

## Report on the audit of the financial statements

To the Chairman of  
Fondazione “Opera San Francesco Saverio” - C.U.A.M.M.

### Independent Auditor’s report

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#### Opinion

We have audited the financial statements of Fondazione “Opera San Francesco Saverio” - C.U.A.M.M. (the Company), which comprise the balance sheet as 12/31/2019, the income statement and the cash flow statement for the year then ended and the explanatory notes. Such Financial Statements, although not specifically required by law, has been prepared in accordance with the Italian Civil Code, except for non disclosing the cash flow statement.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 12/31/2019, and of the result of its operations and its cash flows for the year then ended in accordance with the Italian regulations and accounting principles governing financial statements except for cash flow statement.

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#### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the audit of the Financial Statements section of this report. We are independent of the company in accordance with ethical requirements and standards applicable in Italy that are relevant to the audit of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### Other matters

This report is not issue under any legal requirement, since for the year ended as December 31, 2019 the audit pursuant to article 2477 of the Italian Civil Code has been performed by a subject other than this audit firm.

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#### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian regulations and accounting principles governing financial statements and, within the limits of the law, for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

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## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of the audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of non detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting principles used and the reasonableness of accounting estimates and related disclosures made management;
- Conclude on the appropriateness of management's use of the going concern and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level as required by the ISA Italia, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Padova, June 25, 2020

BDO Italia S.p.A.

Stefano Bianchi  
Partner

*This report has been translated into English from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.*

## Balance Sheet at December 31st, 2019

<b>ASSETS</b>				
(Eur Amounts)		31/12/2019	31/12/2018	Variance +/-
<b>(A)</b>	<b>SHARE CAPITAL ISSUED AND NOT YET PAID</b>			
	<i>Payments already required</i>	0	0	0
*	<b>Total Share capital issued and not yet paid:</b>			
<b>(B)</b>	<b>FIXED ASSETS:</b>			
<b>I</b>	<b>INTANGIBLE ASSETS</b>			
	1 Installation and expansion costs	0	0	0
	2 Research, development and advertising costs	0	0	0
	3 Industrial and other Patent Rights	0	0	0
	4 Concessions, licenses, trademarks and similar rights	6.431	3.872	2.559
	5 Goodwill	0	0	0
	6 Assets under construction and advance payments	0	0	0
	7 Other intangible assets	17.202	22.936	-5,734
*	<b>Total Intangible Assets:</b>	<b>23.633</b>	<b>26.808</b>	<b>-3.175</b>
<b>II</b>	<b>TANGIBLE ASSETS:</b>			
	1 Land and buildings	3.885.049	3.995.476	-110.427
	2 Plant and machinery	15.174	5.730	9.444
	3 Industrial and commercial equipment	21.293	18.593	2.700
	4 Other tangible assets	95.652	90.510	5.142
	5 Construction in progress and advance payments	15.527	921	14.606
*	<b>Total Tangible Assets:</b>	<b>4.032.695</b>	<b>4.111.230</b>	<b>-78.535</b>
<b>III</b>	<b>FINANCIAL ASSETS</b>			
	1 Investments	5.814	5.814	0
	2 Receivables	0	0	0
	<i>within 12 months</i>	0	0	0
	<i>over 12 months</i>	0	0	0
	3 Other Securities	7.066.380	7.036.534	29.846
*	<b>Total Financial Assets:</b>	<b>7.072.194</b>	<b>7.042.348</b>	<b>29.846</b>
	<b>TOTAL FIXED and FINANCIAL ASSETS:</b>	<b>11.128.522</b>	<b>11.180.386</b>	<b>-51.864</b>
<b>(C)</b>	<b>CURRENT ASSETS</b>			
<b>I</b>	<b>Inventories</b>			
	4 Merchandise	0	0	0
	5 Advance Payments	0	0	0
*	<b>Total Inventories:</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>II</b>	<b>Accounts Receivables</b>			
1	Trade Accounts Receivables	66.640	80.453	-13.813
	<i>within 12 months</i>	66.640	80.453	-13.813
	<i>over 12 months</i>	0	0	0
2	Tax Receivables	6.124	4	6.120
	<i>within 12 months</i>	6.124	4	6.120
	<i>over 12 months</i>	0	0	0
3	Other Receivables	39.863.856	35.380.471	4.483.385
	<i>within 12 months</i>	25.967.992	18.156.864	7.811.128
	<i>over 12 months</i>	13.895.864	17.223.607	-3.327.743
*	<b>Total Receivables:</b>	<b>39.936.620</b>	<b>35.460.928</b>	<b>4.475.692</b>
<b>III</b>	<b>Short-term investment</b>			
1	Investments	0	0	0
2	Other Securities	0	0	0
*	<b>Total Short Term Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV</b>	<b>Cash and Cash Equivalents</b>			
1	Banks and Postal Deposits	14.925.952	16.883.545	-1.957.593
2	Cheques	0	0	0
3	Cash on hand	308.491	316.875	-8.384
*	<b>Total Cash and Cash Equivalents:</b>	<b>15.234.443</b>	<b>17.200.420</b>	<b>-1.965.977</b>
*	<b>TOTAL CURRENT ASSETS</b>	<b>55.171.063</b>	<b>52.661.348</b>	<b>2.509.715</b>
<b>(D)</b>	<b>PREPAYMENTS AND ACCRUED INCOMES</b>			
	Advanced costs on loans	0	0	0
	Other prepayments and accrued incomes	5.307.155	5.636.920	-329.765
*	<b>Total Prepayments and Accrued Incomes:</b>	<b>5.307.155</b>	<b>5.636.920</b>	<b>-329.765</b>
	<b>TOTAL ASSETS</b>	<b>71.606.740</b>	<b>69.478.654</b>	<b>2.128.086</b>

<b>LIABILITIES AND EQUITY</b>				
(Eur Amounts)		<b>31/12/2019</b>	<b>31/12/2018</b>	<b>Variance +/-</b>
<b>(A)</b>	<b>EQUITY</b>			
I	Capital / Accumulated Fund	282.760	282.760	0
II	Revaluation Reserve	1.391.137	1.391.137	0
III	Statutory Reserves	0	0	0
IV	Other Reserves:	12.666.026	12.518.703	147.323
	- Extraordinary Reserve	250.761	234.383	16.378
	- Reserves with specific aim	12.415.265	12.284.320	130.945
V	Surplus (deficit) of previous years	0	0	0
VI	Surplus (deficit) of current year	71.533	16.379	55.154
	<b>Total Net Equity:</b>	<b>14.411.456</b>	<b>14.208.979</b>	<b>202.477</b>
<b>(B)</b>	<b>PROVISIONS FOR CONTINGENCIES AND COMMITMENTS</b>			
1	Provision for Severance Indemnities and similar commitments	0	0	0
2	Provision for Deferred Taxes	0	0	0
3	Other Provisions	2.768.995	2.052.288	716.707
	<b>Total Provisions for Contingencies and Commitments:</b>	<b>2.768.995</b>	<b>2.052.288</b>	<b>716.707</b>
<b>(C)</b>	<b>STAFF LEAVING INDEMNITY</b>	<b>1.248.451</b>	<b>1.102.292</b>	<b>146.159</b>
<b>(D)</b>	<b>LIABILITIES</b>			
1	Banks loans and overdraft	19.919	29.854	-9.935
	<i>within 12 months</i>	19.919	29.854	-9.935
	<i>over 12 months</i>	0	0	0
2	Other Financial Payables	0	0	0
	<i>within 12 months</i>	0	0	0
	<i>over 12 months</i>	0	0	0
3	Advance Payments Received	0	0	0
	<i>within 12 months</i>	0	0	0
	<i>over 12 months</i>	0	0	0
4	Trade Accounts Payables	687.058	426.257	260.801
	<i>within 12 months</i>	687.058	426.257	260.801
	<i>over 12 months</i>	0	0	0
5	Note Payables	0	0	0

	<i>within 12 months</i>	0	0	0
	<i>over 12 months</i>	0	0	0
6	Tax Payables	144.643	152.952	-8.309
	<i>within 12 months</i>	144.643	152.952	-8.309
	<i>over 12 months</i>	0	0	0
7	Social Securities Payables	318.692	312.954	5.738
	<i>within 12 months</i>	318.692	312.954	5.738
	<i>over 12 months</i>	0	0	0
8	Other Payables	4.557.871	4.038.198	519.673
	<i>within 12 months</i>	3.080.608	2.059.434	1.021.174
	<i>over 12 months</i>	1.477.263	1.978.764	-501.501
	<b>Total Liabilities:</b>	<b>5.728.183</b>	<b>4.960.215</b>	<b>767.968</b>
<b>(E)</b>	<b>ACCRUED EXPENSES AND DEFERRED INCOMES</b>			
	Agio on loans			
	Other accrued expenses and deferred incomes	47.449.655	47.154.880	294.775
	<b>Total Accrued Expenses and Deferred Incomes</b>	<b>47.449.655</b>	<b>47.154.880</b>	<b>294.775</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>71.606.740</b>	<b>69.478.654</b>	<b>2.128.086</b>

**STATEMENT OF COMPREHENSIVE INCOME AT  
DECEMBER, 31<sup>ST</sup>2019**

(Eur Amounts)		31/12/2019	31/12/2018	Variance +/-
<b>(A)</b>	<b>VALUE PRODUCED</b>			
1	Contributions, Offers, and other activity incomes	42.763.643	36.046.028	6.717.615
2	Change in merchandises	0	0	0
3	Increase of works in progress	0	0	0
4	Increase in internal construction capitalized	0	0	0
5	Other revenues	563.384	225.484	337.900
*	<b>Total Value Produced</b>	<b>43.327.027</b>	<b>36.271.512</b>	<b>7.055.515</b>
<b>(B)</b>	<b>COSTS</b>			
6	Costs for raw materials, auxiliary materials, spare parts and goods	128.316	114.446	13.870
7	Costs for services	39.331.539	33.243.735	6.087.804
8	Costs for utilization of third parties' assets	62.282	86.208	-23.926
9	Personnel Costs	2.658.476	2.387.198	271.278
	(a) <i>Wages and Salaries</i>	1.932.694	1.734.257	198.437
	(b) <i>Social Securities</i>	557.358	496.564	60.794
	(c) <i>Staff Leaving Indemnity</i>	168.424	156.377	12.047
	(d) <i>Other Social Contributions</i>	0	0	0
	(e) <i>Other costs</i>	0	0	0
10	Amortization and Write off on Assets	506.751	178.637	328.114
	(a) <i>Amortization of intangible assets</i>	7.987	7.025	962
	(b) <i>Amortization of tangible assets</i>	184.167	171.612	12.555
	(c) <i>Other write off on assets</i>	0	0	0
	(d) <i>Write off on accounts receivables</i>	314.597	0	314.597
11	Change in inventory of raw materials, auxiliary materials, spare parts and goods	0	0	0
12	Accruals for contingencies	408.232	0	408.232
13	Other Accruals	0	13.558	-13.558
14	Other operating expenses	183.339	194.200	-10.861
*	<b>Total Costs</b>	<b>43.278.935</b>	<b>36.217.982</b>	<b>7.060.953</b>
(A-B)	<b>* Differences between Value Produced and Costs</b>	<b>48.092</b>	<b>53.530</b>	<b>-5.438</b>
<b>(C)</b>	<b>FINANCIAL INCOMES AND EXPENSES</b>			
15	Incomes from Investiments	0	0	0
16	Other financial incomes	114.358	44.432	69.926
17	Interest and other financial charge	166-	298-	132

17 bis	Exchange currency gains and losses	7.485	5.953	1.532
*	<b>Net Financial Incomes and (Expenses):</b>	<b>121.677</b>	<b>50.087</b>	<b>71.590</b>
(D)				
18	Revaluations	0	0	0
19	Devaluations	0	0	0
	<b>Net Adjustments to the value of financial operations</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>* EARNING BEFORE TAXES</b>	<b>169.769</b>	<b>103.617</b>	<b>66.152</b>
22	Current and Deferred Income Taxes	98.236	87.238	10.996
*	<b>23 Net Income (Loss) of Financial Period:</b>	<b>71.533</b>	<b>16.379</b>	<b>55.154</b>

The present Financial Statement is compliant to the accounting records regularly kept by Organization.

**The President of Board of Governors**

Mons. Claudio Cipolla.