N/A	N/A	N/A
Filippo Salomone	Paradise RE S.r.l.	Shareholder	Current
	Comped Servizi S.r.l.	Shareholder	Current
	JEnergy S.p.A.	Auditor	Current
	Maxcom Petroli S.p.A.	Auditor	Current
	Ansaldo Green Tech S.p.A.	Auditor	Current
	Market Industrie S.p.A.	Auditor	Current
	Newcam'96 S.r.l. in liquidazione	Liquidator	Current
	Lucarelli s.s.	Liquidator	Current
	Società private amministrazioni fiduciarie S.r.l.	Director	Current
	Soges S.p.A.	Supervisory body	Current
	JEnergy S.p.A.	Supervisory body	Current
	Albergo Reale S.p.A.	Director	Terminated
	Qui! Financial Services S.p.A.	Auditor	Terminated
	Andre S.p.A.	Auditor	Terminated
	Carena S.p.A. – Impresa di costruzioni	Auditor	Terminated
	R.G.M. S.p.A.	Auditor	Terminated
	Lucy S.p.A.	Auditor	Terminated
	Fin GO & Fuel S.p.A.	Auditor	Terminated
	Soges S.p.A.	Auditor	Terminated
	Fima Servizi S.r.l.	Director	Terminated
	CO.MA.SE. S.r.l.	Insolvency administrator	Terminated
	Racing Spirit S.r.l. in liquidazione	Liquidator	Current

Guido Maria Pedone	Albatech Monaco S. à r.l.	Shareholder	Current
	Ensigne Properties LLC	Shareholder	Current
	Redgate LLC	Shareholder	Current
	Immobiliare Moresca SS	Shareholder	Current
	Tecno Bologna Italy S.A.	Shareholder	Current
	GMP Investment Holdings Ltd	Shareholder	Current
	Welles Investmenrs Corp.	Shareholder	Current
	GMP Consulting S.a.g.l.	Shareholder	Current
	Mulsanne Investments Holdings S.A.	Shareholder	Current
	Immobiliare Raffaella S.A.	Shareholder	Current
	Beetle Finance Inc.	Sole Director	Current
	Monpelier Finance Ltd.	Sole Director	Current
	Primordium S.A.	Sole Director	Current
	Senise S.A. in liquidazione	Liquidator	Current
	Immobiliare Moresca S.S.	Sole Director	Current
	Tecno Bologna Italy S.A.	Sole Director	Current
	GMP Consulting S.a.g.l.	Sole Director	Current
	Immobiliare Raffaella S.a.g.l.	Sole Director	Current
	ACB Engineering and trading S.a.g.	Director	Current
	Ensign Properties S.r.l.	Co-director	Current
	GMP Investment Holdings Ltd	Director	Current
	Mulsanne Investments Holding S.A.	Director	Current
	Simtek Investments S.A.	Co-director	Current
	Maison du Charme S.A.	Director	Current

	Chatelet Investissements S.A.	Co-director	Current
	Finges S.A.	Director	Current
	Acquarama Investissements SCI	Director	Terminated
	GMP consulting LLC	Director	Terminated
	Becketts SCI	Director	Terminated
	Orlon Familienstiftung	Director	Terminated
	Silver Arrows Marine (holdings) Ltd.	Shareholder	Terminated
	Global Faschion Consulting S.a.g.l. in liquidazione	Liquidator	Terminated
Stephane Alexandre Cohen	B2 Technology Ltd (UK)	Shareholder	Current
	Nehoc Systems Ltd.	Shareholder	Current
	Red Phoenix Trade & Services SL	Shareholder	Terminated
	ZN Europe S.r.l. in liquidazione	Shareholder	Terminated
	Apso Invest SA	Shareholder	Terminated
	KC Sports International Ltd	Shareholder	Terminated
	B2 Technology (BVI)	Shareholder	Terminated
	B2 Technology Ltd (UK)	Executive Director	Current
	NEHOC Systems Ltd (Cyprus)	Executive Director	Current
	Apso Invest SA	CEO	Terminated
	KC Sports International Ltd	Executive Director	Terminated
	B2 Technology (BVI)	Executive Director	Terminated
Alexandros Haristos	Dinamo S.r.l.	Shareholder	Current
	Nobiltech S.r.l.	Shareholder	Terminated
	Zn Europe S.r.l. in liquidazione	Shareholder	Terminated
	Spitimu Immobiliare S.r.l.	Director	Current
	Dinamo S.r.l.	Director	Current
	Nexman S.r.l.	Director	Current
	Nobiltech s.r.l.	Director	Terminated

	Zn Europe S.r.l. in liquidazione	Liquidator	Terminated
Marco Caneva	GBADV S.r.l.	Shareholder	Current
	MAGS S.r.l.	Shareholder	Terminated
	Natuzzi S.p.A.	Director	Current
	GBADV S.r.l.	Sole Director	Current
	Phase Motion Control S.p.A.	Director	Current
	FOS S.p.A.	Director	Current
	Ediliziacrobatica S.p.A.	Director	Current
	Hermes – Comm. S.r.l.s.	Director	Current
	Paramed S.r.l.	Director	Terminated
	ASG Superconductors S.p.A.	Director	Terminated
	Baosteel Italia Distribution Center S.p.A.	Director	Terminated

9.1.2. Board of Statutory Auditors

Composition

Pursuant to Article 26 of the By-Laws, the Board of Statutory Auditors consists of 3 Standing Auditors and 2 Substitute Auditors, who remain in office for three financial years, appointed by the Shareholders' Meeting, which also appoints the Chairman in compliance with law. The Statutory Auditors remain in office for three financial years and their term of office expires on the date of the shareholders' meeting called to approve the financial statement of the Issuer.

The Board of Statutory Auditors of the Issuer consists of 5 members, 2 acting as alternate auditors. The Board of Statutory Auditors in charge has been appointed by the Shareholders' Meeting on April 28th, 2022, and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements as at December 31st, 2024.

The members of the Board of Statutory Auditors of the Issuer as of the Date of the Information Document are listed in the following table:

Office	*Name and surname*	*Place of birth*	*Date of birth*
Chairman of the Board of Statutory Auditors	Luca Parenti	Rome	June 5th, 1958
Standing Statutory auditor	Alessandro Miglio	Genova	September 3rd, 1962
Standing Statutory auditor	Roberto Strumia	Torino	June 15th, 1967
Alternate Statutory auditor	Enrico Pezzini	Genova	October 27th, 1977
Alternate Statutory auditor	Giancarlo Strada	Genova	January 13th, 1955

The members of the Board of Statutory Auditors are domiciled for their office at the Issuer's registered office.

All the members of the Board of Statutory Auditors of the Issuer comply with the requirements of integrity and professionalism set out in art. 148, paragraph 4, of TUF.

A short curriculum vitae of the members of the Board of Statutory Auditors is provided below:

Luca Parenti:

Graduated in Economics and Commerce from the Free University of Rome (LUISS), he is a Chartered Accountant, Auditor and Honorary Consul of the Republic of Malta for Tuscany and Marche since 2008. Since 1981, he has worked as a freelance consultant for a leading professional firm, providing financial consultancy services for the acquisition of subsidised loans in Italian and foreign currencies, including for the export sector (export-financing). He has been a member of the study group "Osservatorio di Legislazione Economica" as an expert in credit and finance (Chamber of Deputies). He has been a researcher at the Free University of Social Studies (Rome) in the chair of Banking and Professional Techniques. He holds positions as board member and auditor in companies operating in economic sectors at national and international level. He has been a speaker at conferences on specialized topics in the tax and financial sector. He is a contributor to periodical publications on tax and financial issues. He has drafted a specific publication on the subject of subsidized financing. During his career, he has gained experience in the corporate, financial and tax sectors, particularly in the financial services sector where he provides tax and legal advice related to the wealth management sector and special transactions such as assistance in relation to applications for listing on the stock exchange and with national and international institutional investors (private equity funds), acquisitions, mergers and debt restructuring. His activity has also focused on all services related to the internationalization of companies for tax, contractual, financial and commercial aspects.

Alessandro Miglio:

Since 1988, he has been providing accounting, corporate and business consultancy, contractual consultancy, tax consultancy, management control consultancy, in the area of extraordinary transactions, acquisition and disposal of companies and company packages, company and corporate valuations.

Roberto Strumia:

Graduated in Economics and Commerce on 17 July 1992 from the Faculty of Economics and Commerce of the University of Turin. State examination for qualification as a Chartered Accountant taken in the first session of 1996. Enrolled in Section A of the Register of Chartered Accountants and Accounting Experts for the districts of Ivrea, Pinerolo and Turin at no. 1998 with seniority since 29/10/1996. Entered in the Register of Auditors established by Decree of the Ministry of Justice of 12 April 1995 under no. 111457 - Ministerial Decree 17/12/1999 - no. 100. Registered in the Judge's Register of Technical Consultants. Registered in the Register of Criminal Experts at the Ordinary Court of Turin under the C.p.p. Accredited conciliator at the Piedmont Chamber of Arbitration until 2013. Member of the Arbitration and Conciliation Study Group. Member of the "Local Authorities" and "Social Balance Sheet" Study Group set up by the

Order of Chartered Accountants of Turin. Delegate of the Court for real estate executions.

Enrico Pezzini:

Graduated in 2003 in Economics and Commerce at the University of Economics and Commerce of Genoa. In 2008 he became a Chartered Accountant and Auditor, and works in the field of extraordinary operations, tax consultancy, management control, financial statement analysis and commercial law consultancy. Today he holds the position of Sole Director, Statutory Auditor and Auditor in several companies.

Giancarlo Strada:

He graduated in economics and commerce in 1978. He has been registered as a chartered accountant since 1980 and in 1995 he joined the register of auditors. He is a founding partner of Studio Professionale Strada Borghetti Cavo e Associati, established in 1992. Within the firm, Giancarlo Strada mainly provides consultancy on corporate and commercial matters, in extraordinary transactions such as mergers, demergers, joint ventures and company valuations. He also coordinates the firm's activities in insolvency and pre-bankruptcy matters, personally collaborating with the Court of Genoa since 1981 as Curator, Judicial Commissioner and Technical Consultant. He has acted as certifier and financial advisor in numerous cases of composition with creditors, restructuring agreements pursuant to art. 82 bis of the Finance Act and reorganization agreements pursuant to art. 67 of the Finance Act. He works in the field of corporate governance, holding the position of Chairman of the Board of Statutory Auditors, Statutory Auditor or Director in numerous companies, including listed companies included in the FTSE MIB index, operating in the insurance, financial, banking, commercial and industrial sectors. He acts as a Sole Arbitrator and as a member of Arbitration Boards. He is a member of the International Fiscal Association (IFA) and of the Italian Trust Association. From time to time, he also lectures at conferences and training events, mainly on insolvency, corporate and trust matters. He has assisted, by carrying out evaluations and preliminary due diligence and participating in negotiations, in management buy-outs, acquisitions and disposals of numerous packages of shares in companies operating in various sectors. He has assisted in the establishment of OICVR, closed-end investment funds under Italian law and in the preparation of prospectuses prior to the collection of savings from the public, taking care of the preliminary phase with CONSOB and the Bank of Italy.

Offices held by the members of the Board of Statutory Auditors in companies other than the Issuer.

The following table shows the offices that the members of the Board of Statutory Auditors of the Issuer currently hold – or used to hold in the past 5 years– in other companies, as well as the participations that they currently hold – or used to hold in the past 5 years – in the share capital of other companies.

Name and surname	*Company*	*Office or participation*	*Situation at the Date of the Information Document*
Luca Parenti	Wine Tv Group S.r.l.	Shareholder	Current
	Oryx Solutions S.r.l.	Shareholder	Current
	Harpalis S.p.A.	Shareholder	Current
	Ciessea S.p.A.	Shareholder	Terminated

	Klynveld Peat Marwick	Shareholder	Terminated
	KPMG Advisory S.p.A.	Shareholder	Terminated
	Harpalis S.r.l.	Sole Director	Terminated
	Wine Tv Group S.r.l.	Director	Terminated
	Spazio Ricasoli S.r.l.	Director	Current
	Italy Gestioni S.r.l.	Director	Current
	Nobel Partners Advisory S.r.l.	Director	Current
	Finedi Asset Management S.r.l. società benefit	Director	Current
	EM Moulds S.p.A.	Auditor	Current
	Taufin S.p.A.	Auditor	Current
	Società Agricola Isole e Olena S.r.l.	Auditor	Current
	VAR Group S.p.A.	Auditor	Current
	Italbuild S.r.l.	Auditor	Current
	Millennium S.r.l.	Auditor	Current
	Invest Italy SIM S.p.A.	Auditor	Current
	BMB Manifattura Borse S.p.A.	Auditor	Current
	SAYE S.p.A.	Auditor	Current
	Lucart S.p.A.	Auditor	Current
	OBI Italia S.r.l.	Auditor	Current
	Octaphara Italy S.p.A.	Auditor	Current
	Taufin Investments S.p.A.	Auditor	Current
	DV Holding S.p.A.	Auditor	Current
	Taufin International S.p.A.	Auditor	Current
	Tenuta Biondi Santi S.p.A.	Auditor	Current
	Finav Italy 2 S.r.l.	Auditor	Terminated
	Kmetal S.p.A.	Auditor	Terminated
	VAR One Services S.p.A.	Auditor	Terminated
	HME Brass Italy S.p.A.	Auditor	Terminated
	La Patria S.p.A.	Auditor	Terminated
	Ferragamo Finanziaria S.p.A.	Auditor	Terminated
	Invest Banca S.p.A.	Auditor	Terminated
	Sesa S.p.A.	Auditor	Terminated
	Clud del Sole S.r.l.	Auditor	Terminated
	Zucchetti Informatica S.p.A.	Auditor	Terminated
	Italblue S.p.A.	Auditor	Terminated
	Grifols Italia S.p.A.	Auditor	Terminated
	Surgital S.p.A.	Auditor	Terminated
Alessandro Miglio	FE.NLBA S.r.l.	Sole Director	Current
	Fedalma Seconda S.r.l.	Sole Director	Current
	Immobiliare 50 S.r.l.	Sole Director	Current
	Rosh S.r.l.	Sole Director	Current

	Il Corbezzolo Soc. Coop.	Liquidator	Current
	Venture S.p.A.	Liquidator	Current
	ITEA S.r.l. in liquidazione	Liquidator	Terminated
	Inimpre S.p.A.	Auditor	Current
	Delfim S.r.l.	Auditor	Current
	Saye S.p.A.	Auditor	Current
	Galmet S.p.A.	Auditor	Current
	Società Italiana Aoolai Tubi S.p.A.	Auditor	Current
	Fazzini S.r.l.	Auditor	Terminated
Roberto Strumia	Consul Network Tax & Finance S.r.l.	Shareholder	Current
	Immobiliare Role S.r.l.	Shareholder	Current
	Equilibrium S.s.	Shareholder	Current
	Consul Network Tax & Finance S.r.l.	Director	Current
	Immobiliare Role S.r.l.	Director	Current
	Tecnoindustrie Merlo S.p.A.	Auditor	Current
	SIGEA S.p.A.	Auditor	Terminated
	Torreregionepiemonte Società consortile a R.l.	Auditor	Current
	IP Industrial S.p.A.	Auditor	Current
	IP food & services S.p.A.	Auditor	Terminated
	AVL Italia S.r.l.	Auditor	Current
	Bimotor S.p.A.	Auditor	Current
	Utimac Torino S.p.A.	Auditor	Current
	Bauducco S.r.l.	Auditor	Current
	AVL End of line testing Systems S.r.l.	Auditor	Current
	BTG Italia S.r.l. in liquidazione	Auditor	Terminated
Enrico Pezzini	K-Ships S.r.l.	Auditor	Terminated
	Galmet S.p.a.	Auditor	Current
	SIAT Società Italiana Acciai e Tubi S.p.a.	Auditor	Current
	Istituto Ottico Isolani S.r.l	Auditor	Current
	MCP Marine Consulting Project S.r.l.	Auditor	Current
	Generale Conserve S.p.a	Auditor	Current
Giancarlo Strada	Meloria S.s.	Shareholder	Current
	Nuova Arenzano S.r.l. in liquidazione	Liquidator	Current
	AR.CO. Arredamenti S.r.l.	judicial commissioner	Current
	Rebora Impianti S.r.l. in liquidazione	Insolvency administrator	Current
	Marvel S.r.l.	Insolvency Administrator	Terminated

	F.lli Iotti S.r.l.	Insolvency Administrator	Terminated
	Esseti S.r.l.	Insolvency Administrator	Terminated
	GFA S.r.l.	Insolvency Administrator	Terminated
	Centro servizi e ricerche S.r.l.	Director	Current
	Gest-Due S.p.A.	Director	Current
	Gest-Quattro S.p.A.	Director	Current
	Gr Immobili S.r.l.	Director	Current
	Grancasa S.p.A.	Director	Current
	Centro Fiduciario C.F. S.p.A.	Auditor	Current
	Barbieri S.r.l.	Auditor	Current
	Park Tennis Club S. coop. sportive dilettantistica	Auditor	Current
	Yarpa S.p.A.	Auditor	Current
	Yarpa Investimenti SGR S.p.A.	Auditor	Current
	T.P.E. Trading per l'energia S.p.A.	Auditor	Current
	Esaote S.p.A.	Auditor	Current
	Consorzio interuniversitario con attivitàesterna per l'aggiornamento professionale in campo giuridico	Auditor	Current
	Compagnia impresa lavoratori portuali S.r.l.	Auditor	Current
	Banca del monte di Lucca S.p.A.	Auditor	Current
	Logtainer S.r.l.	Auditor	Current
	YLF S.p.A.	Auditor	Current
	F2I Ligantia S.p.a.	Auditor	Current
	Azimut financial Insurance S.p.A.	Auditor	Current
	GIP 2.0 S.p.A.	Auditor	Current
	Wansheng Medical Investments (Italy) S.p.A.	Auditor	Current
	F2I Smeralda S.p.A.	Auditor	Current
	Termina Darsena Toscana S.r.l.	Auditor	Current
	Boero Bartolomeo S.p.A.	Auditor	Current
	Porto Petroli di Genova S.p.A.	Auditor	Terminated
	Green Hunter Group S.p.A.	Auditor	Terminated
	Green Hunter S.p.A.	Auditor	Terminated

	Banca Cesare Ponti S.p.A.	Auditor	Terminated
	Abitare Real Estate S.r.l.	Auditor	Terminated
	YLDA S.p.A.	Auditor	Terminated
	Porto turistico internazionale di Rapallo S.p.A.	Auditor	Terminated
	Banca Carige S.p.A.	Auditor	Terminated
	Carige Reoco S.p.A.	Auditor	Terminated
	RB Marinas S.r.l.	Auditor	Terminated
	Mooney S.p.A.	Auditor	Terminated
	Sebach S.r.l.	Auditor	Terminated
	Società Golf Garlenda S.p.A.	Shareholder	Current
	Banca Passadore & C. S.p.A.	Shareholder	Current
	Interprofessional network S.r.l. in liquidazione	Shareholder	Current
	Eutenke S.p.A.	Shareholder	Terminated
	Artmaster S.r.l.	Auditor	Terminated

9.1.3. Main executives

As at the Date of the Information Document, the Group employs 36 managers.

9.1.4. Family relationship between the individuals under Paragraphs 9.1.1, 9.1.2 e 9.1.3

To the best of the Issuer's knowledge, as of the Date of the Information Document, there are no family relationships between members of the Board of Directors, the Board of Statutory Auditors and/or the main executives of the Issuer.

With the exception of the above, it should be noted that the Chairman of the Board of Directors, Piero Paolo Delprato, is married to Director Silvia Portaluri.

9.1.5. Convictions of the members of the Board of Directors of the Issuer

To the best of the Issuer's knowledge, over the past five years none of the members of the Board of Directors of the Issuer (i) has been convicted of fraud or bankruptcy; (ii) has been declared bankrupt or subject to bankruptcy proceedings or has been involved in bankruptcy or liquidation proceedings; (iii) has been officially charged and/or has been sanctioned by public or regulatory authorities (including designated professional associations) in the performance of his or her duties, nor has he or she been prevented from acting as a director or manager of the Issuer or from serving as a director or manager of any other company.

9.2. Conflicts of interest of administrative and supervisory bodies and senior managers

9.2.1. Conflicts of interest between the obligations towards the Issuer and their own private interests and/or other obligations

As of the Date of the Information Document, as far as the Issuer is aware of, none of the members of the Board of Directors and the members of the Board of Statutory Auditors of the Issuer has any private interest in conflict with the obligations arising from the performance of their duties in favor of the Issuer.

9.2.2. Agreements or understandings with major shareholders, customers, suppliers of the Issuer or other agreements

To the best of the Issuer's knowledge, none of the members of the Board of Directors and none of the member of the Board of Statutory Auditors has been appointed as a result of agreements or understandings with major shareholders, customers, suppliers or other individuals.

Except for the above, it should be noted that on October 12th, 2021, SAYE and GMP Investment Holdings LTD ("***GMP***") have entered into an agreement providing that SAYE undertakes to include one between Mr. Guido Maria Pedone and Mr. Gabriele Pedone in the slate of candidates to compose the Board of Directors of the Company that will be submitted by SAYE, as majority shareholder of Racing Force, each time the shareholders' meeting will be called to appoint a new board of directors (the "***Slate Voting System Agreement***").

The Slate Voting System Agreement shall remain in force until the fifth anniversary following the date of signing (the "***Expiry Date***"), it being understood that in the event that - even before the Expiry Date - (i) GMP does not hold any shares in the Company or (ii) SAYE does not hold a controlling interest in the Company, the Slate Voting System Agreement and the provisions thereof shall immediately become null and void.

9.2.3. Restrictions on the disposal and transfer of the Issuer's Shares held by members of the Board of Directors, Board of Statutory Auditors and key personnel of the Issuer

SAYE (in which Chairman of the Board of Directors, Piero Paolo Delprato, is a shareholder), Nehoc Systems Ltd (in which the Executive Director Stephane Alexandre Cohen is a shareholder), and the Director Alexandros Haristos, among others have undertaken towards to the Euronext Growth Milan Advisor and the Issuer, which in turn has undertaken towards Euronext Growth Milan Advisor, certain lock-up commitments whereby they are not allowed to transfer the Shares they held at the date of admission to trading on the Euronext Growth Milan for a period of 12 (twelve) months beginning from the starting date of trading on Euronext Growth Milan.

For further information, please refer to Chapter 16, Paragraph 16.8 of the Information Document.

Except for the above, as of the Date of Information Document, to the best of the Issuer's knowledge there are no restrictions on the possibility to transfer the Shares held by the members of the Issuer's Board of Directors, by the members of the Board of Statutory Auditors and by key personnel.

10. BOARD OF DIRECTORS’ PRACTICES

10.1. Expiration date of the current position, if any, and period during which the person has held such position

The Board of Directors was appointed by resolution of the shareholders' meeting held on October 28th, 2021 and shall remain in office until the date of the shareholders' meeting convened for the approval of the financial statements of the Issuer as of December 31st, 2023.

The Issuer's Board of Statutory Auditors was appointed by resolution of the Shareholders' Meeting held on April 28th, 2022, and shall remain in office until the date of the Shareholders' Meeting convened for the approval of the financial statements of the Issuer as of December 31st,2024.

10.2. Information on the employment agreements entered into by the members of the administrative, management or supervisory bodies and the Issuer or its subsidiaries that provide for termination indemnities

As of the Date of Information Document, there are no agreements with the Issuer providing for the payment of amounts - neither as severance indemnity nor for any other reason - to the members of the Board of Directors and/or the Board of Statutory Auditors in case of termination of their relations with the Company.

10.3. Declaration certifying that the Issuer complies with the rules on corporate governance currently in force in the country of incorporation

On October 15th, 2021, the Issuer's Extraordinary Shareholders' Meeting approved the current version of the By-Laws, effective as of the date of admission to trading of the Issuer’s Shares on Euronext Growth Milan.

Although the Issuer is not required to implement the provisions on corporate governance set out for companies listed on regulated markets, the Issuer applied some provisions to its own corporate governance system, aimed at increasing transparency and protecting minority interests. More specifically:

- the By-Laws provide for the appointment of the members of the Board of Directors by means of the list voting system;
- the By-Laws provide that the shareholders who, alone or together with other shareholders, hold shares representing at least 10% of the share capital of the Issuer are entitled to submit lists;
- according to the By-Laws, at least one member of the Board of Directors shall comply with the independence requirements set out in art. 148, paragraph 3, of TUF;
- according to the By-Laws, as of the trading starting date of the Issuer’s Shares on Euronext Growth Milan, the prior authorization of the Shareholders' Meeting shall be required in the following cases (i) acquisitions of participations or companies or other assets that implement a “reverse takeover” pursuant to the EG Milan Issuers' Regulations; (ii) disposals of participations or companies or other assets that implement a “substantial change of business” pursuant to the EG Milan Issuers' Regulations; and (iii) resolution for the request of revocation from trading of the Company's Shares

on Euronext Growth Milan, remaining understood that, in this particular case, the favorable vote of at least 90% of the shareholders attending the meeting is required;

- according to the By-Laws, shareholders whose participation in the Issuer's share capital reaches, exceeds or falls below one of the thresholds set out in the EG Milan Issuers' Regulation shall necessarily submit a specific notification;
- according to the By-Laws, as of the trading starting date of the Issuer's Shares on Euronext Growth Milan the provisions contained in TUF and concerning listed companies (limited to Articles 106, 108, 109 and 111 thereof) shall apply, as long as they are compatible, as well as the regulatory provisions concerning mandatory purchase and exchange offers;
- the Issuer has adopted a specific procedure for the management of transactions with Related Parties;
- the Issuer has adopted a procedure for the management of the disclosure obligation regarding internal dealing;
- the Issuer has approved a regulation for compulsory communications to Euronext Growth Advisor;
- the Issuer has approved a procedure for the management of inside information;
- the Issuer has appointed Roberto Ferroggiaro as Investor Relations Manager;
- the Issuer has adopted the organization and management model required by Italian Legislative Decree no. 231/2001.

10.4. Potentially relevant impacts on corporate governance

As of the Date of the Information Document, no changes in the composition of the Board of Directors, in the composition of any internal committee have been resolved upon by the Issuer's corporate bodies and, in general, no resolution that might have a relevant impact on the corporate governance has been adopted.

11. PERSONNEL

11.1. Number of employees

The following table summarizes the Group's personnel during the year ended as of December 31st, 2021 and as of the Date of the Information Document.

Category	December 31st, 2021	Date of the Information Document
Managers	27	39
Employees (*impiegati*)	101	103
Workers (*operai*)	285	338
Total employees	***413***	***480***

11.2. Participations in the share capital and stock options

As of the Date of the Information Document, the members of the Issuer's Board of Directors and Board of Statutory Auditors do not hold - directly and/or indirectly - any share in the Issuer's share capital, except for what described below.

It should be noted that at the Date of the Information Document the Chairman of the Board of Directors, Mr. Piero Paolo Delprato, holds a stake equal to 48.20% of the corporate capital of SAYE, which in turn is the majority shareholder of the Issuer.

Furthermore, at the Date of the Information Document the Director Guido Maria Pedone, is a shareholder of GMP Investments Holdings Limited, which in turn holds a stake equal to 6.67% in the corporate capital of the Issuer.

Finally, at the Date of the Information Document, the Director Stephane Alexandre Cohen is a shareholder of Nehoc Systems Ltd., which in turn holds a stake equal to 5.59% in the corporate capital of the Issuer; in the same way the Director Alexandros Haristos holds a stake equal to 2.38% in the corporate capital of the Issuer.

11.3. Description of any agreement for the participation of employees to the Issuer's share capital

As of the Date of the Information Document, there are no contractual agreements or statutory provisions according to which the Issuer’s employee are entitled to participate to the share capital and/or the profits of the Issuer.

12. MAIN SHAREHOLDERS

12.1. Major shareholders

According to the shareholders' book, as of the Date of the Information Document, the share capital of the Issuer, equal to Euro 2,375,745.00 and represented by 23,757,450 ordinary shares, without specification of the par value, is held as follows:

Shareholder	Number of shares	% share capital
SAYE S.p.A. (*)	13,529,395	56.95%
SAYE S.p.A.	15,000	0.06%
GMP Investments Holdings Limited	1,283,870	5.40%
Others (**)	1,797,203	7.56%
Market	7,132,982	30.02%
Total	**23,757,450**	**100%**

(*) Shares subject to lock-up agreement further to the admission to trading on Euronext Growth Milan.
(**) Shares subject to lock-up agreement further to the admission to trading on Euronext Growth Milan.

For further information on the Shares subject to lock-up agreement, please refer to Chapter 16, Paragraph 16.8 of the Information Document.

12.2. Main shareholders' voting rights

Pursuant to article 5 of the By-Laws, the Issuer's share capital is divided into ordinary shares, without specification of the par value and all granting the same voting rights at ordinary and extraordinary Shareholders' Meetings.

12.3. Beneficial Owner

As of the Date of the Information Document, Mr. Piero Paolo Delprato and Mrs. Giuliana Ghezzi are the Beneficial Owners of the Issuer being the shareholders of SAYE, the controlling company of the Issuer. Piero Paolo Delprato holds 48.2% of SAYE's share capital, being as well its Chairman and CEO. Giuliana Ghezzi holds the remaining 51.2% of SAYE's share capital. Piero Paolo Delprato is also the Issuer's Chairman and CEO.

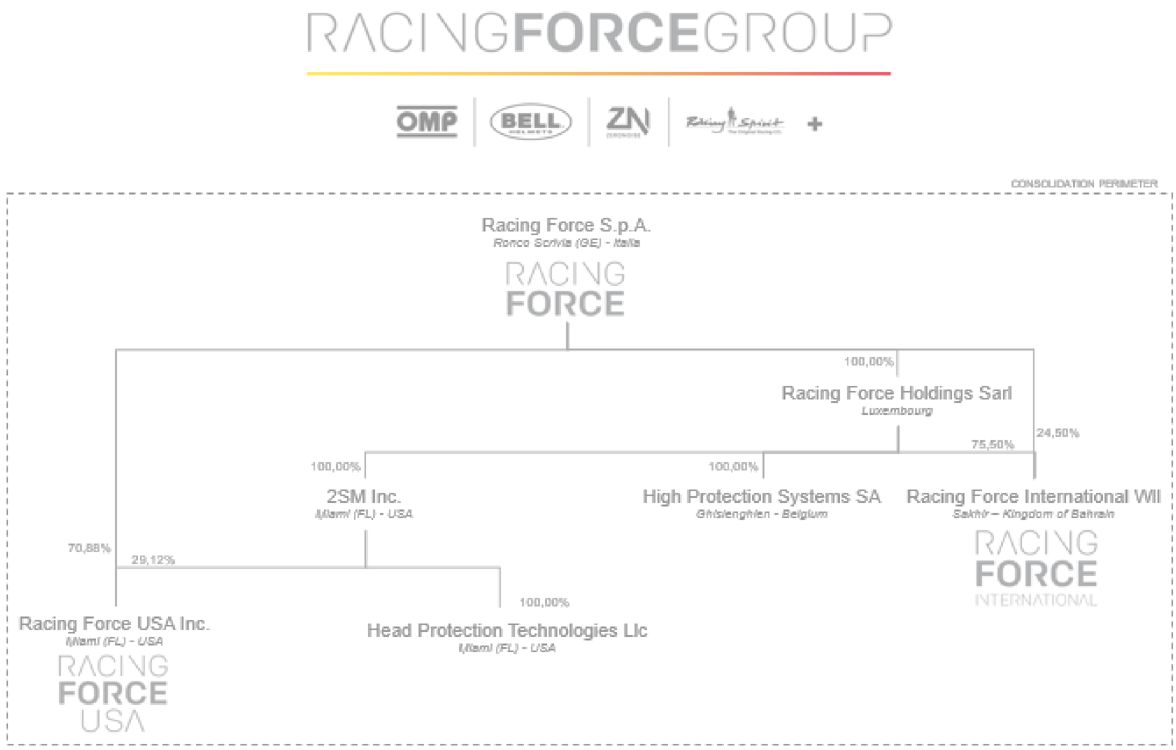
The Company is subject to the management and coordination activity of the company SAYE. SAYE is a holding company, and it is the majority shareholder of the Issuer. The activity of SAYE is mainly focused on managing the investment in Racing Force Group. SAYE acquired the majority of the Company in 2008.

12.4. Agreements that may determine a change in the Issuer's control structure

As of the Date of the Information Document, the Issuer is not aware of any shareholders' agreement or other agreements in force of which a change in the Issuer's control might occur.

13. TRANSACTIONS WITH RELATED PARTIES

At the Date of the Information Document, the Issuer is part of a corporate Group. A graphical representation of the Group is provided below.



Transactions with Related Parties are carried out at market values.

For further information on the Group structure please refer to Chapter 7 of the Information Document.

13.1. Transaction with non-consolidated Related Parties at December 31st, 2021

A summary of the balances with non-consolidated Related Parties as shown in the Group's consolidated financial statements at December 31st, 2021 and the transactions recorded in the profit and loss during the year is provided below.

Related party	Relationship	Receivables	Payables	Revenue	Costs
SAYE S.p.A.	A	-	-	21.417	-
Racing Spirit Llc	B	268.167	14.403	3.167	23.161
Racing Spirit Srl	B	25.809	8.598	14.372	70.733
KJK Protective Techologies LLC	C	80.519	-	1.522	-
GMP Consulting	C	-	30.113	-	30.113
Studiomilano	D	110.715	-	-	54.419
Tyrrel Properties Llc	D	-	-	-	139.768
B2 Technology Ltd	D	-	-	-	81.810
AXH Managment Bv	D	-	10.074	-	126.246
MSV Ltd	D	-	20.449	-	129.996

A: parent company; B: associated companies and joint ventures; C: Subsidiaries' shareholders and top managers; D: companies controlled by shareholders or top managers of the consolidated companies.

The balances as of December 31st, 2021 include the following receivables of a financial nature: (i) loan to the associated company Racing Spirit LLC for Euro 265,000; (ii) loan to KJK Protective Technologies LLC[27] for Euro 80,000, in addition to interest accrued and not yet collected at the end of the fiscal year for Euro 519.

Costs from Racing Spirit S.r.l. mainly refer to the purchase of Group's employee uniforms, while revenues are mainly due to the administrative and logistic services provided by Racing Force in 2021.

GMP Consulting provides accounting and administrative consultancy to the subsidiary Racing Force Holdings Sàrl.

Tyrrell Properties Llc is the company that provides the facilities where the consolidated company Racing Force USA is based in Miami.

Studiomilano is the consulting company that provided staff and payroll and administrative services to Racing Force USA until December 31st, 2020. Starting from January 1st, 2021, the staff was hired directly by Racing Force USA. The balance at June 30th, 2021 mainly refers to a credit note received at the end of the previous year relating to government grants received by Studiomilano, to be re-credited to Racing Force USA.

B2 Technology Ltd, AXH Management BV and MSV Ltd are companies that provide technical, operational and research and development consulting services, respectively managed by the Chief Executive Officer (CEO) of the subsidiary Racing Force International (formerly named Bell Racing Helmets International Wll), the Chief Operating Officer (COO) of the Group and the Chief Technical Officer (CTO) of the Group.

13.2. Transactions with non-consolidated Related Parties from January 1st, 2022 until the Date of the Information Document

On July 1st, 2022, the Board of Directors of Racing Force approved a transaction contemplating (the "**Racing Spirit Transaction**"):

(a) the acquisition by the Issuer of the Racing Spirit S.r.l. business, for a total amount of Euro 42 thousand; the consideration was set on the basis of the total value of the assets, as determined by the appraisal made by an independent expert;

(b) the acquisition by the subsidiary Racing Force USA of the business of Racing Spirit LLC, for a total amount of USD 575 thousand;

(c) the purchase of the Racing Spirit trademark in the USA by the subsidiary Racing Force USA for Euro 75 thousand;

(d) preliminarily, the issuance of a loan for a total of Euro 500 thousand by the Issuer in favour of Racing Spirit S.r.l. (subsidiary of Racing Spirit LLC), aimed at extinguishing the bank debt held by Racing Spirit S.r.l.;

(e) the sale to Mr. Gabriele Pedone of the shareholding held by the Issuer in Racing Spirit LLC equal to 50% of the share capital of the same for a total amount of Euro 183 thousand, equal to the book value of the shareholding recorded in the Company's financial statements;

[27] KJK Protective Technologies is the company owned by Mr. Kyle Kietzmann, CCO for AMER and shareholder of the Issuer.

(f) the payment by the subsidiary Racing Force USA in favour of Mr. Gabriele Pedone of any negative difference between the amount resulting from the liquidation of Racing Spirit LLC and Euro 75 thousand, in addition to an earn-out based on the sales results of Racing Spirit branded products obtained in the following 36 (thirty-six) months following the finalization of the sale of Racing Spirit LLC.

Any difference in value that may occur between the reference date of the valuations and the actual date of execution of the transactions is subject to adjustment between the parties.

The Transaction constituted a so-called "*Less Relevant Related Party Transaction*", as defined in Article 1 of the Related Parties Transaction Procedure implemented by the Issuer pursuant to the Related Parties Regulation (the "**RPT Procedure**").

In accordance with the RPT Procedure, the transaction was submitted to the prior examination of the Company's related parties committee, which, at the end of the relevant preliminary investigation, expressed, on June 30th, 2022, its favourable opinion on the Company's interest in the execution of the transaction, as well as on the economic convenience and on the substantial and procedural fairness of the transaction.

At the Date of the Information Document, the Racing Spirit Transaction has been fully executed, except for point f) as described above.

13.3. Transactions with consolidated Related Parties

For the description of the transactions with consolidated Related Parties, please refer to Chapter 15, Paragraph 15.4 of the Information Document.

14. ADDITIONAL INFORMATION

14.1. Share capital

14.1.1. Issued share capital

As of the Date of the Information Document, the Issuer's subscribed and paid-in share capital is equal to Euro 2,375,745.00, divided into 23,757,450 ordinary Shares without specification of the par value. The Shares are nominative, indivisible and dematerialized.

14.1.2. Financial instruments not representing the share capital

As at the Date of the Information Document, there are no participating financial instruments not representing the Issuer's capital.

14.1.3. Issuers' own shares

As of the Date of the Information Documents, the Issuer does not hold own Shares.

14.1.4. Bond convertible, exchangeable in shares or cum warrants

As of the Date of the Information Document, the Issuer has not issued bonds convertible or exchangeable in shares or cum warrants.

14.1.5. Share-based incentive programs

As of the Date of the Information Document, the Issuer does not have any outstanding share-based incentive program.

14.1.6. Rights and/or obligations to purchase authorized but unissued share capital or commitments to increase the share capital

As of the Date of the Information Document, there are no rights and/or obligations to purchase authorized but unissued capital and no commitments to increase the share capital.

14.1.7. Information regarding the share capital of any members of the Group offered in option

As of the Date of the Information Document, there are no option offers for the share capital of any company belonging to the Issuer's Group.

14.1.8. Evolution of the share capital

On October 15th, 2021, the extraordinary shareholders' meeting of the Issuer resolved to increase the share capital, for payment and in divisible way, for a maximum amount of Euro 25,000,000.00, including the share premium, through the issuance of dematerialized ordinary shares and without indication of the nominal value, with the exclusion of the option right pursuant to art. 2441, paragraph 5, of the Italian Civil Code, as it was reserved for the offer aimed at trading the Shares on Euronext Growth Milan, with the term for final subscription set on December 31st, 2021, save for the option of its early closure.

On October 29th, 2021, the Board of Directors, in execution of the powers granted by the Shareholders' Meeting of Racing Force, established, as the range of the issuance price of the Shares, the range between a minimum of Euro 4.20 and a maximum of Euro 5.20 for each Share.

During the meetings held on November 11th, 2021, the Board of Directors, in execution of the powers granted by the Shareholders' Meeting held on October 15th, 2021, resolved to issue 4,500,000 Shares, to be offered for subscription in relation to the capital increase and to set at Euro 4.50 per Share the final issuance price of said Shares, of which Euro 0.10 as share capital and the remaining portion of EUR 4.40 as share premium; the Board of Directors set the total amount of the capital increase at Euro 20,250,000.00.

In addition to the above, the extraordinary shareholders' meeting of the Issuer held on October 15th, 2021, also resolved to grant the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, the power to increase the share capital, subject to the commencement of trading of the Shares on Euronext Growth Milan, on one or more occasions, up to a maximum total amount of 10% of the share capital at the date of commencement of trading, within a maximum limit of 5 years from the date of the resolution, also excluding option rights in the cases provided for by law.

As of the Date of the Information Document, the Issuer's subscribed and paid-in share capital is equal to a nominal value of Euro 2,375,745.00, divided into 23,757,450 ordinary Shares without specification of the par value.

14.2. Articles of incorporation and By-Laws

14.2.1. Issuer's corporate purpose

The Issuer's corporate purpose is the production of and trade in spare parts, accessories, tyres and consumables for motor vehicles, cycles and motorcycles, boats and watercraft, equipment and sports articles for the automotive, motorcycle and motor-nautical sectors and clothing articles in general.

In order to achieve the corporate purpose, the Company may carry out all commercial, industrial and real estate transactions and may also carry out, on a non-prevailing and entirely ancillary and instrumental basis, and in any case with the express exclusion of any activity carried out vis-à-vis the public, financial and securities transactions, grant sureties, endorsements, deposits, guarantees, as well as acquire, solely for the purpose of stable investment and not for placement, both directly and indirectly, shareholdings in Italian and foreign companies with purposes similar, analogous or related to its own.

14.2.2. Description of the rights, privileges and restrictions attached to each existing class of shares

As of the Date of the Information Document, the Issuer's subscribed and paid-in share capital is equal to Euro 2,375,745.00, divided into 23,757,450 ordinary Shares, all without specification of the par value.

The ordinary Shares are issued in dematerialized form and grant equal rights to their holders. Each Share grants the holder one vote at the Issuer's ordinary and extraordinary shareholders' meetings, as well as to other equity and administrative rights, in accordance with the applicable provisions of law and the By-Laws.

The Shares are nominative, indivisible and can be freely transferred by deed between living persons or *mortis causa*, in compliance with law.

14.2.3. Description of any provisions of the Issuer's By-Laws that might have the effect of delaying, postponing or preventing a change in the control structure of the Issuer

The By-Laws do not contain any provisions that might have the effect of delaying, postponing or preventing a change in the control structure of the Issuer.

14.2.4. Provisions of the Issuer's By-Laws governing the ownership threshold above which the obligation to disclose the percentage of the held shares applies

The By-Laws expressly provide the shareholders' obligation to notify the Issuer in case the applicable thresholds set forth in the EG Milan Issuers' Regulations are reached, exceeded or fallen below.

15. SIGNIFICANT CONTRACTS

This Chapter contains a summary of the significant contracts entered into by the Issuer and different from those contracts entered into in the ordinary course of business.

15.1. Loan agreements

Loan agreements with Banca Carige S.p.A.

On September 4th, 2020, Racing Force and Banca Carige S.p.A. ("***Carige***") signed no. 2 loan agreements concerning the disbursement, by Carige and in favour of the Issuer, (i) of an amount of Euro 4,175,000.00, aimed at paying salaries, suppliers, services and inventories and (ii) of an amount of Euro 825,000.00, aimed at renegotiating medium-long term loans with an increase of 25% (the "***Carige Loans***").

The duration of the Carige Loans is set at 48 months and the amortisation plan provides for the repayment of the amount financed in 48 deferred monthly instalments (inclusive of interest), the last of which is due on August 31st, 2026. In addition, the amortisation is preceded by a pre-amortisation period expiring on August 31st, 2022. The Carige Loans bear for an annual nominal interest rate equal to 1.10%.

The Issuer may opt for early repayment at any time, in whole or in part, by paying Carige an amount equal to 3% of the principal amount repaid early. Such fee shall also be paid in all cases in which Carige is entitled to request the immediate repayment of its credit.

If the amount drawn down is at least 1/3 lower, the Carige Loans provide that Racing Force shall pay Carige a "one-off" fee of 1% of the unused amount as commission for non-use.

With reference to the Carige Loan of Euro 4,175,000, Mediocredito Centrale S.p.A. granted a guarantee up to 90% of the amount, i.e. up to Euro 3,757,500.

The Carige Loans include various obligations on Racing Force and/or events, the failure to comply with and/or occurrence of which will entitle Carige to withdraw from the contract and declare Racing Force to be in default with respect to all or part of the payment obligations and to terminate the contract. These include: (i) change of control, (ii) in the event of failure to pay even a single instalment, (iii) failure to comply with the restriction on the use of the loan, (iv) submission of the Issuer to insolvency proceedings, (v) setting up of mortgages on the Issuer's assets, (vi) in the event of withdrawal of the guarantee granted by Mediocredito Centrale S.p.A..

Loan agreement with Banco BPM S.p.A.

On December 10th, 2019, Racing Force and Banco BPM S.p.A. ("***BPM***") entered into a loan agreement concerning the disbursement by BPM and in favour of the Issuer of an amount of Euro 4,000,000.00 (the "***BPM Loan***").

The BPM Loan bears a fixed annual nominal interest rate of 2.150%.

The duration of the BPM Loan is 78 months and the amortization schedule provides for the repayment of the amount financed in 26 quarterly instalments in arrears (including interest), the last of which is due on June 30th, 2028. In addition, the amortisation was preceded by a pre-amortisation period expired on June 30th, 2020.

The Issuer may opt for early repayment at any time, in whole or in part, by paying BPM a penalty to be calculated on the principal amount repaid early.

The BPM Loan includes various obligations on Racing Force and/or events, failure to comply with which and/or the occurrence of which will entitle BPM to terminate the contract and to declare Racing Force to be in default with respect to all or part of its payment obligations and to terminate the contract. These include: (i) change of control, (ii) failure to pay even a single instalment, (iii) failure to comply with the constraint on the use of the loan, (iv) submission of the Issuer to insolvency proceedings, (v) violation of the prohibition of profit distribution in the event of irregularities in payments by Racing Force.

<u>Loan agreement with Banco BPM S.p.A.</u>

On May 26th, 2021, Racing Force and Banco BPM S.p.A. ("***BPM***") signed a loan agreement concerning the disbursement, by BPM and in favour of the Issuer, of an amount of Euro 1,750,000.00 (the "***BPM Loan 2***").

The BPM Loan 2 provides for a fixed annual nominal interest rate of 1.600%.

The duration of the BPM Loan 2 is set at 121 months and the amortisation schedule provides for the repayment of the amount financed in 120 monthly instalments in arrears (including interest), the last of which is due on May 31st, 2031. In addition, the amortisation was preceded by a grace period expired on May 31st, 2021.

The BPM Loan 2 provides for a third mortgage and a substantial first mortgage in favour of BPM on the property owned by Racing Force, located in Ronco Scrivia.

<u>Loan agreement with Banco BPM S.p.A.</u>

On April 13th 2022, Racing Force and Banco BPM S.p.A. ("***BPM***") signed a loan agreement concerning the disbursement, by BPM and in favour of the Issuer, of an amount of Euro 1,000,000.00 (the "***BPM Loan 3***").

The BPM Loan 3 provides for a fixed annual nominal interest rate of 2.100%.

The duration of the BPM Loan 3 is set at 49 months and the amortisation schedule provides for the repayment of the amount financed in 42 monthly instalments, the last of which is due on April 30th, 2026. In addition, the amortisation was preceded by a pre-amortisation period which will expire on October 31st, 2022.

<u>Loan agreement with Crédit Agricole</u>

On May 31st, 2019, Racing Force and Crédit Agricole S.p.A. ("***Crédit Agricole***") entered into a financing agreement concerning the disbursement, by Crédit Agricole and in favour of the Issuer, of an amount of Euro 700,000.00 (the "***Crédit Agricole Loan***").

The Crédit Agricole Loan provides for a variable annual nominal interest rate equal to the Euribor 3M rate increased by 0.900%.

The duration of the Crédit Agricole Loan was originally set at 24 months, subsequently extended in agreement with the bank. Accordingly, the current repayment schedule provides for the repayment of the amount financed in 8 quarterly instalments in arrears (including interest), the last of which is due on February 28th, 2023.

The Issuer may opt for early repayment at any time, in whole or in part, by paying to Crédit Agricole a penalty to be calculated on the principal amount repaid early.

In the Crédit Agricole Loan various obligations have been provided for Racing Force and/or events, the failure to comply with and/or the occurrence of which will entitle Crédit Agricole to withdraw from the contract and to declare Racing Force as in default with respect to all or part of the payment obligations and to terminate the contract. These include: (i) the event of non-payment, even of a single instalment, (ii) if the Issuer, directors or guarantors are subjected to measures restricting personal freedom or become untraceable (iii) the Issuer being subject to insolvency procedures, (iv) non-fulfilment of any obligation by Racing Force and (iv) the occurrence of any event that could lead to a negative change in the economic, financial or equity situation of Racing Force.

Loan agreement with Simest S.p.A.

On April 19th, 2021, Racing Force and Simest S.p.A. ("***Simest***") entered into a financing agreement for the disbursement by Simest and in favour of the Issuer of an amount of Euro 600,000.00, including the disbursement of the portion to be borne by the available funds of the revolving fund established by Law No. 394 of July 29th, 1981, and the disbursement of the "Fondo Perduto" portion, provided for by Italian Decree Law no. 34 of May 19th, 2020 (the "***Decreto Rilancio***") to be used to improve and safeguard the Issuer's capital soundness in order to increase its capital strength (the "***Simest Financing***").

The Simest Financing provides for an annual nominal interest rate of 0.55%.

Racing Force subsequently signed a deed of receipt and acknowledgement of the debt, whereby it issued Simest with a full discharge and acknowledged its indebtedness to Simest for the amount of Euro 360,000.00.

The Simest Financing provides for an amortisation plan, the repayment of the amount financed, of eight deferred half-yearly instalments, each of equal amount, starting on June 30th, 2024 and ending on December 31st, 2027 and, as to the interest on the principal, starting on December 31st, 2021 and ending on December 31st, 2023.

Loan agreement with UBI Banca S.p.A. (now Intesa Sanpaolo S.p.A.)

On January 13th, 2020, Racing Force and UBI Banca S.p.A., now Intesa Sanpaolo S.p.A. ("***UBI***"), have entered into a loan agreement for the disbursement, by UBI and in favour of the Issuer, of an amount of Euro 500,000.00 (the "***UBI Loan***").

The UBI Loan bears an annual nominal interest rate of 1.15%.

The duration of the UBI Loan was originally set at 24 months, subsequently extended in agreement with the bank. Accordingly, the current amortisation plan provides for repayment of the amount financed in 8 quarterly instalments in arrears (including interest), the last of which is due on January 13th, 2023.

The Issuer may opt for early repayment at any time, in whole or in part, by paying UBI a penalty to be calculated on the principal amount repaid early.

The BPM Loan includes various obligations to be borne by Racing Force and/or events, failure to comply with which and/or the occurrence of which will entitle UBI to withdraw from the contract and to declare Racing Force to have forfeited the benefit of the term with respect to all or part of the payment obligations and to terminate the contract. These include: (i) failure to pay even a single instalment and (ii) submission of the Issuer to insolvency proceedings.

<u>Loan agreement with Monte dei Paschi di Siena S.p.A.</u>

On December 16th, 2019, Racing Force and Monte dei Paschi di Siena S.p.A. ("***MPS***") entered into a loan agreement concerning the disbursement, by MPS and in favour of the Issuer, of an amount of Euro 400,000.00 (the "***MPS Loan***").

The MPS Loan bears an annual nominal interest rate of 1.2%.

The duration of the MPS Loan was originally set at 24 months, extended in agreement with the bank. Accordingly, the current amortization schedule provides for the repayment of the amount financed in 7 quarterly instalments in arrears (including interest), the last of which is due on September 30th, 2023. In addition, the amortisation was preceded by a pre-amortisation period expired on March 31st, 2020.

The Issuer may opt for early repayment at any time, in whole or in part, by paying MPS a penalty to be calculated on the principal amount repaid early.

Under the MPS Loan, Racing Force will be required to comply with the following commercial covenant, which consists in submitting to MPS an amount of commercial flows not less than Euro 480,000 for each six-month term of the loan.

The MPS Loan includes various obligations on Racing Force and/or events, the failure to comply with and/or occurrence of which will entitle MPS to terminate the agreement and to declare Racing Force in default in respect of all or part of its payment obligations and to terminate the agreement. These include: (i) failure to comply with the commercial covenant, (ii) failure to pay even a single instalment and (iii) submission of the Issuer to insolvency proceedings.

<u>Loan agreement between Racing Force USA and PNC Bank</u>

On June 28th, 2018, Racing Force USA and PNC Bank, National Association ("***PNC***") entered into a loan agreement for the payment by PNC and in favor of Racing Force USA of an amount equal to Dollars 252,000 (the "***PNC Loan***").

The PNC Loan has been fully repaid in advance by Racing Force USA within December 31st, 2021.

<u>Loan agreement between Racing Force International and Al Salam Bank</u>

On February 17th, 2020, Racing Force International and Al Salam Bank ("***ASB***") entered into a loan agreement concerning the disbursement by ASB and in favour of the Issuer of an amount of Euro 1,000,000.00 (the "***ASB Loan***").

The PNC Loan has been fully repaid in advance by Racing Force International within December 31st, 2021.

15.2. Bell trademark license agreements

<u>License agreement for the use of Bell trademark (North America, South America and New Zealand)</u>

On July 29th, 2010, Head Protection Technologies LLC ("***HPT***"), Bell Sports Inc. ("***BSI***"), Easton Bell Sports Inc. and Bell Racing Company entered into an agreement for the exclusive license to use Bell trademarks by Bell Sports Inc. in favor to HPT solely on and in connection with the manufacturing, packaging, advertising, promoting, selling and distributing of auto and kart racing, in the territory of North America, South America and New Zealand. Moreover, the licensed products shall also include the right to sell or provide at no charge promotional goods with the Bell marks to retailers and other parties related to the auto racing business, so long as sales of such promotional goods do not exceed 3% of the net sales (the "***Bell License 1***").

Under the Bell License 1, HPT may sublicense its rights to the Bell trademark to other subsidiaries of HPT and provided that HPT warrants that its subsidiaries will properly perform their obligations under the agreement.

The Bell License 1 also provided that BSI will assign to HPT the 2 (two) sponsorship agreements it had signed with car racers.

For the license of the Bell brand, HPT shall pay – starting from January 1st, 2011 - as royalties an amount equal to a fixed percentage calculated based on the net sales of the licensed products. However, it is understood that the minimum royalty amount shall be paid for each year of the license term.

The Bell License 1 includes various obligations on HPT and/or events, the failure to comply with and/or occurrence of which will entitle BSI to terminate the contract and buy back the rights granted.

BSI shall provide written notice to HPT of its intention to exercise its buy-back option at least a defined multi-years period in advance of the effective date of the buy-back.

In the event that BSI fails to cure a material breach of any provision of the Bell License 1 within 30 days of receipt of written notice of such material breach, the minimum royalty shall be reduced pro rata for any actual decrease in sales caused by the material breach until such material breach is cured.

The Bell License 1 provides that BSI shall have an option to terminate the agreement and buy back the Bell license. In the event, BSI exercises its option it shall pay a fee for the buy-back and early termination of the agreement equal to 23% of the total net sales of licensed product for the final three years of the agreement. The buy-back fee might be adjusted in case of discount for the sale of licensed products. In addition, BSI shall purchase the existing inventory of HPT at standard cost up to a maximum of one half of the total net sales for the prior twelve months.

On August 12th, 2010, HPT, pursuant to the dispositions set out in the Bell License 1, sublicensed the Bell brand to Bell Racing USA, LLC (now merged in Racing Force USA).

<u>License agreement for the use of Bell trademark (Rest of the World)</u>

US companies Bell Racing Company and Bell Sports Inc (the licensor) have entered into a license agreement, dated July 3rd, 1999, as amended pursuant to a first amendment dated January 10th, 2000, and a second amendment dated June 8th, 2000 (collectively, "***License Agreement***").

This License Agreement has been assigned by Bell Racing Company (US) to Bell Racing Europe SA (now High Protection Systems) (Belgium) (previously named S.P.O.R.T.S. EUROPE SA), under the terms of which

High Protection Systems has been granted by Bell Racing Company (US) a license by the owner to use the Bell licensed trademarks.

A settlement agreement and mutual release ("***SAMR***") has been executed on March 6th,2008.

A side letter to the License Agreement ("***Side Letter***") has been executed on March 6th, 2008.

The agreements provide that High Protection Systems shall be granted an exclusive perpetual, royalty free license and rights to use the Bell trademarks on and in connection with the manufacture, packaging, advertising, marketing, promotion, sale and distribution of licensed products for solely auto and kart racing in the countries of Europe, Asia and Africa. The licensed products are defined as automobile racing helmets, karting helmets and other high performance safety helmets for vehicles exceeding speeds of 50mph, as well as their accessories. Soft Goods are also included such as automobile racing equipment, racing accessories, replicas, miniatures and collectors' items. The licensor kept the rights to use the trademarks for products not specifically included in the License Agreement.

On December 23rd, 2019, High Protection Systems and Racing Force International entered into an agreement for the assignment of the License Agreement, SAMR and Side Letter (the "***Bell License Agreement 2***") in favor of Racing Force International.

On April 20th, 2020, pursuant to the dispositions set out in the Bell License Agreement 2, High Protection Systems notified the licensor that it assigned the Bell License Agreement 2 to Racing Force International, in return for the payment of valuable consideration, and April 28th, 2020 the licensor accepted the assignment.

<u>Bell trademark license agreement for Soft Goods</u>

On October 4th, 2021, BSI and HPT entered into an agreement for the right to use exclusively the Bell trademarks worldwide in favor of HPT and its affiliates Racing Force USA and Racing Spirits LLC (the "***Assignees***") on and in connection with the manufacture, promotion and sale of soft goods products, such as gloves, suits, shoes, underwear, seats, seat belt (the "***Bell License Agreement 3***").

The Bell License Agreement 3 provides that the royalty rate, which shall be paid by the Assignees to BSI, is calculated on the net sales sold by the Assignees during each quarter and establishes a guaranteed minimum royalty which increase every year (the "***Guaranteed Minimum Royalty***"). The Parties agreed that royalty shall not accrue or apply for certain products sold into certain Europe countries.

In the event of a material default by the Assignees, BSI shall have the right to terminate the Bell License Agreement 3.

Without limitation, the parties agreed that any of the following events shall constitute a material default by Assignees and just cause for termination: (i) Assignees fails to continuously sell licensed products for 3 consecutive quarters; (ii) Racing Force undergoes a change of more than 50% of its ownership as a result of an initial public offering of its stock and BSI reasonably objects to the new controlling shareholder(s) for reasons which may include but are not limited to acquisition of a controlling interest by a competitor or competitors of BSI; (iii) HPT and/or any of its affiliates including Racing Force USA and Racing Spirit, LLC, undergo a change of more than 50% ownership such that they are no longer controlled by Racing Force.

15.3. Lease agreements

<u>Lease agreement between Tyrell Properties LLC and Racing Force USA</u>

On May 20th, 2013, Tyrell Properties LLC and Racing Force USA entered into an agreement for the rent of the showroom sited in Miami 244 NE 62nd Street (the "***USA Lease Agreement***").

The USA Lease Agreement has a duration of five years, until May 31st, 2018.

The USA Lease Agreement provides that Racing Force USA shall pay Tyrell Properties LLC a monthly rent which increase of 3% each year.

On June 1st, 2018, the Parties renewed the USA Lease Agreement until May 31st, 2023.

On October 1st, 2020, the parties amended the USA Lease Agreement by extending the rentable space and consequently by increasing the rent.

<u>Lease agreement between Bahrain International Circuit and High Protection Systems, assigned to Racing Force International</u>

On April 4th, 2014, Bahrain International Circuit ("***BIC***") and High Protection Systems ("***HPS***") entered into a lease agreement for the build of an industrial factory by BIC in favor of HPS, to be made available for a fee and an agreed period of 16 years, with the starting date of October 1st, 2014 (the "***Lease Agreement***").

The Lease Agreement provides that, in the event of earlier termination of the lease, the non-occupancy or limited occupancy of the factory or the early termination of the Lease Agreement, for any reason whatsoever, or the use for a purpose not agreed of the property, shall automatically produce the immediate and irrevocable assignment of all HPS's rights over the property and its occupancy to BIC.

On April 1st, 2015, BIC with an assignment letter assigned the lease of the property to Racing Force International.

On December 13th, 2015, the parties entered into an addendum to the Lease Agreement providing that (i) starting from March 1st, 2017, and for 14 years period thereafter, the monthly rent shall be of a certain amount, (ii) the rent has to be paid for 180 months at a minimum, and that the earlier termination shall automatically subject the lessee to a compensatory fee, (iii) the lessee shall not sublease, alienate or somehow make available or use as a guarantee the factory to any third party or affiliated company without BIC's express written approval.

<u>Lease agreement for the new plant in Mooresville (North Carolina, USA)</u>

In September 2022, the Issuer has entered into a lease agreement (starting from November 2022) for a building situated in Mooresville (North Carolina, USA), where a new plant will be located, of around 1,900 sqm, with the possibility to increase it up to more than 4,600 sqm. The new plant will mainly be functional for the diversification projects, with particular reference to the production of the jet pilot helmets for the memorandum of understanding signed with LIFT (for further information on the agreement with LIFT, please refer to Chapter 6, Paragraph 6.2.4 of the Information Document), and could also produce some equipment for the American market. Racing Force also has a purchase option on the building and is planning to make Mooresville its main logistics hub for the US.

15.4. Transactions with consolidated Related Parties

15.4.1. Intra-group loan agreements

Intra-group loan agreement between Racing Force and SAYE

On December 4th, 2019, Racing Force and SAYE entered into an intercompany loan agreement for the reimbursement by SAYE and in favour of Racing Force of the remaining amount of an interest-bearing shareholders' loan equal to Euro 1,490,000 (the "***Repayment Agreement***").

On October 27th, 2021, Racing Force and SAYE entered into an addendum to the Repayment Agreement whereby SAYE undertook to repay to Racing Force the amount outstanding on the date of commencement of trading of Racing Force's ordinary shares on Euronext Growth Milan and in any event at the same time as SAYE receives the proceeds from the sale of SAYE's shares, as provided for in the Offer relating to Racing Force's IPO process.

The Repayment Agreement has been fully repaid in advance by SAYE within December 31st, 2021.

Intra-group loan agreement between Racing Force and Racing Spirit LLC

On December 1st 2020, Racing Force and Racing Spirit LLC entered into an intercompany loan agreement for the payment by Racing Force and in favour of Racing Spirit LLC of an amount equal to Euro 200,000 (the "***Racing Spirit LLC Loan***").

The Racing Spirit LLC Loan was originally agreed for 1 year, then extended at maturity by agreement between the parties up to December 31st, 2022, with an annual interest rate of 1.5%.

The loan has been fully repaid in advance by Racing Spirit LLC on August 5th, 2022 as part of the Racing Spirit Transaction, as described in Chapter 13, Paragraph 13.2 of the Information Document.

Intra-group loan agreement between Racing Force and Racing Force USA

On March 11th, 2021, Racing Force and Racing Force USA entered into an intercompany loan agreement for the payment by Racing Force and in favour of Racing Force USA of an amount equal to Euro 500,000 (the "***Racing Force USA Loan***").

The Racing Force USA Loan carries an annual interest rate of 1.5%.

The Racing Force USA Loan has a duration of 4 years and the amortisation plan provides for the repayment of the amount financed in 4 annual instalments due on December 31st of each year until December 31st, 2024.

Racing Force USA may return all or part of the Racing Force USA Loan early without penalty.

The Racing Force Loan includes various obligations on Racing Force and/or events, the failure to comply with and/or occurrence of which will entitle Racing Force to withdraw from the contract and declare Racing Force to be in default with respect to all or part of the payment obligations and to terminate the contract. These include: (i) non-payment of principal and interest, (ii) state of insolvency.

Furthermore, the Racing Force USA Loan is subordinated to other loans already entered into by Racing Force with third parties.

Intra-group loan agreement between Racing Force and 2SM Inc.

On March 11th, 2021, Racing Force and 2SM Inc. entered into an intercompany loan agreement for the payment by Racing Force and in favour of 2SM Inc. of an amount equal to Euro 150,000 (the "***2SM Loan***").

The 2SM Loan carries an annual interest rate of 1.5%.

The 2SM Loan has a duration of 3 years and the amortisation plan provides for the repayment of the amount financed in 3 annual instalments in arrears on December 31st of each year until December 31st, 2023.

2SM Inc. may return all or part of the 2SM Loan early without penalty.

The 2SM Loan includes various obligations on 2SM Inc. and/or events, the failure to comply with and/or occurrence of which will entitle Racing Force to withdraw from the contract and declare 2SM Inc. to be in default with respect to all or part of the payment obligations and to terminate the contract. These include: (i) non-payment of principal and interest, (ii) state of insolvency.

Furthermore, the 2SM Loan is subordinated to other loans already entered into by 2SM Inc. with third parties.

Intra-group loan agreement between Racing Force and Racing Spirit LLC

On April 19th, 2021, Racing Force and Racing Spirits LLC entered into an intercompany loan agreement for the payment by Racing Force and in favour of Racing Spirits LLC of an amount equal to Euro 65,000 (the "***Racing Sprits LLC Loan 2***").

The Racing Spirit LLC Loan 2 was originally due and payable within December 31st, 2021, then extended at maturity by agreement between the parties up to December 31st, 2022.

The loan has been fully repaid in advance by Racing Spirit LLC on August 5th, 2022 as part of the Racing Spirit Transaction, as described in Chapter 13, Paragraph 13.2 of the Information Document.

Intra-group loan agreement between Racing Force and Racing Force USA

On December 1st, 2021, Racing Force and Racing Force USA entered into an intercompany loan agreement for the payment by Racing Force and in favour of Racing Force USA of an amount equal to Euro 300,000 (the "***Racing Force USA Loan 2***").

The Racing Force USA Loan 2 carries an annual interest rate of 1.5%.

The Racing Force USA Loan has a duration of 5 years and the amortisation plan provides for the repayment of the amount financed in 5 annual instalments due on December 31st of each year until December 31st, 2026.

Racing Force USA may return all or part of the Racing Force USA Loan 2 early without penalty.

The Racing Force Loan 2 includes various obligations on Racing Force and/or events, the failure to comply with and/or occurrence of which will entitle Racing Force to withdraw from the contract and declare

Racing Force to be in default with respect to all or part of the payment obligations and to terminate the contract. These include: (i) non-payment of principal and interest, (ii) state of insolvency.

Furthermore, the Racing Force USA Loan 2 is subordinated to other loans already entered into by Racing Force with third parties.

Intra-group loan agreement between Racing Force and Racing Force International

On December 1st, 2021, Racing Force and Racing Force International entered into an intercompany loan agreement for the payment by Racing Force and in favour of Racing Force International of an amount equal to Euro 2,500,000 (the "***Racing Force International Loan***").

The Racing Force International Loan carries an annual interest rate of 1.5%.

The Racing Force International Loan has a duration of 8 years and shall be due and payable within December 1st, 2029.

Racing Spirits LLC may return all or part of the Racing Force International Loan early without penalty.

The Racing Force International Loan includes various obligations on Racing Force International and/or events, the failure to comply with and/or occurrence of which will entitle Racing Force to withdraw from the contract and declare Racing Force International to be in default with respect to all or part of the payment obligations and to terminate the contract. These include: (i) non-payment of principal and interest, (ii) state of insolvency.

Furthermore, the Racing Force International Loan is subordinated to other loans already entered into by Racing Force International with third parties.

Intra-group loan agreement between Racing Force and Racing Force International

On May 5th, 2022, Racing Force and Racing Force International entered into an intercompany loan agreement for the payment by Racing Force and in favour of Racing Force International of an amount equal to Euro 1,000,000 (the "***Racing Force International Loan 2***").

The Racing Force International Loan 2 carries an annual interest rate of 3.0%.

The Racing Force International Loan 2 has a duration of almost 4 years and shall be due and payable within May 30th, 2026.

Racing Spirits LLC may return all or part of the Racing Force International Loan 2 early without penalty.

The Racing Force International Loan 2 includes various obligations on Racing Force International and/or events, the failure to comply with and/or occurrence of which will entitle Racing Force to withdraw from the contract and declare Racing Force International to be in default with respect to all or part of the payment obligations and to terminate the contract. These include: (i) non-payment of principal and interest, (ii) state of insolvency.

Furthermore, the Racing Force International Loan 2 is subordinated to other loans already entered into by Racing Force International with third parties.

15.4.2. Other transactions with consolidated Related Parties

Share sale and purchase agreement between Racing Force and Racing Force International

On December 23rd, 2020, Racing Force and Racing Force International entered into a share sale and purchase agreement for the sale of the entire corporate capital of Zeronoise Ltd. to Racing Force International for a fixed amount (the "***Zeronoise Agreement***").

The Zeronoise Agreement provides that the consideration shall be paid in 10 (ten) deferred annual instalments until December 31st, 2030.

The Zeronoise Agreement provides for an annual interest rate of 1.5%.

Investment agreement with Kyle Kietzmann

On February 18th, 2021, Racing Force, Racing Force USA, 2SM Inc., KJK Protective Technologies LLC and Kyle Kietzmann entered into an investment for:

(a) the sale of KJK Protective Technologies LLC' shares:
   (i) held into Bell Racing USA, LLC to Racing Force; and
   (ii) held into Head Protection Technologies, LLC and Head Pro Tech, LLC to 2SM Inc.

(b) the following acquisition by KJK Protective Technologies LLC of n. 34,663 shares of Racing Force representing the 1,80% of the entire corporate capital (the "***KK Investment Agreement***").

The KK Investment Agreement provides for a price to be paid by Racing Force for the sale of KJK Protective Technologies LLC's shares and for the price for the purchase of Racing Force Shares to be paid by KJK Protective Technologies LLC (the "***Racing Force Price***").

The parties agreed that the Racing Force Price shall be paid partly on the closing date and for the remaining part by deferred payment in 5 annual instalments of a fixed amount bearing an annual interest rate of 2%.

Racing Force credit towards Racing Force Holdings Sàrl

On December 24th, 2019, following the acquisition by Racing Force of the entire corporate capital of Tahru S. à r.l. (now Racing Force Holdings Sàrl), the Issuer accumulated a credit towards Tahru S. à r.l. for an amount equal to Euro 5,800,047.85 (the "***Credit***"). Starting from January 1st, 2020, Racing Force shall apply an annual interest rate of 1.5% to the Credit.

On December 31st, 2021, the amount still due from Racing Force is equal to Euro 6,045,048.

Framework agreement for the provisions of services between Racing Force and Racing Force International

On January 3rd, 2022 Racing Force and Racing Force International entered into an agreement, replacing the pre-existing one dated December 17th, 2020, for the provision of services by Racing Force in favor of Racing Force International in exchange for a fee (the "***Contract***").

The Contract has as its object the carrying out by Racing Force of research and development activities at its Pisa headquarters with its own specialized personnel for the development of the Driver's Eye. The Issuer will also guarantee the necessary assistance through specially dedicated personnel at any event indicated by Racing Force International, without any territorial limits. Finally, Racing Force is committed to provide Racing Force International with an adequate number of prototypes of Driver's Eye and spare parts according to the agreements entered into by the same with the championship promoters.

The Contract has a duration of 5 (five) years, until December 31^{st}, 2025, with the provision of automatic renewal, unless terminated by notice to be communicated within 6 months prior to the expiry date.

Furthermore, the Contract provides for the right of Racing Force to terminate it in the event of repeated breaches by Racing Force International that make it impossible to continue the Contract.

16. INFORMATION ON THE LISTING ON EURONEXT GROWTH PARIS AND ON THE SHARES TO BE ADMITTED ON EURONEXT GROWTH PARIS

16.1. Reasons for the decision to apply for admission to trading on Euronext Growth Paris

By requesting the admission of its ordinary Shares on Euronext Growth Paris, the Issuer seeks:

- to increase its visibility towards French and European investors;
- to increase the liquidity of its ordinary Shares.

The application for a secondary listing on Euronext Growth by way of a Direct Admission with Euronext Paris was approved by the Issuer Shareholders' Meeting on September 1st, 2022, and by subsequent resolution of the Board of Directors of the Issuer on September 23rd, 2022.

16.2. Description of the type and class of financial instruments admitted to trading

The financial instruments for which the admission to trading on Euronext Growth Paris has been requested are all the Issuer's no. 23,757,450 ordinary Shares.

Shares

The ISIN code (International Security Identification Number) assigned to the Shares traded on Euronext Growth Milan is IT0005466963.

The ticker on Euronext Growth Milan is "RFG".

The ticker on Euronext Growth Paris is "ALRFG".

16.3. Law governing the issuance of the Shares

The Shares have been issued according to the laws of Italy.

16.4. Characteristics of the Shares

The Shares are individual, indivisible, freely transferable and issued in dematerialized form, held in centralized deposit system managed by Monte Titoli S.p.A. (*EURONEXT SECURITIES MILAN*) and have regular dividend entitlement.

The co-ownership of the Shares is regulated by the law.

Consequently, as long as the Shares are held in centralized deposit system managed by Monte Titoli S.p.A. by Monte Titoli S.p.A., the transfer of the Shares and the exercise of the related rights can take place exclusively by means of the intermediaries belonging to the centralized management system of Monte Titoli S.p.A.

16.5. Currency of the Shares

The Issuer's Shares are issued in Euro.

16.6. Description of the right connected to the Shares and exercise of such rights

All the Shares shall have the same characteristics and shall grant the same rights as the Company's ordinary shares.

16.7. Limitations to the free transferability of the Shares

There are no limitations to the free transferability of the Shares pursuant to the law and the By-Laws.

16.8. Lock up agreements

On November 12th, 2021, SAYE, Nehoc Systems Ltd, Aref Khalil Yazbek, Alexandros Haristos, Kyle Kietzmann and the Issuer have (collectively referred to as the "***Restricted Shareholders***") entered into a lock-up agreement with the Issuer itself and the Euronext Growth Milan Advisor.

Pursuant to the lock-up agreement, the Issuer and the Restricted Shareholders have irrevocably undertaken, for a period of 12 months beginning from the starting date of trading on Euronext Growth Milan (the "***Lock-Up Period***"), the following obligations:

(a) not to carry out, directly or indirectly, any sale, transfer, deed of disposition or other transaction whose object or effect is, directly or indirectly, the allocation or transfer to third parties (including the granting of option rights, the establishment of pledges or other encumbrances or the lending of securities), for any reason and in any form whatsoever, of the Shares that the Restricted Shareholders held at the date of admission to trading on the Euronext Growth Milan (or of other financial instruments of Racing Force, including participatory ones, granting the right to purchase, subscribe, convert into, or exchange for, Shares of the Company or other financial instruments, including participatory ones, granting rights inherent in or similar to such shares or financial instruments);

(b) not to propose or resolve on operations to increase the Company's share capital, nor issue new shares, nor place (including through third parties) on the market equity securities, either directly or in the context of the issue of bonds convertible into shares by the Company or by third parties, and/or in the context of the issue of warrants by the Company or by third parties, or in any other manner, except for any capital increases carried out pursuant to Articles 2446 and 2447 of the Italian Civil Code, up to the threshold necessary to comply with the legal limit;

(c) not to issue and/or place on the market bonds convertible into or exchangeable for the Company's shares or into vouchers for the purchase or subscription of the Company's shares, or other financial instruments, including participatory ones, which grant rights inherent to or similar to such shares or financial instruments;

(d) not to make, without having previously informed Euronext Growth Milan Advisor, any change to the size and composition of its capital (including capital increases), as well as to the corporate structure of Racing Force;

(e) not to approve and/or carry out transactions on derivative instruments, which have the same effects, even if only economic, as the transactions referred to above.

The commitments undertaken by Racing Force and the Restricted Shareholders may only be waived with the prior written consent of the Euronext Growth Milan Advisor, which consent shall not be unreasonably withheld. The above provision does not apply to the following cases: (i) in compliance with legal or regulatory obligations; or (ii) following the issuance of measures or requests by competent authorities; or (iii) in compliance with a public purchase or exchange offer on the Company's shares and addressed to all the holders of the Company's financial instruments, it being understood that, should the public purchase or exchange offer on the Company's ordinary shares be unsuccessful, the restrictions contained in the lock-up agreement shall become effective again until their natural expiration; or (iv) for the pledge or assignment of the shares held by the Restricted Shareholders on the strict condition that the same shall have the right to vote, it being understood that any enforcement of the pledge by the pledgee shall be considered as a breach of the prohibitions of alienation set forth in point (i) above.

16.9. Rules regarding residual obligations for takeover bids and/or offers for sale in relation to the Shares

Article 13 of the By-Laws provides that, from the moment in which the Shares are admitted to trading on Euronext Growth Milan, and until similar rules are enforced by law, the provisions dictated for listed companies by articles 106, 108, 109 and 111 of TUF and concerning mandatory takeover bids and exchange offers shall apply, also with reference to Consob implementing regulations and the guidelines issued by Consob on the subject.

It is understood that the offer obligation set out in art. 106, paragraph 3, letter b) TUF shall not apply, under the conditions set out in paragraph 3-quater of the same provision, until the date of the shareholders' meeting called to approve the financial statements as of the fifth financial year following the admission of the Issuer’s Shares to Euronext Growth Milan.

Unless otherwise provided for by law or regulation, in the case in which TUF or Regulation 11971/1999 provide that Consob has to determine the price for the exercise of the obligation and the right to purchase referred to in Articles 108 and 111 TUF, such price shall be determined by the Board of Directors of the Issuer, after consulting the Board of Statutory Auditors, by applying the same methods provided for by TUF.

In the case in which the threshold provided for in art. 106, paragraph 1, TUF is exceeded (also following any increase in voting rights) and is not followed by the communication to the Board of Directors of the Issuer and the submission of a public offer for the entire Issuer’s share capital within the terms provided by TUF, the voting right on the exceeding participation shall be suspended.

For further information, please refer to article 13 of the By-Laws available on the Issuer's website www.racingforce.com.

18. ADDITIONAL INFORMATION

18.1. Listing Sponsor and advisors for the listing

For the secondary listing of its ordinary Shares on Euronext Growth Paris, the Issuer is further advised by the following advisors:

Advisor	*Role*
MIDCAP, a division of TP ICAP (EUROPE) S.A.	Listing Sponsor
Emintad Italy S.r.l.	Financial Advisor
LCA Studio Legale	Issuer's legal advisor

The Issuer has entered into a listing sponsor agreement with the Listing Sponsor, in accordance with EGM Rule Book.

18.2. Liquidity provision

The Issuer and SAYE have entered into a liquidity provision agreement with MIDCAP, a division of TP ICAP (EUROPE) S.A. to ensure the liquidity of the Issuer's ordinary Shares on Euronext Growth Paris.

MIDCAP, a division of TP ICAP (EUROPE) S.A. entered into a liquidity provider agreement with Euronext Paris, according to this latter market rules.

18.3. Shares price performance

The Issuer's Shares have started trading on Euronext Growth Milan on November 16th, 2021, at the price of Euro 4.5 per Share.

On January 3rd, 2022, the Shares have reached a maximum price of Euro 6.11 per Share.

On June 14th, 2022, the Shares have reached a minimum price of Euro 4.065 per Share.

In the chart below is represented the share price performance from the starting date of trading on Euronext Growth Milan.

18.4. Press releases made by the Issuer during the last year

All the press releases made by the Issuer during the last year are available in the Investor Relations section of the Issuer's website www.racingforce.com.

18.5. Information Document availability

This Information Document will be available to the public for consultation, as from the Admission Date, at the registered office of the Issuer (via Bazzano n. 5, 16019, Ronco Scrivia (GE)) and in the Investor Relations section of the Issuer's website www.racingforce.com.

18.6. Appendix

The consolidated financial statements of the Group ended on December 31st, 2021, are annexed to the Information Document.