

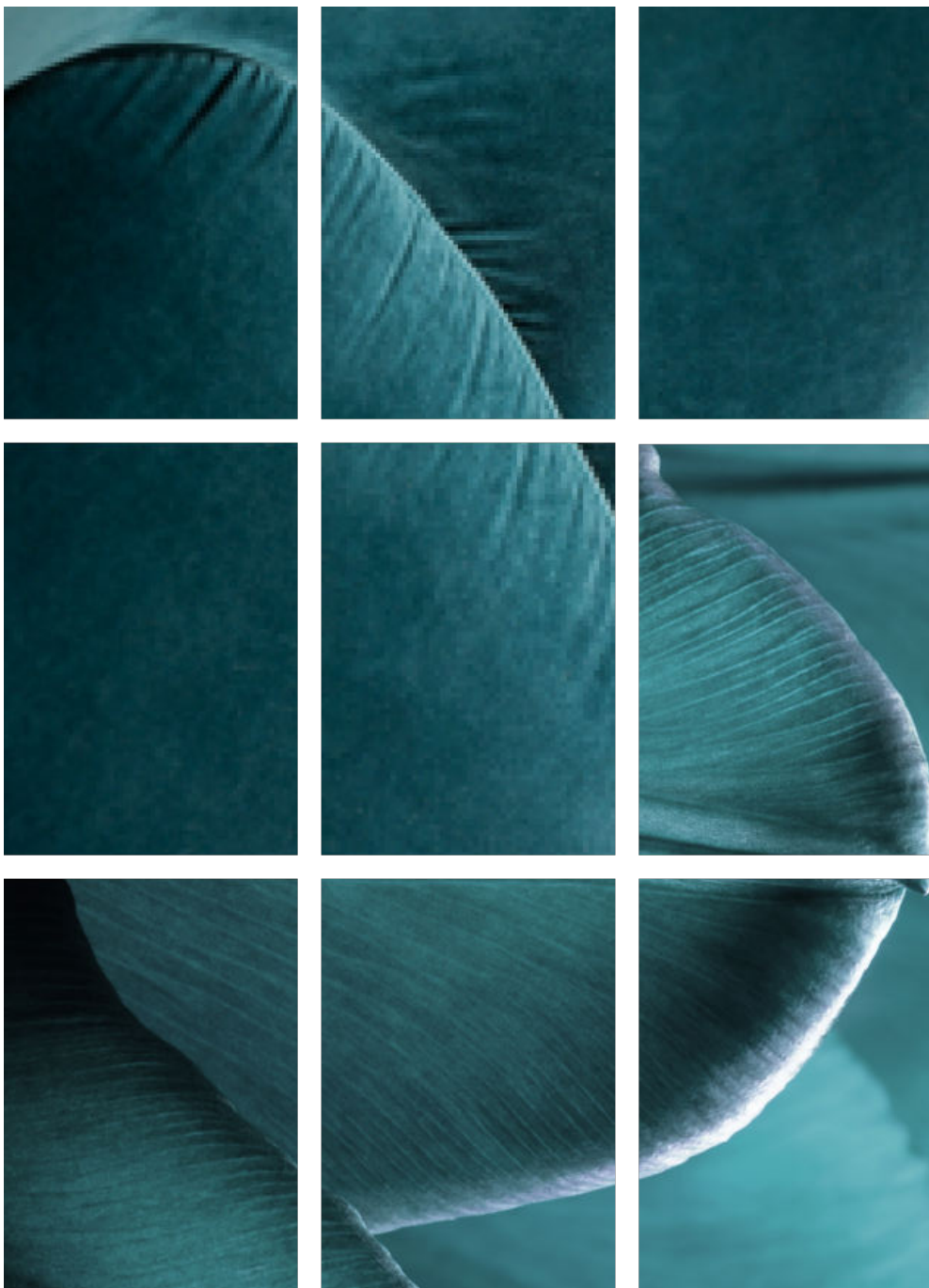
STILISTI URBANI - MADE IN MILANO



Abitare In®



HALF-YEARLY CONSOLIDATED FINANCIAL REPORT AT 31 MARCH 2022



STILISTI URBANI

made in Milano

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AbitareIn S.p.A.

Address

Operating

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Management and control bodies

Board of Directors

Luigi Francesco Gozzini	Chairman and Chief Executive Officer
Marco Claudio Grillo	Chief Executive Officer
Mario Benito Mazzoleni	Independent Board member
Giuseppe Carlo Vegas	Independent Board member
Nicla Picchi	Independent Board member
Eleonora Reni	Board member

Board of Statutory Auditors

Ivano Passoni	Chairman
Marco Dorizzi	Standing statutory auditor
Matteo Ceravolo	Standing statutory auditor
Fanny Butera	Substitute statutory auditor
Mariateresa Giangreco	Substitute statutory auditor

Auditing firm	BDO Italia S.p.A.
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Manager in charge of preparing the accounting documents	Cristiano Contini
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Group structure as at 31 march 2022



Abitare In Development 3 S.r.l., Abitare In Development 4 S.r.l., Abitare In Development 6 S.r.l., Abitare In Development 7 S.r.l., Milano Progetti S.r.l., Richard S.r.l., Mivivi S.r.l., Smartcity S.r.l., City Zeden S.r.l., Volaplana S.r.l., Deametra S.r.l., Immaginare S.r.l., Creare S.r.l., Hommi S.r.l., Housenow S.r.l., Accursio S.r.l., Citynow S.r.l., Ziro S.r.l.

Disclaimer

These half-yearly financial statements, and in particular the sections entitled “Outlook” and “Main risks and uncertainties to which the Abitare In Group is exposed”, contain forward-looking statements. These statements are based on the Group's current expectations and projections of future events and, by their nature, are subject to an intrinsic component of risk and uncertainty. They refer to events and depend on circumstances that may, or may not, happen or occur in the future. Actual results may differ from those contained in these statements due to a variety of factors, such as volatility in capital and financial markets, changes in macroeconomic conditions and economic growth and other changes in business conditions, changes in legislation and on the institutional scenario and many other factors, including possible developments in the Covid-19 pandemic, most of which are outside the control of the Group.

Whereas

These half-yearly consolidated financial statements at 31 March 2022 (hereinafter referred to as the “half-yearly report”) have been prepared in compliance with Article 154-ter of Italian Legislative Decree 58/1998 as amended, as well as the Issuers' Regulations issued by Consob, and therefore do not include all the supplementary information required in the annual financial statements and must be read in conjunction with the Group's consolidated financial statements as at 30 September 2021.

This half-yearly report includes the half-yearly condensed consolidated financial statements at 31 March 2022, prepared in accordance with IAS 34, Interim Financial Reporting. The half-yearly condensed consolidated financial statements at 31 March 2022 have been prepared in “condensed” form and must therefore be read together with the consolidated financial statements of the Abitare In Group for the year ended 30 September 2021, prepared in compliance with the IFRS, without prejudice to anything described in the following paragraph of the explanatory notes “Accounting standards, amendments and interpretations applicable from 1 October 2021”.

Abitare in group's interim report on operations

The AbitareIn Group specialises in implementing urban regeneration and redevelopment residential projects involving the purchase of disused or abandoned properties, their demolition and the construction of new residential complexes (both phases that are entirely outsourced through tender contracts) and, finally, their marketing. The Group mainly addresses families who buy a home to live in, focusing its development activities, in particular, on the semi-central and semi-peripheral areas of the city of Milan, whose selection - the result of careful research within a portfolio of opportunities outlined by an Issuer's internal team - is based on the socio-economic fabric, demographics and the supply and demand relationship.

Starting at the end of 2019, the Group launched the project called “Homizy”. Homizy nowadays is an innovative SME, 70.7% owned by the parent company Abitare In S.p.A., dedicated to the development of a new strategic line of business, namely the development and rental of residential properties through so-called co-living solutions, listed on the Euronext Growth Milan market, in the Professional segment.

In particular, Homizy aims to offer young people, aged between 20 and 35, who relocate from their places of origin to a different city to pursue their career path or who want to fly the nest to become more independent, a living solution that guarantees efficiency in management and maintenance, innovative services and spaces for socialising.

Pursuant to IFRS 8, no information is provided in relation to operating segments as this is not deemed to be material.

Highlights

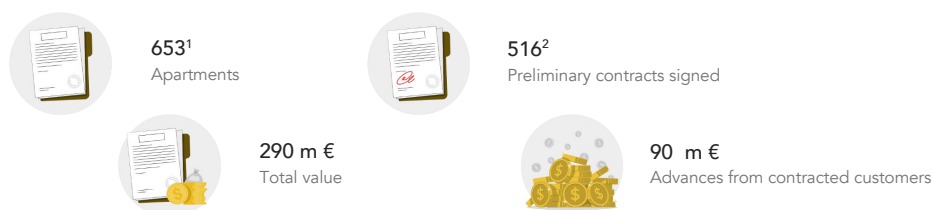
➤ Key non-financial indicators

at 13.06.2022

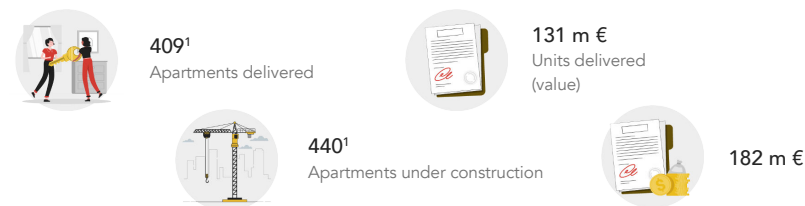
Development Pipeline



Portafoglio ordini



Avanzamento cantieri



Maturità pipeline

Appartamenti¹ pronti alla commercializzazione⁶

1,285
at the end 2022

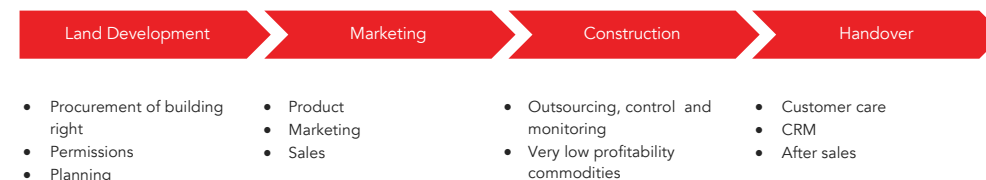
2,464
at the end 2023

Notes:

- 1) No. of apartments, considering an average surface area of 92 m² for the marketing in unrestricted building and 82 m² for social housing. The actual number of apartments built and for which contracts have been signed - without prejudice to the combined floor area (m²) - may vary depending on the level of customisation of the surface area of the real estate units.
- 2) May differ from the no. of apartments depending on the actual size of the apartments sold.
- 3) In the most recent transactions, AbitareIn has noted a significant and progressive increase in the average size of apartments sold.
- 4) Includes 12,800 m² of net saleable area - equal to 140 standard apartment units - currently being assessed for development into co-living units through the subsidiary Homizy S.p.A.
- 5) Of which 26,000 m² of net saleable area of social housing.
- 6) Of which 317 are social housing apartments.
- 7) Construction site that can be launched in 12 months

Pipelines under development

As at the date of approval of this report, the AbitareIn Group is the owner or promissory buyer, by virtue of binding agreements, of 22 areas, corresponding to 296,000 square meters of net saleable area for development, equivalent to 3,297 standard-size apartments (the Development Pipeline). The various initiatives included in the Pipeline, located in strategic areas of the City of Milan (including Porta Romana District, Lambrate, Naviglio Grande, Certosa) are at different stages of development, based on the Company's business model:



Of the almost 3,300 apartments in the pipeline, four different projects are currently being marketed (according to the micro-campaign procedures): Lambrate Twin Palace, The Units, Palazzo Sintesy and the Balduccio Dodici for a total of around 340 standard apartments¹

Without considering the projects currently being marketed, 653 standard¹ apartments have already been sold (on a preliminary basis), for a value of Euro 290 million, with formally agreed down payments (secured by an insurance guarantee) for Euro 90 million.

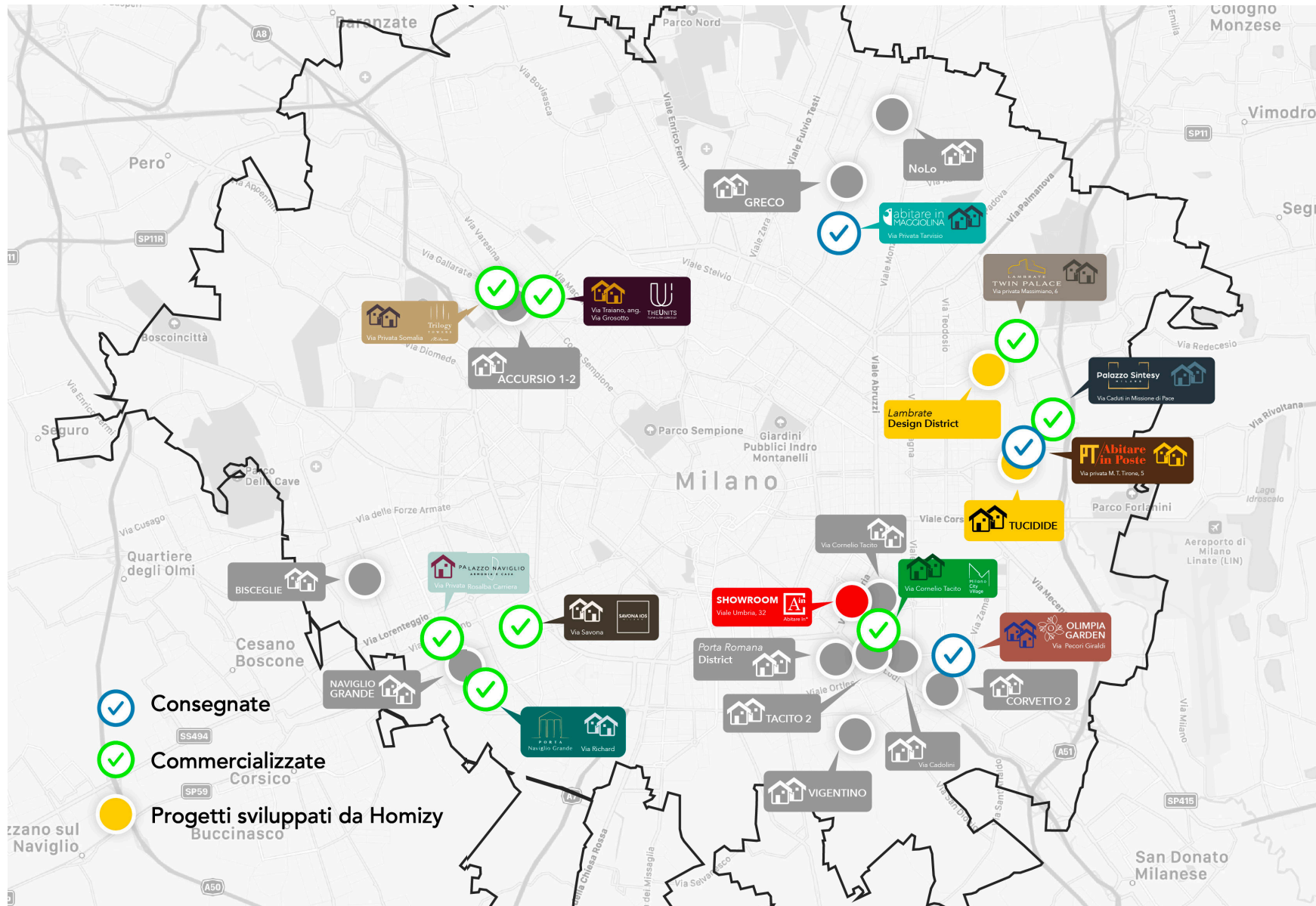
To date, the Group has delivered 409 apartments, split between the three projects Abitare In Poste, Abitare In Maggiolina and Olimpia Garden, for a total value of Euro 131 million, while 440 apartments are currently under construction. In the next 12 months, the 3 projects of Milano City Village, Palazzo Naviglio and Trilogy Towers will be delivered in full, consisting of around 420 standard¹ apartments¹.

The remaining projects are currently in the design, study and approval phases of the authorisation process. In this regard, it is important to highlight another aspect of the Company's development pipeline, that is, its maturity. Thanks to the work carried out by a team specialised in this area, within AbitareIn, which is responsible for carrying out the preparatory activities to obtain the necessary authorisations to carry out the projects, more than 1,280 apartments will be ready for marketing² by the end of 2022, while more than 2,460 apartments will be ready for marketing by the end of 2023 (cumulative figure).

¹ No. of apartments, considering an average surface area of 92 m² for the marketing in unrestricted building and 82 m² for social housing. The actual number of apartments built and for which contracts have been signed - without prejudice to the combined floor area (m²) - may vary depending on the level of customisation of the surface area of the real estate units.

² Construction site that can be launched within 12 months

Projects under development



22 projects under construction or marketing located in the areas of Milan with the highest growth rate

Letter to Shareholders



Marco Claudio Grillo
Amministratore Delegato



Luigi Francesco Gozzini
Presidente

Dear Shareholders,

today we approve the consolidated results for the first half of this financial year. The results are positive and confirm our Company's growth trend, during a period in which the economy, at a global level, faced new challenges, which changed the economic and market scenarios and led companies and investors to change their strategies to be prepared for new developments.

The AbitareIn project was launched in 2013, the year in which the residential property market in Italy reached its lowest point, thus seizing growth opportunities offered by critical situations, and is therefore, by its very nature, also ready to face these new challenges with the best tools.

In the current context, though still characterised by various uncertainties, we continue to focus on the development of our business, with various considerations. First of all, we confirm the success of the new sales strategies, which maximise the potential of a market with strong house purchase price growth, and we see inflation - and like us, all the main market operators - as a driving factor, especially in view of the high differential with interest rates which, though rising gently, continue to be at very low levels. Work is also proceeding as planned for the completion of the construction sites in progress, in line with the expected completion times, for which, regarding the delivery of supplies, the delays that occurred in the first quarter of the year are no longer being reported. Of course, we will proceed to monitor the situation, to continue to respond promptly to developments in the market and the macroeconomic situation.

During the last half-year, we launched the marketing of several projects, with results that have confirmed our expectations. Four projects marketed simultaneously, Lambrate Twin Palace, Palazzo Sintesi, The Units and BalduccioDodici, testify to the level of maturity and organisational efficiency achieved by our Company, whose evolution has led to the achievement of an important new result. We have created the first corporate platform for the online sale of newly built houses, which brings together within a single web-based environment all our initiatives under development, in which it is possible to select the project you are interested in, create quotations, book appointments and buy, all conveniently through your own device.

During the current financial year, we will continue to market our projects, in a market context in which demand continues to remain at increasingly high levels in the face of an endemic lack of products - especially new products - which, together with the attractiveness of Milan, leads to a structural increase in prices. Our *land development* work continues at full pace, having experienced considerable progress in the authorisation procedures for the numerous projects we have in the pipeline. The works relative to three projects under construction are now nearing completion, namely Milano City Village, Palazzo Naviglio and Trilogy Towers, resulting in 420 apartments that we will hand over to our customers as from the beginning of the next fiscal year.

Luigi & Marco

Stlisti Urbani

Made in Milano



Scan the QR code with your
smartphone or tablet to
open the multi media content



This is us

Founded in 2015 - bringing with it over 15 years of experience of its founding shareholders Luigi Gozzini and Marco Grillo - within just a few years AbitareIn has become the major player in the Milan residential property development market, boasting an order book of 17 projects in the pipeline, equivalent to a total of over 2,500 apartments. Building on its unrivalled sector know-how and, above all, its highly specialised and innovative mindset, digital capabilities and specialism, the Company has developed an unprecedented business model that involves creating a completely customisable "home" product (Tailoremadehomes), that benefits from the economies of scale typical of an industrialised model. AbitareIn is registered in the special "Innovative SMEs" section of the Companies' Register and has been listed on the AIM Italia stock market since April 2016. The translisting on the STAR market, for which the related procedures commenced a few months ago, is due to be completed within the first few months of 2021.

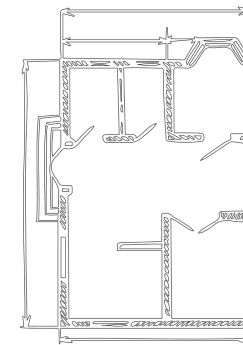
AbitareIn completes urban regeneration projects, demolishing disused or abandoned buildings and improving the residential fabric of the city by building new Family homes with a high aspirational value and a strong visual and architectural impact. While the know-how used in selecting the areas, designing the projects and obtaining the required authorisations is managed completely in-house and constitutes the core element of AbitareIn's uniqueness, the actual construction of the projects is contracted out to primary construction firms, thus eliminating the associated risk, thanks also to the extensive use of technology that ensures that the Company is constantly updated on the status

of the sites and is able to take prompt action, if needed.

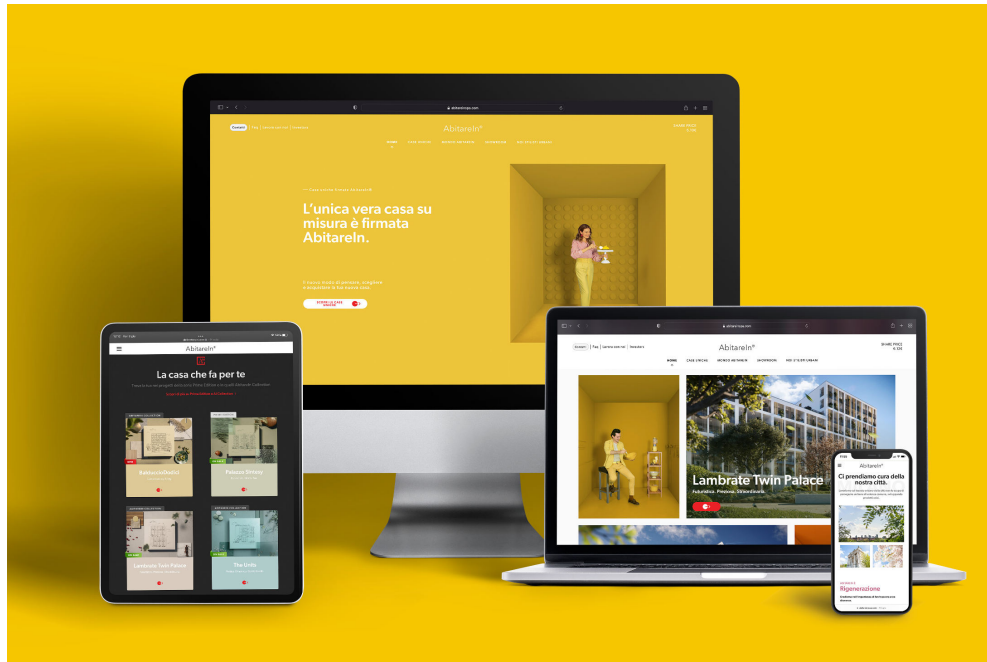
Its real estate projects have always been enormously successful, even in the years of the financial crisis. The Company has developed and fine-tuned its product and marketing strategy through strong branding and the use of state-of-the-art marketing and Customer Relationship Management (CRM) tools. The latest innovative project is AbitareIn's proprietary e-commerce platform for selling homes under construction. The Company will use the new platform to offer customers an extremely immersive and complete buying experience, delivered through innovative technology: the artificial intelligence of a virtual assistant available 24 hours a day, an online

apartment configurator (similar to those used in the automotive industry), the possibility of virtually visiting the showrooms thanks to virtual reality technology, the possibility of conducting meetings via videoconferencing and the digitisation of all the documentary and contractual processes.

In fact, AbitareIn's business model is unique in the Italian market, so much so that it has attracted support from leading national and international operators of primary standing, in both the real estate and financial sectors, who have joined the shareholder base and accompanied the Company along its growth path. The Group's "compartmentalised" structure and the way in which it sells its products (first we sell, then we build) makes the projects self-financing and ensures the financial soundness of the Company.



The first integrated e-commerce platform for new residential real estate



The meeting of the two visions of the founders, Luigi Gozzini and Marco Grillo, led to the birth of AbitareIn S.p.A. and to a real upheaval of the residential development paradigm. The two developers, aware of the importance of radically changing the dynamics typical of the real estate sector, were able to bring the processes of digital and industrial innovation typical of other sectors to the residential sector.

This revolution, which began as early as 2015 when research and development activities were already central, was speeded up as a result of the Covid-19 pandemic, leading to the launch of the online sales platform dedicated to an initial real estate initiative and aimed at allowing end users to virtually visit flats and purchase a home, crossing the boundaries of the physical.

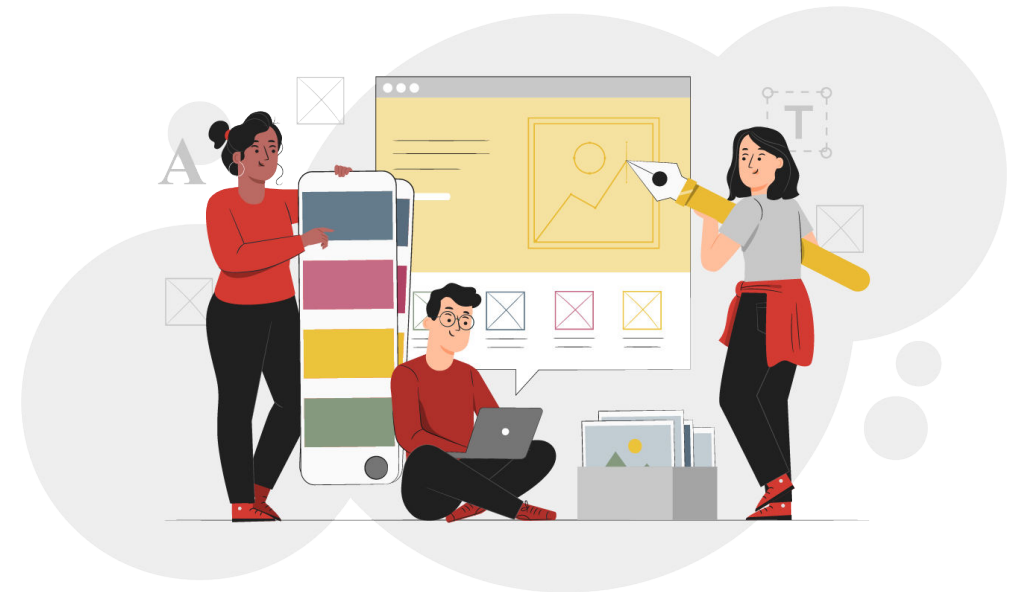
Having reached this goal, following constant and substantial investments in research, the innovative AbitareIn Corporate E-Commerce Platform was launched in 2022, the first real technological solution in the world, in terms of degree of detail, user experience and all-round integration with business processes, aimed at selling houses online.

In collaboration with TECMA Solutions, a Tech Company specialized in Digital Transformation for the Real Estate sector, we developed a new business model: a digital showroom with all our new projects promoted.

The initiative stems from the desire to respond to the new needs of end users, who are increasingly oriented towards online purchasing solutions and the customization of environments.

In 2022, we therefore presented the new platform that allows users to enjoy a 360-degree shopping experience from the comfort of their own home. The technology developed makes it possible to view all AbitareIn's real estate initiatives in a single web environment, select the different housing solutions and personalize them, make an estimate, book an appointment at the physical showroom (which has also been renovated and enriched with digital hardware and software technologies) or directly on video, and buy online.

The project, on which AbitareIn and Tecma have been working for more than two years, brings the residential development sector to be multi-channel, and is the result of a partnership that stems from the shared value of innovation as a driver of transformation.



Homizy built to share

Homizy is the Group's new line of business focused on building CO-LIVING apartments for the Milan rental market.

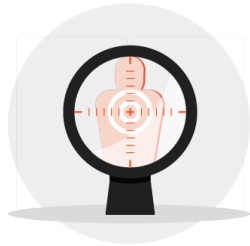
Homizy is the residential version of the sharing economy: property, space and services are shared to create new socialising opportunities through the pervasive use of technology, ensuring the most efficient management and optimisation of resources.



Mission

Transforming the "home" into A SHARING EXPERIENCE to bring people together.

Making all those who choose Milan to enhance their personal and professional growth "FEEL AT HOME"



Target

Designed mainly with young professionals in mind: young people, aged 18 to 35, who relocate from their home towns for work or who want to fly the nest to become more independent.

This target, more than any other, is experimenting with a new way of working, more fluid and constantly evolving, requiring a greater level of adaptability, which marries well with housing solutions that are more dynamic, integrated with the main services, that facilitate togetherness, sociality and interpersonal relations. Young professionals seek and choose co-living solutions not so much for economic reasons but because they are consciously looking for more services better suited to their needs, but still aren't ready to take the "big step" of buying a house.

Il prodotto Homizy

The Homizy product, so-called "build to share", will be on-trend and smart residential complexes designed and built specifically with co-living services in mind, aimed at providing more efficient management and maintenance, innovative services and social spaces. The product is exclusively residential - it is not classed as student accommodation or as services apartments (too specific and restrictive, as well as already more widely available on the market). The entry of the Abitare In Group in the rental market will enable it to maximise the use of know-how acquired over the years. In fact, the new buildings will mainly be developed by recovering and/or demolishing and rebuilding existing structures - in full keeping with the urban regeneration concept - and will consist of large apartments with several bedrooms, en-suite or with shared bathrooms, and shared living and kitchen areas. To a lesser extent, the projects will also include studio apartments and multiple communal areas designed for various activities, such as co-working spaces, bike labs, utility areas, leisure spaces. All Homizy buildings will feature "two level" sharing: the first level, within each apartment, consists in sharing communal areas (kitchen and living area) and broadband. The second level, within each building, consists in sharing the main services included to support the management of the structure and encourage social interaction.



Homizy business model

How we can do it

➤ Smart Co-Living

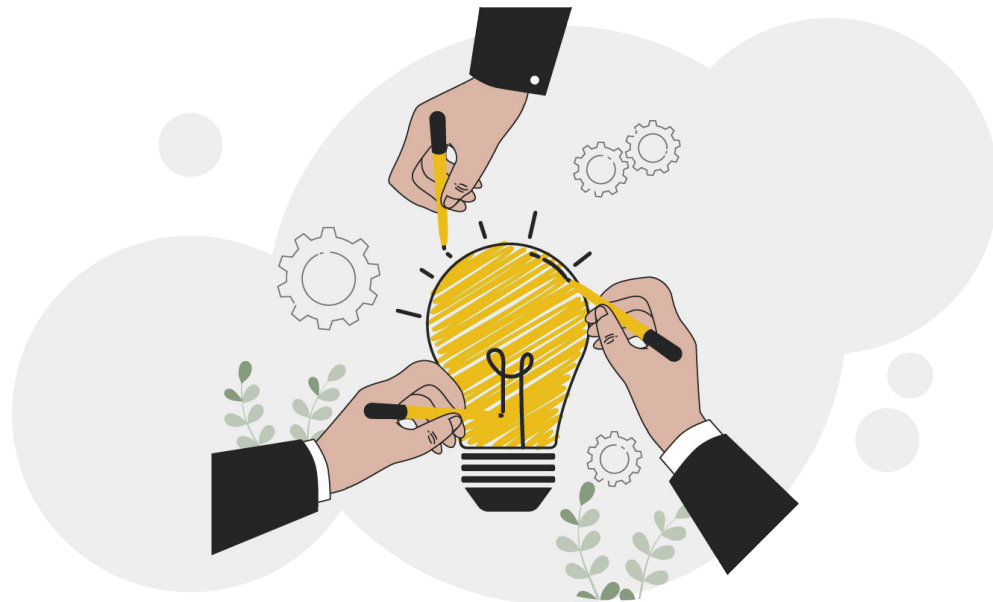
On-trend and smart residential complexes designed and built specifically with co-living services in mind, aimed at providing more efficient management and maintenance, innovative services and social spaces.

➤ A unique and innovative product

To satisfy a new type of demand, moving ahead of the market to rapidly gain a position of LEADERSHIP.

➤ AbitareIn know how

Making the most of Abitare In's economies of scale and know-how, Homizy offers Milan a product in the price range of Euro 550-900 per room, all inclusive.



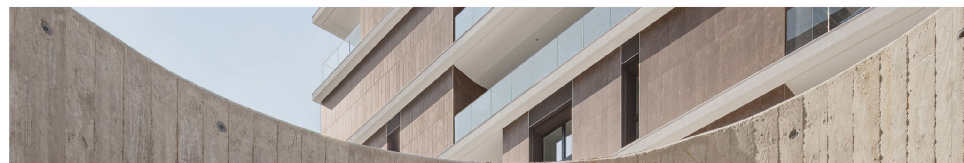
Homizy concept





Abitare In Maggiolina

RESERVED. LIGHTWEIGHT. REFINED.



Abitare In Maggiolina is the second project carried out by Abitare In, completed and delivered from 2020 onwards.

125 apartments distributed in the two buildings, Sky Tower and Maggiolina Gardens, originating from the complete regeneration of an abandoned and degraded area, which used to house the headquarters of the daily newspaper "Il Giorno".

In the Abitare In Maggiolina project, architecture and nature merge and liaise to create a unique backdrop in the heart of the Maggiolina neighbourhood, known for its natural beauty spots on the Martesana and for its orchards and splendid villas.

The icon of the project is the system of suspended white floors, of an evident formal clarity, which rise one after the other, leaving free and flexible the space between them.

Each terrace becomes a supporting structure for nature to develop. A skilful alternation of hanging parapets gives a green tone to the outdoor private areas, transforming them into authentic high-rise gardens, irresistible features, corners of paradise to enjoy the Milan skyline from.

The materials used for the external cladding and the interiors also echo the effects and the forms of nature. All glazed components, from the generous openings to the parapets, soften the bulk of the two buildings - Sky Tower and Maggiolina Gardens - making them light and contemporary.

Linking the residential development to the city, an enormous park offering a completely immersive experience: lawned and paved areas, environments where a range of shrubbery creates a natural backdrop.





The former industrial site at via Tacito was a perfect example of urban void, which has finally been given a brand new lease of life with the Milano City Village project.

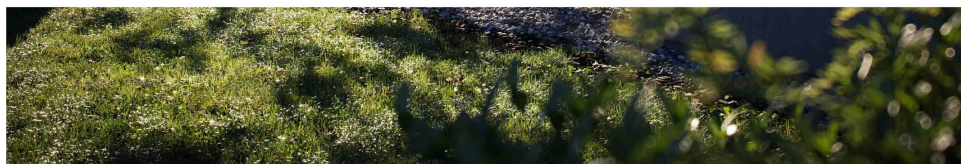
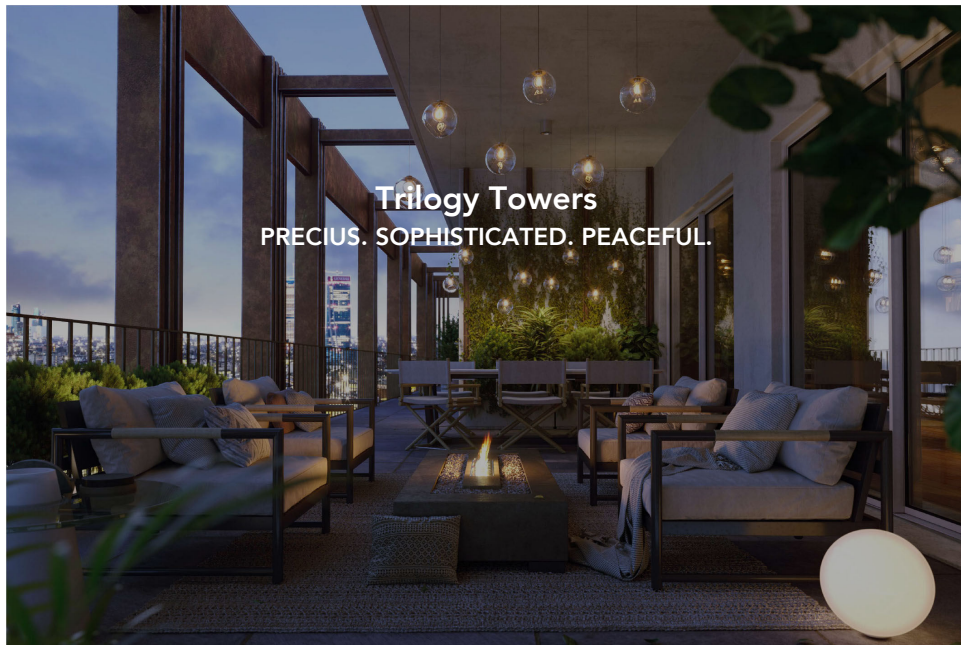
The design concept takes inspiration from the square, as a centralising element, a catalyst of social interaction and an accelerator of relationships, a space placed at the centre, metaphorically and physically, of the built complex.

In keeping with the style of the typical Milanese inner courtyards, Milano City Village has its own internal space, a place where one can rediscover the essence of the human dimension.

A courtyard that is a square, a meeting place, a place of passage but also a space to relax in, in which to rediscover a sense of communion with oneself and the community.

In Milano City Village the mosaic effect of the facade features ample, deep loggias, jutting out here and there like delightful suspended terraces. The contrast between solids and voids enlivens the facades and creates a new architectural landscape: an urban scenario that was not there before, mending the tear between the consolidated historical city and the new city in expansion.





A residential complex of three towers with evocative names: Gold, Diamond and Platinum.

Trilogy Towers hands back a precious fragment of the city to the community in the form of a brand new residential complex, with architectural and compositional features that give renewed vitality to the local area.

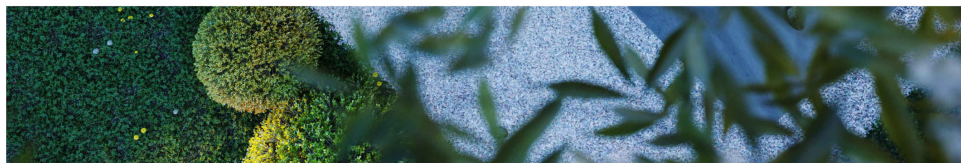
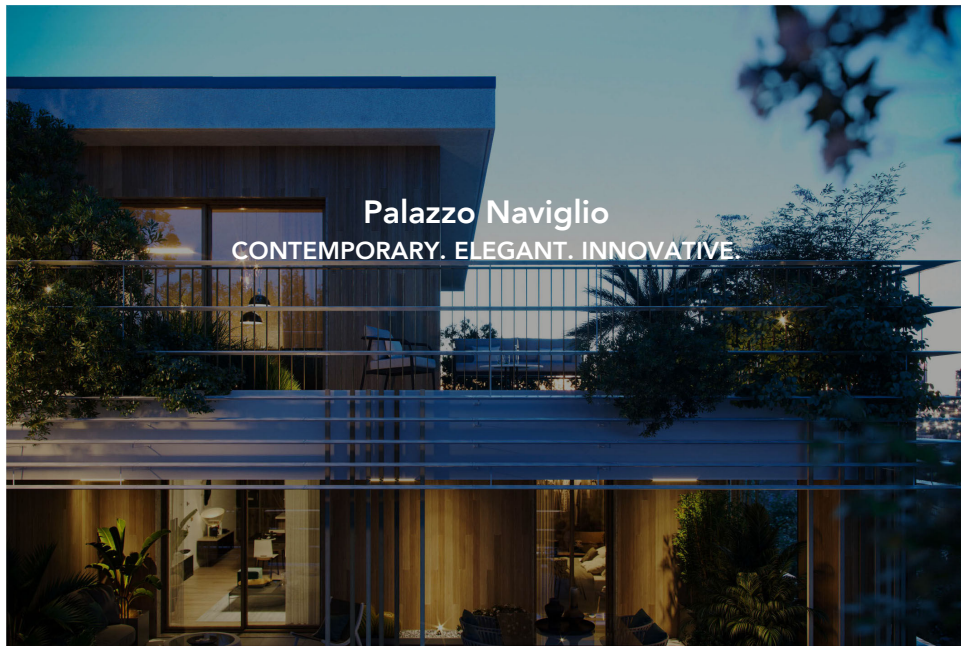
The project is based at Via Gallarate, in the north-west area of Milan, which has been known as an experimental district from the early 20th century.

Once home to important industries, the area now offers enormous regeneration opportunities. It is no coincidence that the area is on axis with the City Life - Tre Torri and Portello projects, two major urbanisation initiatives that have recently transformed the face of the city of Milan.

Trilogy Towers is unique for the meticulous design of the facades, finely chiselled as if by the skilled hands of a goldsmith. Stylish metallic detailing makes the surfaces precious and iridescent. Like a jewel.

The interplay of solids and voids, the juxtaposition of different materials and the different depths of the elements convey movement and dynamism to the facade.





Palazzo Naviglio steps into the Milanese panorama with a new approach to residential property design, introducing, in the historic Giambellino neighbourhood, a building with a very low environmental impact that promotes sustainability as a lifestyle in the broadest sense.

A contemporary building - two staggered structures with large loggias overlooking the city and the Naviglio canal. Light bamboo and metal slats enliven the facade, drawing sinuous profiles like branches.

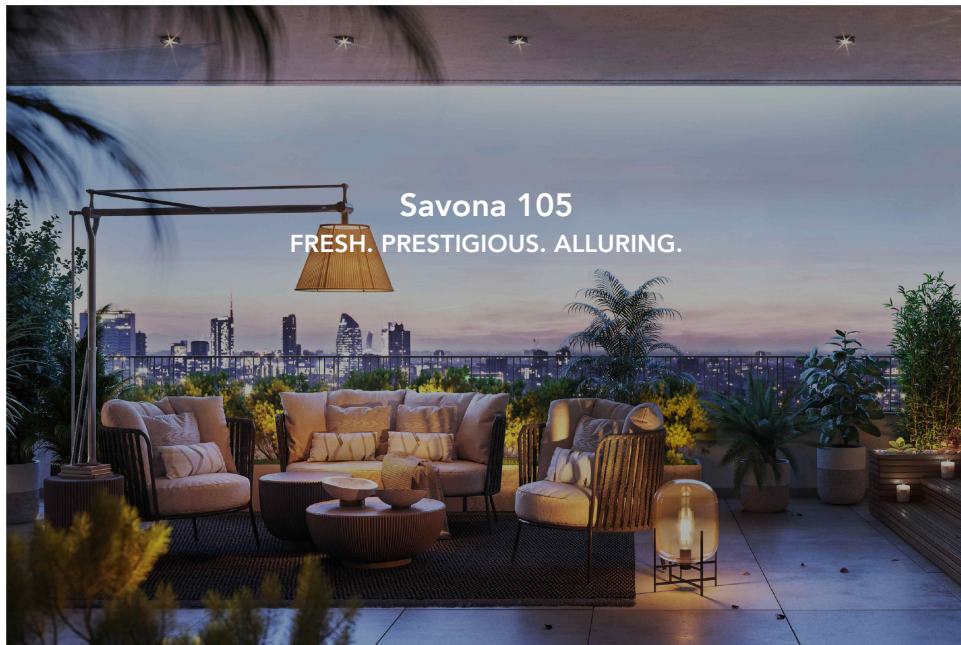
Air, water, light, wood, green: the palette, in pastel tones, evokes the natural elements and narrates a deep and intimate relationship between man and nature, an expression of harmony and mutual wellbeing.

The bamboo wood covering, a material with a completely neutral ecological impact, creates a naturally warm and enveloping atmosphere.

From Nature for Nature.

Cutting-edge technology, very low emissions: from plaster that purifies the air, capturing pollutants, to the rainwater collection and organic waste management systems - expressions of a profound *green philosophy*.





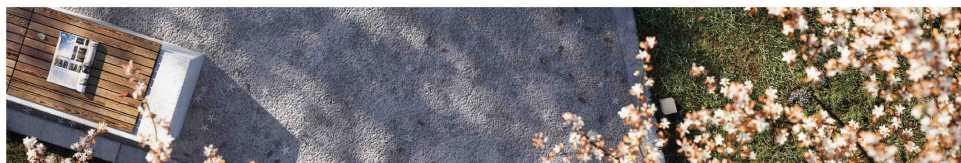
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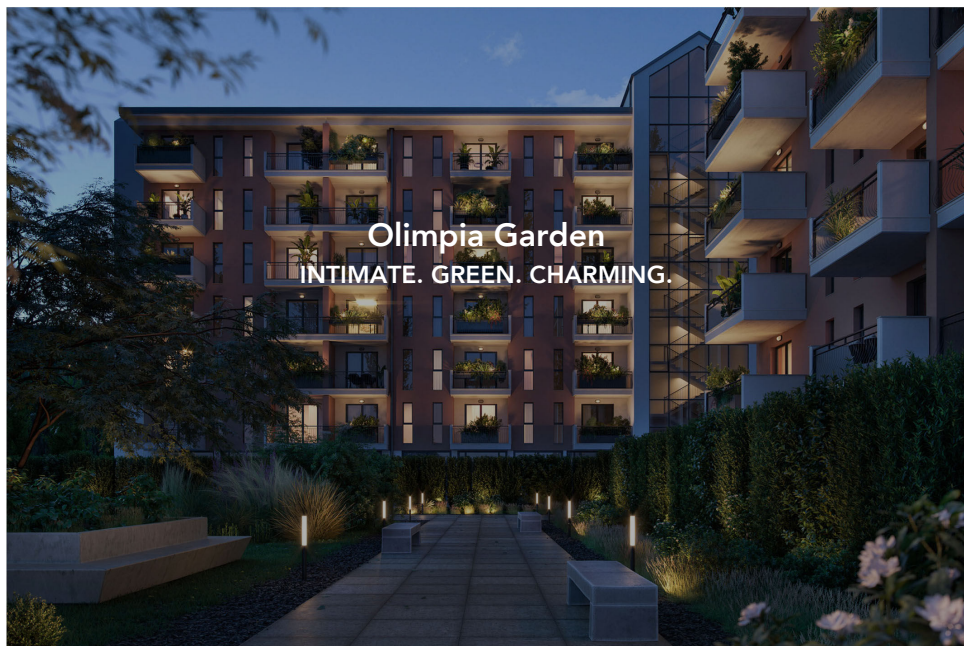
Savona 105 underlines once again Abitare In's ability to identify strategic areas of intervention for Milan. After Palazzo Naviglio in the Giambellino neighbourhood, Abitare In has moved just a short distance to one of the areas with the highest level of great cultural ferment: Tortona. With a project designed as a tribute to the stimulating process of "creative regeneration": a project that gives new life to disused and abandoned material through culture, art, design.

Immersed in a park where green rooms alternate with paved areas, the ground floor of the building accommodates multiple services, taking inspiration from hotels and the smart city concept: the former so that each resident can feel like a welcome guest every day, the latter to improve the organisation of daily activities.

The internal amenities make it easier to organise everyday activities to leave more time for passions.

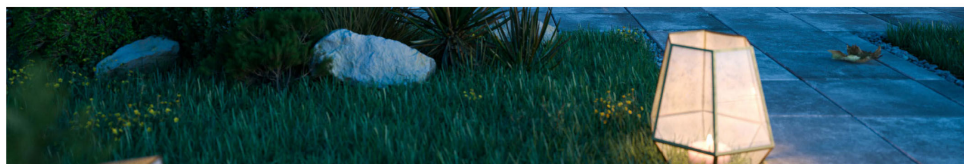
A way to achieve a better quality of life.





Olimpia Garden

INTIMATE. GREEN. CHARMING.



Just a short walk from the underground station, Olimpia Garden is Abitare In's new complex of 138 apartments across three buildings (two of which already built), with a large private park and a number of communal areas.

The complex consists of different types of apartments, all delivered "turnkey" including furniture packages designed specifically by Abitare In's Interior Designers to offer an efficient and stylish product.

The project is located in an urban context that is undergoing large-scale development and redevelopment, straddling the highway that will link the Olympic Village due to be built for the 2026 Winter Olympics and the new Milan Arena, PalaItalia, to be built in the Santa Giulia neighbourhood.





Porta Naviglio Grande

ENERGETIC. IDENTITARIAN. TECHNOLOGICAL.



Abitare In has recently launched a new project in Milan on an area that has been clamouring to be developed for a long time now, between Piazzale Ohm and Via Richard and Via Faraday.

It will be an identity-making, modern and symbolic project, involving the creation of two buildings inspired by geometric architectural design and designer ceramics, for a continuous dialogue with the neighbourhood's history - past and future. Its name is Porta Naviglio Grande.

Abitare In makes its contribution to the city once again, to create additional added value for everyone, still maintaining the style that distinguishes it from the rest of the market. Because today more than ever, everyone needs beauty.

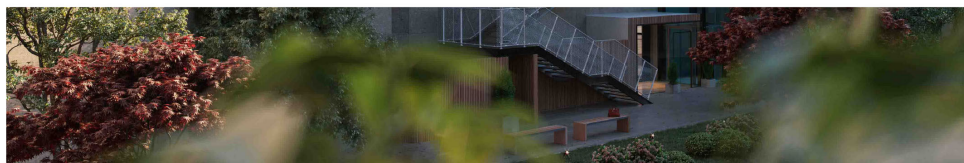
The Porta Naviglio Grande apartments have been designed according to criteria based on sustainability, functionality, comfort and design. All the apartments have been designed to respect the environment and save energy. The A1 energy class is a guarantee of reduced energy consumption due to the heating and cooling of indoor spaces. From photovoltaic panels that convert light into electricity, to large outdoor spaces to appreciate the benefits of fresh air and the magnificent roof that turns into a roof garden where you can see an urban garden bloom. But that's not all, the project hosts several services (Smart Work – Bike Lab – Delivery Room) that simplify people's days, by meeting various daily requirements.





The Units

PRATICAL. DYNAMIC. COMFORTABLE.



The Units (<https://theunits.it/>) is a residential complex overlooking Piazzale Accursio, a Milan area with a dynamic, fresh and innovative personality.

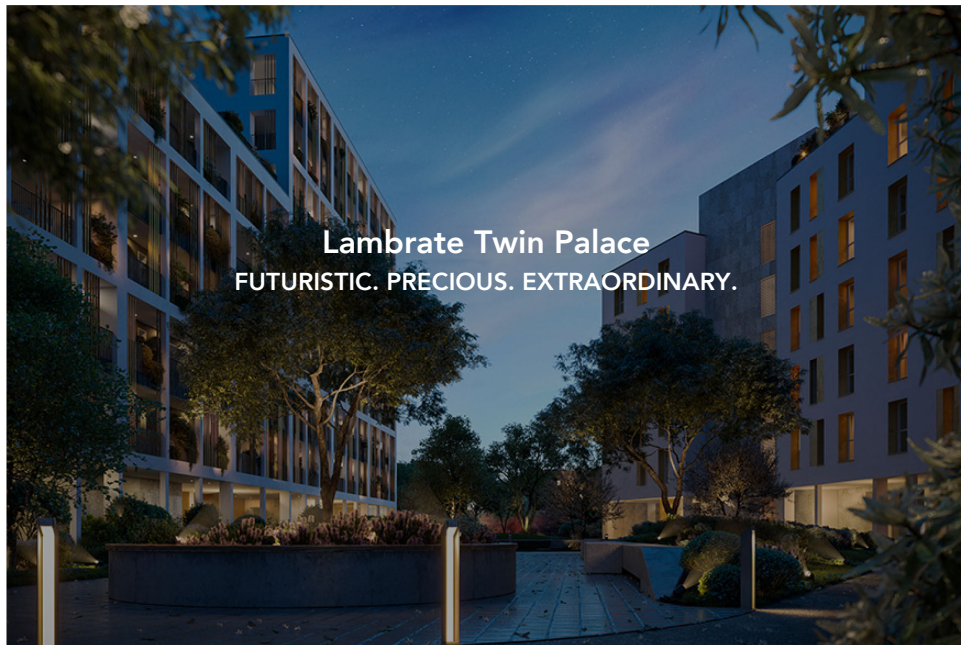
The proximity of Piazza Portello and City Life offers numerous possibilities for entertainment, places of interest and catering. In fact, the area is rich in contemporary architecture, shops and sculptures to discover just as an open-air museum.

Each apartment has an external private area to enjoy the open air and be in contact with nature, while remaining in one's home space. In addition, you can enjoy an exclusive view of the panoramic Rooftop Garden which offers moments of relaxation surrounded by green tubs containing trees and shrubs.

This natural dimension converses harmoniously with innovative and high-tech materials. The combined effect of stone and wood in the structure goes perfectly with the steel and glass of the stairwell structure in a composition that allows a mix of warm and natural nuances with high-tech transparency and style, providing the exclusive 12 apartments with a unique combination of tradition and innovation.

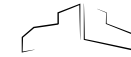
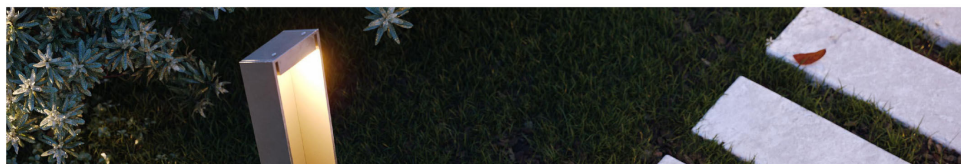
The daily needs of residents will be met by interiors designed for maximum comfort and thanks to smart systems that help to manage home expenses, times and functions. The revolutionary home automation system, *Smart LivingNow* by Bticino, makes it easy to control consumption and costs. The Twix material consists of regenerated hard woods, thus with a zero impact on deforestation; the Controlled Mechanical Ventilation system among the many advantages also ensures a change of air and the filtering out of bacteria and dusts.





Lambrate Twin Palace

FUTURISTIC. PRECIOUS. EXTRAORDINARY.



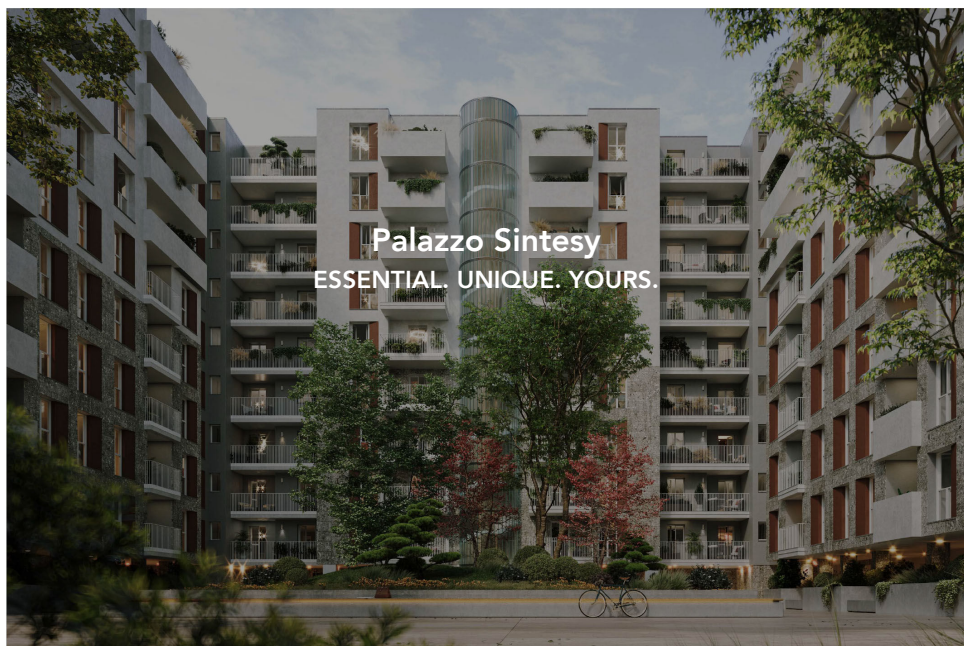
With a green area of 3,613 square metres and a total of 93 apartments, Lambrate Twin Palace (<https://lambratetwinpalace.com/>) provides space for creative regeneration within the urban context of Ventura Lambrate. It includes two buildings, Oro, overlooking Via Sbodio, and Ambra, overlooking Via Massimiano. The choice of exposure is also the result of the search for balance with nature: you can take real advantage of the natural light and the most exposed façades have parapets and brise-soleils that create a comfortable and elegant filter that increases shade and privacy.

The reception area will include a tribute to the artist Giampaolo Talani, keen on themes such as travel, movement and dreams. All the apartments have an external, yet reserved area, to enjoy the open air and a unique landscape view. The energy class A1 and superior is obtained thanks to the use of environmentally friendly technical and plant solutions: the heat of the Sun is absorbed and converted into clean electricity. The aim is to bring people closer to nature, but also to art and beauty.

In addition to art, this also means talking about community: the project has a porticoed courtyard that frames a suitably equipped green oasis, with aromatic plants, shrubs and small trees, offering a perfect natural scenario for relaxing moments.

In an area characterised by the joint presence of historical places, on one side, and innovative spaces dedicated to urban regeneration, on the other, Abitare In aims to enhance this duality, taking advantage of the possibilities offered by the present while looking forward towards future opportunities.





Palazzo Sintesy is the new project in the PRIME EDITION series by Abitare In that rises in Milan Lambrate, an area engaged in urban transformation thanks to innovative redevelopment projects focused on creating and preserving green areas and spaces intended for socialisation. The district has the Parco Lambro, so called because it was here that Innocenti, the manufacturer of the famous Lambretta, had its headquarters. The area is rich in both environmental and cultural stimuli thanks to its proximity to City Life, an area where innovation reigns, and to Ortica, a historic district that tells the story of Milan through great wall paintings.

The combination of simple, marked concept shapes with the pale, pure colours of the façade allows the structure to fit in perfectly with the surrounding context. The white plaster is in perfect contrast with the cladding of the base in Ceppo di Grè, a typical material used in Milan.

The apartments on the ground floor enjoy a private garden for their moments of relaxation. The balconies allow natural light to come in and embrace the rooms, lavishing a unique, warm atmosphere. There is also a condominium garden, completing the building. The interiors feature an all-Italian style: here visual appeal and everyday life are in perfect harmony.

The project was also designed with the aim of preserving the natural assets. In fact, there are spaces dedicated to the collection of rainwater, energy class A1, which allows residents to save on costs and an integrated air system that regulates heating and cooling in order to have optimum temperatures at all times. In addition to this many facilities, there is also a video surveillance and anti-intrusion service.

It is a project where aesthetics, safety, comfort and sustainability are in perfect harmony.



Director's report

AT MARCH 31, 2022

Group operating performance in the first half of the year ending 31 March 2022

The main elements of the reclassified consolidated income statement and the reclassified consolidated statement of financial position are presented below .

Reclassified consolidated income

Descrizione	31.03.2022	% of revenue and change in inventory	31.03.2021	% of revenue
Revenue from sales	16,001,415	24.11%	25,034,915	39.86%
Changes in inventory of work in progress and finished products	31,724,597	47.80%	3,439,352	5.48%
Change in inventory of real estate complexes purchased	16,866,000	25.41%	33,917,109	54.00%
Other revenue	1,783,742	2.69%	416,100	0.66%
Total revenue from operating activities	66,375,754	100.00%	62,807,476	100.00%
Production costs	59,093,524	89.03%	56,866,640	90.54%
ADDED VALUE	7,282,230	10.97%	5,940,836	9.46%
Personnel expenses	1,208,523	1.82%	1,316,187	2.10%
Other operating expenses	850,148	1.28%	1,025,650	1.63%
EBITDA	5,223,559	7.87%	3,598,999	5.73%
Adjusted EBITDA (1)	11,688,099	17.61%	4,066,499	6.47%
Depreciation/amortisation, impairment and other provisions	760,682	1.15%	424,140	0.68%
EBIT	4,462,877	6.72%	3,174,859	5.05%
Adjusted EBIT (1)	10,927,417	16.46%	3,642,359	5.80%
Financial income and expenses and adjustments to financial assets	195,305	0.29%	1,227,791	1.95%
EBT	4,658,182	7.02%	4,402,651	7.01%
Adjusted EBT (2)	17,012,547	25.63%	4,870,151	7.75%
Income taxes	(1,856,320)	(2.80%)	(732,022)	(1.17%)
Profit (loss) for the year	2,801,862	4.22%	3,670,629	5.84%

1 In the first half-year to 31 March 2022, adjusted upward for notional costs (amounting to Euro 864 thousand) arising from the application of ifrs2 in connection with the allocation of stock grants, upward for incremental construction costs on upcoming construction sites (amounting to Euro 5,600 thousand). In the first half-year to 31 March 2021, adjusted upward for costs (amounting to Euro 467 thousand) arising from the trans-listing of the Company's shares on the MTA market.

2 In the first half-year to 31 March 2022, adjusted for an increase in notional costs (in the amount of Euro 864 thousand) arising from the application of ifrs2 in relation to the allocation of stock grants, an increase in incremental construction costs on upcoming

construction sites (in the amount of Euro 5,600 thousand) and in increase of income from the IPO of the controlled Homizy In the first half-year to 31 March 2021, adjusted in increase of costs (amounting to Euro 467 thousand) arising from the trans-listing of the Company's shares on the MTA market.

The first half-year of the financial year closed with CONSOLIDATED REVENUE of Euro 66,376 thousand, (Euro 62,807 thousand in the same period of the previous year), deriving from:

- (i) Euro 16,001 thousand in Revenue from Sales deriving from the notarial deeds for the real estate units (Euro 25,035 thousand in the first half of the previous financial year); mainly arising from the hand over of the Olimpia Garden project;
- (ii) A variation of Euro 16,866 thousand in inventories for the purchase of new real estate complexes (Euro 33,917 thousand in the first half of the previous year); in particular, they refer to the real estate projects of Accursio and Tacito 7.
- (iii) A variation of Euro 31,725 thousand in inventories for progress of works, net of discharge due to the handover (consequent upon the notarial deed of purchase) of the apartments to customers (Euro 3,439 thousand in the first half of the previous year);

Production progress amounts to Euro 47,101 thousand (Euro 24,772 thousand as at 31 March 2021). Construction works continue in the sites of Milano City Village, Trilogy Towers and Palazzo Naviglio and the preparatory works of Lambrate Twin Palace, Cadolini Ex Plasmon, BalduccioDodici, Porta Naviglio Grande, Savona 105.

- (iv) Other operating revenue equal to Euro 1,784 thousand as at 31 March 2022 mainly refers to:
 - revenue related to the tax credits pertaining to Abitare In S.p.A. and Homizy S.p.A., of Euro 289 thousand and Euro 490 thousand, respectively, for the costs related to admission to listing on a regulated market pursuant to Article 1, paragraphs 89 to 92, of Law No. 205 of 27 December 2017;
 - the non-recoverable grant pursuant to Article 25 of Decree Law no. 34 of 19 May 2020 of Euro 296 thousand and the non-recoverable grant pursuant to Article 1, paragraph 5, of Decree Law No. 73 of 2021 of Euro 150 thousand granted to the subsidiary Milano City Village S.r.l.

The CONSOLIDATED ADJUSTED EBT amounted to Euro 4,658 thousand net of three non-recurring extraordinary items consisting of:

- Euro 5,890 thousand of the proceeds from the IPO of the subsidiary Homizy, recognised directly in shareholders' equity, without going through the income statement (a different accounting treatment of the item was envisaged with respect to what was communicated with the approval of the interim report for the year ended 31 December 2021, where it was in any case expressly specified. The different accounting method does not affect the group's equity. With the same method of accounting, consolidated EBT for the first quarter was Euro 2,385 thousand, while ADJ EBT was Euro 13,875 thousand).
- Euro 5,600 thousand of upward adjustments, already fully accounted for with the approval of the first quarter figures, due to the increase in construction costs on the construction sites of pro-immediate delivery, following the definition of the agreements with the contractors of these sites aimed at supporting the production chain and guaranteeing the delivery of a quality product to customers without further slippage in timing.

- Euro 864 thousand of notional costs arising from the application of IFRS 2 in relation to the portion of stock grants established in favour of management

Therefore, the EBT ADJ, taking into account the above, amounted to Euro 17,012 thousand.

The EBT is also increased, by Euro 1,724 thousand, by income not deriving from operating activities, given by the capital gain from the re-measurement at fair value of the equity investment in Tecma Solutions S.p.A.

Reclassified consolidated statement of financial position

Investments	31.03.2022	30.09.2021
Intangible assets	1,754,728	1,673,958
Property, plant and equipment	9,274,526	8,980,198
Equity investments in other companies	111,549	-
Other non-current assets	6,094,794	4,370,694
Other current assets	1,765,496	1,172,151
Inventory	19,933,787	18,343,212
Other current and non-current liabilities	257,373,493	209,663,389
Intangible assets	(113,992,008)	(96,267,664)
NET INVESTED CAPITAL	182,316,365	147,935,938
Cash and cash equivalents	(25,717,526)	(13,778,285)
Current financial payables	14,860,399	16,710,663
Non-current financial payables	103,304,794	72,167,050
NET FINANCIAL POSITION	92,447,667	75,099,428
Share capital	132,654	129,677
Reserves and profit (loss) carried forward	86,981,488	60,515,075
Profit (loss) for the year	2,754,556	12,191,758
EQUITY	89,868,698	72,836,510
SOURCES OF FINANCING	182,316,365	147,935,938

Financial Debt

CONSOLIDATED NET FINANCIAL POSITION				
	31.03.2021	31.03.2022	30.09.2021	Change
amounts in Euro				
A. Cash and cash equivalents		25,717,526	13,778,285	11,939,241
B. Means equivalent to cash and cash equivalents		-	-	-
C. Other current financial assets		-	-	-
D. Liquidity (A) + (B) + (C)		25,717,526	13,778,285	11,939,241
E. Current financial payables		-	-	-
F. Current portion of non-current debt		14,860,399	16,710,663	(1,850,264)
G. Current financial debt (E) + (F)		14,860,399	16,710,663	(1,850,264)
H. Net current financial debt (G) - (D)		(10,857,127)	2,932,378	(13,789,505)
I. Non-current financial payables		103,304,794	72,167,050	31,137,744
J. Debt instruments		-	-	-
K. Trade payables and other non-current payables		-	-	-
L. Non-current financial debt (I) + (J) + (K)		103,304,794	72,167,050	31,137,744
M. Total financial debt (H) + (L)		92,447,667	75,099,428	17,348,239

Financial debt as of 31 March 2022 amounts to Euro 92,448 thousand compared to Euro 75,099 thousand as of 30 September 2021. The variation is attributable affected by the proceeds from the deeds of the residential units delivered during the reporting period (net of the deposits and down payments collected in previous years) amounting to Euro 8,586 thousand, from the deposits and down-payments collected relating to the preliminaries of the commercialised projects for a total amount of Euro 4,464 thousand and from the capital increases of Abitare In S.p.A. and the subsidiary Homizy S.p.A. for Euro 13,200 thousand (net of the costs incurred for the capital increase). The change is negatively impacted by the production trend of works in progress and the purchase of new areas in the amount of Euro 15,769 thousand (net of advance payments made in previous years).

The trend in cash and cash equivalents is mainly attributable to the cash absorption from operating activities in the amount of Euro 29,975 thousand, from the taking out of loans in the amount of Euro 41,352 thousand, from the repayment of loans in the amount of Euro 11,669 thousand, and from receipts generated by the capital increases of Abitare In and the subsidiary Homizy S.p.A. in the amount of Euro 13,200 thousand.

Breakdown of financial payables to banks

Loan type (Euro/000)	Borrower company	Within one year	Beyond one year and within 5 years	Beyond 5 years	Total payable
Mortgage loan	Abitare In Development 3 S.r.l.	187	992	1,132	2,311
Unsecured loan	Abitare In Development 4 S.r.l.	14	5,849	-	5,863
Loan	Abitare In Development 5 S.r.l.	823	4,945	-	5,768
Landed property loan	Abitare In Development 7 S.r.l.	1,118	-	-	1,118
Loan	Abitare In S.p.A.	450	342	-	792
Loan	Abitare In S.p.A.	1,280	3,262	-	4,542
Loan	Abitare In S.p.A.	-	4,485	-	4,485
Loan	Abitare In S.p.A.	16	4,967	-	4,983
Landed property loan	Accursio S.r.l.	60	4,500	5,502	10,062
Unsecured loan	Citynow S.r.l.	37	1,946	-	1,982
Landed property loan	Lambrate Twin Palace S.r.l.	-	412	2,877	3,289
Landed property loan	Milano City Village S.r.l.	120	23,546	5,028	28,694
Credit facility backed by landed property	Milano Progetti S.r.l.	10,296	-	-	10,296
Mortgage loan	MyCity S.r.l.	168	982	1,336	2,486
Landed property loan	Palazzo Naviglio S.r.l.	13	2,277	3,603	5,894
Landed property loan	Porta Naviglio Grande S.r.l.	-	3,020	-	3,020
Landed property loan	Savona 105 S.r.l.	68	6,023	4,679	10,771
Landed property loan	TheUnits S.r.l.	2	149	342	493
Landed property loan	Trilogy Towers S.r.l.	9	4,638	911	5,558
Unsecured loan	Volaplana S.r.l.	21	4,933	-	4,954
TOTAL		14,683	77,267	25,411	117,360

It should be noted that the real estate mortgage loans granted by the credit institutions totalled Euro 237,227 thousand, of which Euro 102,248 thousand were used.

The item "Other financial payables" mainly includes the financial payable towards the leasing company in relation to the purchase of the property located at Via Amadeo 57 for Euro 400 thousand, the financial payable for the leaseback agreement entered into with BNL (Euro 74 thousand) and the financial payable relating to the multi-year right of use for the property occupied by the chairman of the Board of Directors (Euro 124 thousand) and the multi-year right of use for the office building located in Viale Umbria, 32 (Euro 187 thousand).

Ratios

STRUCTURE RATIOS	31.03.2022	30.09.2021
Equity to non-current assets ratio		
EQUITY/NON-CURRENT ASSETS	4.52	4.44
Equity + non-current liabilities to non-current assets ratio		
EQUITY + NON-CURRENT LIABILITIES/NON-CURRENT ASSETS	14.11	13.32
EQUITY AND FINANCIAL RATIOS	31.03.2022	30.09.2021
Leverage		
INVESTED CAPITAL/EQUITY	3.58	3.25
Investment flexibility ratio		
CURRENT ASSETS/INVESTED CAPITAL	94.10%	93.68%
Financial debt ratio		
BORROWINGS/EQUITY	2.58	2.54
PROFITABILITY RATIOS	31.03.2022	31.03.2021
ROD		
FINANCIAL EXPENSES/INTEREST-BEARING DEBT	1.29%	1.46%
ROD*		
FINANCIAL EXPENSES/INTEREST-BEARING DEBT	1.03%	1.12%
ROS		
EBIT/NET SALES	6.72%	5.02%
ROI		
EBIT/INVESTED CAPITAL	1.39%	1.42%
ROE		
NET PROFIT/EQUITY	3.12 %	5.92%

*Net of commission

Description of the main risks and uncertainties to which the Group is exposed

In the pursuit of its business activity, the Group is exposed to risks and uncertainties, caused by external factors linked to the macroeconomic scenario at overall level and specific to its own sector, and to risks linked to management choices and the strategies adopted.

These risks are identified and mitigated on a systematic basis so as to allow the timely monitoring and control of such risks.

Risks related to the spread of epidemics

The spread of epidemics may have a significant negative impact on the operations and results of the Group and the entire market in which it operates. The spread of contagious diseases is beyond the Group's control and therefore there is no guarantee that the Group will be able to counter its effects or the impact on its operations and results in the future. With reference to the pandemic linked to the spread of COVID-19, the Group was exposed, in the period between February and May 2020, to restrictive measures, such as, for example, the temporary closure of construction sites commissioned by the Group, and is also exposed in the future to the risk deriving from the adoption by public authorities of further and new measures aimed at preventing and/or limiting the spread of Coronavirus and from the operational and economic consequences arising from the adoption of such measures.

The occurrence of the events subject to these risks could have significant negative effects on the Group's financial position, earnings and cash flows.

Due to the rapid spread of the Coronavirus, the Italian Government has adopted and may adopt in future restrictive measures aimed at containing the further spread of the pandemic, the most important of which have involved restrictions and controls on the movement of people, the prohibition of gatherings and the closure of factories, offices, and construction sites.

An epidemiological situation could also have serious economic, financial and cash flow effects on the contractors identified by AbitareIn for the execution of the various real estate projects. If the contractors, due to situations of economic instability, should no longer be able to comply with their commitments, according to the terms, economic conditions and methods agreed with Abitare In, or should be subject to insolvency or bankruptcy procedures, Abitare In would be in the position of having to replace them with other parties, rapidly and with consequent increases in times and costs to complete its ongoing real estate projects.

At the date of this report, it is not possible to exclude the possibility of new waves of COVID-19 infections that may force the government authorities to again impose restrictive measures to contain the further spread of the virus and, therefore, it is not possible to predict the additional negative effects that the continuation of the pandemic will cause, not only on the Group's activity, but also on financial markets and domestic economic activities

Risks associated with the increase of the raw materials

The evolution of the COVID-19 pandemic which, even after the launch of the global vaccination campaign, continues to show its effects and, more recently, the conflict between Russia and Ukraine, are creating a context of economic uncertainty on an international level, leading, among other things, to an increase in the cost of energy and raw materials.

The Group is therefore exposed to the risk that this increase in costs, together with the scarcity of some raw materials, would make real estate development activities more burdensome. In order to limit this risk, the Issuer has introduced a so-called "price adjustment" clause in its contracts with customers, which allows the sale price of the real estate units to be adjusted based on the residential building cost index issued by ISTAT (Italian National Institute of Statistics).

Risks connected to the Group's financial debt

The Group's business is, as a whole, a capital-intensive activity which, during the initial phases of a real estate project requires the Group to commit all the financial resources necessary for its development, and which, except for the advances paid, with the preliminary purchase contracts, by customers that, on average, represent 30% of the purchase price of the real estate unit, leads to the collection of the residual amounts from buyers, only at the end of the entire construction and marketing process of the real estate project.

The Group's financial indebtedness generally derives, therefore, from obtaining real estate mortgage loans granted in instalments based on work progress reports (which are guaranteed by mortgages on the properties themselves), from the collection of the sums received from promissory buyers as a deposit and advance on the purchase price (based on the provisions of the preliminary purchase and sale contracts) and from the payment terms negotiated with the Group's suppliers.

It should be noted that some of the agreements relating to the financial debt of the Company and Group include, among other things, financial covenants, compliance with change of control clauses and/or other provisions that involve limits on the use of resources or the distribution of dividends by the contracting parties (in particular in contracts signed by the operating special purpose vehicles).

Some loan agreements entered into by the Issuer or other Group companies include Internal Cross-Default clauses according to which in the event of non-fulfilment of credit, financial and guarantee obligations, or activation of the acceleration clause, termination or withdrawal due to an act attributable exclusively to the contracting beneficiary in relation to any loan agreement entered into, the bank has the right to withdraw or terminate the loan agreement.

Failure to comply with any of the provisions or restrictions provided for in the Group's loan agreements could therefore result in an event of default resulting in the lender's right to declare, in relation to the financed company, all amounts lent as immediately due and payable (together with accrued and unpaid interest) and to revoke any commitments to grant further loans, with consequent substantial negative effects on the Group's business, financial position and results of operations or prospects.

The Group's ability to meet its debt depends on operating results and the ability to generate sufficient liquidity, factors that may depend on circumstances that may not be foreseeable by the Group. Should these circumstances occur, the Group may be in a position, in the future, of not being able to meet its debt, or carry out the investments undertaken, with possible negative effects on the financial position, earnings and cash flows of the Issuer and the Group.

Risks connected to the Group's operations

The Abitare In Format, which includes the search for building plots, verifying, managing and obtaining the necessary permits, the purchase and sale of the site, the design phase of the properties to be built, as well as the subsequent marketing and sale phase of the housing units, is spread over a medium/long term period (not less than 4 years). In consideration of the configuration of this business model, it is possible that, at the end of the accounting period of any given year, none of the operating special purpose vehicles, prepared

according to the national accounting standards issued by the Italian Accounting Body (OIC), achieve revenues deriving from the sale of properties and therefore there are no distributable profits in favour of the parent company.

In light of the above, it is therefore possible that the forecasts regarding profitability and/or implementation times are not in line with the timing and objectives envisaged by the Company, with a negative impact on the Group's business and damage to the Group's financial position, earnings and cash flows.

Market risk

The Group is exposed to the risk of adverse variations in macroeconomic variables and of the national and international political context, leading to fluctuations in the sale prices of real estate units, as well as a reduction in propensity to purchase.

In addition, any adverse variations may also lead to an increase in costs for the construction of real estate projects.

In light of the above, these risks may lead to a reduction in the sales of the real estate units and a reduction in revenues and/or profitability.

For further information on the risks to which the Group is exposed, please also refer to the Annual Report at 30 September 2022.

Main activities and events in the period

On 22 October 2021, the Company successfully closed the Accelerated Bookbuilding procedure specifically reserved for subscription by foreign investors only, having raised Euro 4 million and issued 595,432 ordinary shares. Thanks to this transaction, the shareholding structure of AbitareIn has seen the entry of important international players.

On 17 December 2021, Borsa Italiana arranged for the admission to listing of the ordinary shares of the subsidiary Homizy S.p.A. on the Euronext Growth Milan Market - Professional Segment, with trading starting on 21 December 2021.

Homizy successfully completed the placement in preparation for the listing, for a total value of Euro 10 million, equal to 1,860,000 newly-issued shares at a subscription price of Euro 5.4 per share, with a pre-money capitalisation of Euro 45 million.

On 22 January 2022, the Shareholders' Meeting of AbitareIn, held on second call, reviewed the Group's Consolidated Financial Statements at 30 September 2021 and approved the Company's Separate Financial Statements at 30 September 2021. The Shareholders also approved the Remuneration Report.

In addition, during the half-year, the handovers and the notarial deeds of the apartments of the Olimpia Garden project continued. This is the first project of the Prime Edition line, a real estate complex of 160 apartments in the Corvetto area in Milan. As at 31 March 2022, the number of units with formalised notarial deeds was equal to 146 (152 as at today's date).

The Group also continued construction site works for the projects being developed, as well as the preparatory activities to obtain the necessary administrative authorisations for the implementation of new projects.

Events after 31 March 2022

Between the end of the first half-year and the beginning of the subsequent period, the Group launched marketing campaigns for 4 new residential projects, Lambrate Twin Palace, The Units, Palazzo Sintesy and Balduccio Dodici, bringing the projects marketed since the start of its business to 12. These 4 projects currently being marketed account for a total of more than 300 apartments³.

In early June, the Company's Sustainability Report relating to FY 2021 was also published, the second AbitareIn report dedicated to demonstrating its approach to ESG issues

Outlook

In the second half of the year, the Group will continue its strategic activities, both development activities and sales, for the implementation of Pipeline projects and to seize new opportunities to increase it.

The Group will continue to market its projects, in a market context that continues to see demand remain at very high levels against an endemic shortage of product - especially new product - that, especially in the city of Milan, leads to a structural increase in prices.

Land development and pipeline enhancement activities will also continue at full speed, which saw a considerable advancement in the authorisation processes of the numerous pipeline projects. In addition, work is nearing completion on three projects under construction, Milano City Village, Palazzo Navi-glio and Trilogy Towers, for 420 flats, which will be delivered to customers starting from the beginning of next fiscal year.

Despite the uncertainties linked to the geopolitical tensions and the long-term effects of the Covid-19 epidemic, the Group's operations remain focused on the development of its business, implementing strategies specifically designed to address the current situation; from sale methods designed to better adapt and in "real time" to the market situation - thus benefiting from the positive trend in demand while maintaining the low risk profile that has always distinguished the Company's business model - to introducing clauses in customer contracts safeguarding against increases in construction costs, to developing increasingly sophisticated technologies to respond to new purchasing trends and maximise economies of scale.

Intragroup and related-party transactions

As provided for in the Consob Issuers' Regulation, the Company has adopted a "Related-Party Transactions Procedure". For further information, see the "Investors" section of the website www.abitareinspa.com. The transactions carried out by AbitareIn and the companies included in the scope of consolidation with other related parties are part of ordinary operations and are conducted at arm's length. The information on related-party transactions, including the information required by the CONSOB Communication of 28 July 2006, is presented in note 24 of the condensed consolidated half-yearly financial statements at 31 March 2022.

³ No. of apartments, considering an average surface area of 92 m² for the marketing in unrestricted building and 82 m² for social housing. The actual number of apartments built and for which contracts have been signed - without prejudice to the combined floor area (m²) - may vary depending on the level of customisation of the surface area of the real estate units.

Research & Development activities

During the half-year, work continued on the development and integration of the CRM platform, a management platform for the integration between Revit and Salesforce, an e-commerce platform. The total investment incurred in the reporting period amounted to Euro 224 thousand.

Overview of the main pending litigations

As at the date of this report, the Company has not set aside a provision for risks in the financial statements to cover any liabilities arising from the procedures described below.

Italian Revenue Agency request

For contracts for consideration transferring or constituting rights in rem, the tax base on which the registration tax due must be measured is represented by the "value of the asset or right on the date of the deed" (Article 43 of Presidential Decree 131/86); as the value, pursuant to Article 51, paragraph 1 of Presidential Decree 131/86 "subject to the provisions of the following paragraphs, the value declared by the parties to the deed and, in its absence or if higher, the consideration agreed for the entire duration of the contract is assumed as the value"; Article 51, paragraph 2 of Presidential Decree 131/86 specifies that, "for deeds involving real estate or real estate rights and for those involving companies or real rights over them, the market value in normal trading is understood as the value. This implies that at the time of registration of the deed, in the absence of a separate indication of the value of the asset and the agreed consideration, the tax is paid on the latter. Subsequently, the Italian Revenue Agency, in the manner provided for in Article 51, paragraph 4, checks that the consideration indicated in the deed effectively reflects the market value in normal trading of the property complex sold.

On 30 January 2019, Milano City Village received a request (questionnaire no. Q00022/2019) from the Italian Revenue Agency to provide supplementary documentation with reference to the deed of sale of the real estate complex located in Milan, via Tacito no. 14 in order to check that the consideration indicated in the deed effectively reflected the market value in normal trading of the property complex sold. The Company therefore provided the Tax Authority with the required documentation.

Subsequently, on 24 September 2020, Milano City Village received (as part of the same procedure established following receipt of the aforementioned questionnaire) an invitation to adversarial proceedings no. I00052/2020 from the Italian Revenue Agency; following receipt of this invitation, proceedings with the Tax Authority were duly established. On 6 November 2020, following the meeting held on 20 October 2020, the Company sent the Tax Authority an expert report on the characteristics of the environmental reclamation and remediation carried out on the area in question in order to confirm the fairness of the consideration for the purchase and sale of the area. On 11 February 2022, Milano City Village filed a tax settlement proposal. During the discussion established with the Tax Authority on 4 May 2022, the amount of additional taxes, penalties and interest was set for a total amount of Euro 137 thousand. The amount agreed in the above-mentioned settlement document was recognised in the half-yearly report as at 31 March 2022.

Procedure with the Municipality of Milan

With assessment notices served on Abitare In Maggiolina, on 6 November 2020, the Municipality of Milan established a higher Municipal Property Tax (IMU) for the years 2016, 2017 and 2018, respectively of Euro 59,389.54, Euro 2,620.19 and Euro 2,620, plus penalties and interest, for a total amount of Euro 86,125.16. The assessment notices are the result of the calculation by the Municipality of Milan, which appears to be attributable to its failure to transpose the cadastral changes and values communicated by the Company in relation to the developable area located in Milan, Via Angelo Fava no. 20.

In the event of an unfavourable outcome in this dispute, Abitare In Maggiolina could be obliged to pay an amount of approximately Euro 86,125.00. The Issuer considers the payment of this amount an improbable charge.

Other information

Adoption of the legislative simplification process adopted with CONSOB resolution no. 18079 of 20 January 2012

On 10 December 2020, the Board of Directors of Abitare In S.p.A. resolved to adopt the simplification regime provided for in Articles 70, paragraph 8, and 71, paragraph 1-bis, of the Regulation adopted by CONSOB with resolution no. 11971 of 14 May 1999, as amended, thus availing itself of the right to waive the obligations to publish the information documents envisaged in Annex 3B of the aforementioned CONSOB Regulation at the time of significant mergers, demergers, capital increases through the contribution of assets in kind, acquisitions and disposals.

Consolidated Statement of Financial Position

AT MARCH 31, 2022

Consolidated Statement of Financial Position

	Note	31.03.2022	Related parties	30.09.2021	Related parties
Property, plant and equipment	1	9,274,526		8,980,197	
Intangible assets	2	1,754,728		1,673,955	
Financial assets	3	111,549		-	
Equity investments in other companies	4	6,094,794		4,370,694	
Deferred tax assets	5	1,765,496		1,172,151	
TOTAL NON-CURRENT ASSETS		19,001,093		16,196,997	
Inventory	6	257,373,493		209,663,389	
Trade receivables	7	366,604		293,443	
Other current assets	8	10,727,149		12,105,347	
Current tax assets	9	8,840,034		5,944,427	
Current financial assets	10	25,717,526		13,778,285	
TOTAL CURRENT ASSETS		303,024,806		241,784,891	
TOTAL ASSETS		322,025,899		257,981,888	
Share capital		132,654		129,677	
Reserves		50,272,533		39,494,362	
Profit (loss) carried forward		32,743,810		20,552,052	
Profit (loss) for the year		2,754,558		12,191,758	
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		85,903,555		72,367,849	
Profit and reserves attributable to non-controlling interests		3,965,145		468,661	
EQUITY	11	89,868,700		72,836,510	
Non-current financial liabilities	12	103,304,794		72,167,050	
Employee benefits	13	319,383		325,142	
Other non-current liabilities	14	263,123	263,123	284,793	252,759
Customer down payments and deposits	15	69,916,176		65,452,039	
Deferred tax liabilities	5	8,445,794		6,466,158	
TOTAL NON-CURRENT LIABILITIES		182,249,270		144,695,182	
Current financial liabilities	12	14,860,399		16,710,663	
Trade payables	16	25,070,698	43,160	11,704,006	52,032
Other current liabilities	17	8,657,286	1,205,471	8,805,177	671,021
Customer down payments and deposits	15	410,800		2,414,355	
Current tax liabilities	18	908,746		815,995	
TOTAL CURRENT LIABILITIES		49,907,929		40,450,196	
TOTAL LIABILITIES		232,157,199		185,145,378	
TOTAL LIABILITIES AND EQUITY		322,025,899		257,981,888	

Consolidated Income Statement

	Note	31.03.2022	Related parties	31.03.2021	Related parties
Revenue from sales	19.1	16,001,415		25,034,915	
Change in inventory for new sites purchased	19.2	16,866,000		33,917,109	
Change in inventory for progress of works	19.3	31,724,597		3,439,352	
Other revenue	19.4	1,783,742		416,101	
TOTAL REVENUE	19	66,375,754		62,807,477	
Property purchased for redevelopment for sale		16,866,000		33,917,109	
Raw materials, consumables, supplies and goods		22,783		41,266	
Services	20.1	41,988,311	1,648,118	22,775,514	401,870
Rentals and similar		216,430		132,751	
Personnel expenses	20.2	1,208,523	100,000	1,316,187	100,000
Depreciation/Amortisation	20.3	522,408		410,903	
Impairment losses and provisions	20.4	238,274	26,274	13,237	13,237
Other operating expenses	20.5	850,148		1,025,650	
TOTAL OPERATING EXPENSES	20	61,912,877		59,632,617	
EBIT		4,462,877		3,174,859	
Financial income	21	1,724,172		2,302,007	
Financial expenses	21	(1,528,867)		(1,074,215)	
EBT		4,658,182		4,402,651	
Income taxes	22	(1,856,320)		(732,022)	
PROFIT (LOSS) FOR THE YEAR		2,801,862		3,670,629	
Of which:					
Net profit (loss) attributable to non-controlling interests		47,304		(14,693)	
Net profit (loss) attributable to the owners of the Parent		2,754,559		3,685,322	
Earnings per share	23	0.11		0.14	
Diluted earnings per share	23	0.11		0.14	

Consolidated Statement of Comprehensive Income

	Note	31.03.2022	31.03.2021
Profit (loss) for the year		2,801,862	3,670,629
Other comprehensive income			
<i>That will not be subsequently reclassified in profit or loss for the year</i>			
Employee benefits		75,335	(12,164)
Tax effect		(18,081)	2,919
Total		57,254	(9,245)
<i>That will be subsequently reclassified in profit or loss for the year</i>			
Hedging instruments		143,583	(63,168)
Tax effect		(34,460)	15,166
Total		109,123	(48,002)
Total change in OCI reserve		166,377	(57,247)
Comprehensive income for the period		2,968,239	3,613,382
Earnings per share	23	0.11	0.14
Diluted earnings per share	23	0.11	0.14

Statement of Changes in Equity

	Share capital	Share premium reserve	Legal reserve	Stock grant reserve	Consolidation reserve	FTA reserve	OCI reserve	Profit carried forward from previous years	Profit for the year	Total	Equity attributable to non-controlling interests	Total
Equity at 1 October 2020	129,677	36,886,372	39,651	-	-	282,731	(45,220)	11,354,847	9,197,205	57,845,263	498,217	58,343,480
Profit (loss) for the year									3,685,322	3,685,322	(14,693)	3,670,629
Actuarial valuation of TFR							(9,245)			(9,245)		
Hedging derivatives valuation							(48,002)			(48,002)		(48,002)
Change in scope of consolidation										(1,342)		(1,342)
Allocation of the profit for the year								9,197,205	(9,197,205)	-		-
Equity at 31 March 2021	129,677	36,886,372	39,651	-	-	281,389	(102,467)	20,552,052	3,685,322	61,471,996	483,524	61,955,520

	Share capital	Share premium reserve	Legal reserve	Stock grant reserve	Consolidation reserve	FTA reserve	OCI reserve	Profit carried forward from previous years	Profit for the year	Total	Equity attributable to non-controlling interests	Total
Equity at 1 October 2021	129,677	36,886,372	39,651	2,379,457	-	280,589	(91,707)	20,552,052	12,191,758	72,367,849	468,661	72,836,510
Profit (loss) for the year									2,754,558	2,754,558	47,304	2,801,862
Actuarial valuation of TFR							57,254			57,254		57,254
Hedging derivatives valuation							109,123			109,123		109,123
Stock grant plan				864,540						864,540		864,540
Parent company capital increase	2,977	3,857,429								3,860,406		3,860,406
Change in scope of consolidation					5,889,825					5,889,825	3,449,180	9,339,005
Allocation of the profit for the year								12,191,758	(12,191,758)	-		-
Equity at 31 March 2022	132,654	40,743,801	39,651	3,243,997	5,889,825	280,589	74,670	32,743,810	2,754,558	85,903,555	3,965,145	89,868,700

Consolidated Statement of Cash Flows (indirect method)

	31.03.2022	31.03.2021
Operating activities		
Profit (loss) for the year	2,801,862	3,670,629
Income taxes	1,856,320	732,022
Financial income	(1,724,174)	(2,302,007)
Financial expenses	1,528,859	1,074,215
(Gains)/losses on the sale of companies	-	-
Net accruals to provisions	84,940	229,538
Accrual to stock grant reserve	864,540	-
Impairment and depreciation/amortisation of property, plant and equipment and intangible assets	522,408	410,903
Cash flows before changes in net working capital	5,934,755	3,815,301
Decrease/(increase) in inventory	(47,710,104)	(37,250,083)
Increase/(decrease) in trade payables	13,366,692	(674,797)
Decrease/(increase) in trade receivables	(73,161)	432,011
Change in other current/non-current assets and liabilities	365,464	7,036,356
Net financial income/expenses collected/paid	(1,851,374)	(1,628,164)
Taxes paid	-	-
Use of provisions	(6,993)	(24,464)
Cash flows from (used in) operating activities (A)	(29,974,721)	(28,293,839)
Investing activities		
Investments in property, plant and equipment	(166,698)	(163,148)
Disposal of property, plant and equipment	-	-
Real estate investments	(296,032)	-
Investments in intangible assets	(434,779)	(399,033)
Disposal of intangible assets	-	-
Other equity investments	-	-
Sale of company, net of cash and cash equivalents	-	-
Cash flows from (used in) investing activities (B)	(897,509)	(562,180)
Financing activities		
Bank loans raised	41,352,412	26,778,674
Bank loan repayments	(11,669,368)	(14,060,656)
Change in current/non-current financial liabilities	(70,984)	(36,481)
Net change in current financial assets	-	-
Share capital increase against consideration	13,199,411	-
Cash flows from (used in) financing activities (C)	42,811,471	12,681,537
Net cash flows in the period (A)+(B)+(C)	11,939,241	(16,174,483)
Cash and cash equivalents at the beginning of the year	13,778,285	35,480,995
Increase/(decrease) in cash and cash equivalents from 1 October to 31 March	11,939,241	(16,174,483)
Cash and cash equivalents at the end of the year	25,717,526	19,306,512

To supplement the information on cash flows, as required by the amendment in IAS 7, a specific table was inserted in Note 12, which analyses the changes in liabilities generated by financing activities.

NOTES

to the Consolidated Financial Report

Accounting standards and measurement criteria

Basis of presentation

These half-yearly condensed consolidated financial statements at 31 March 2022 have been prepared in accordance with IAS 34, Interim Financial Reporting. IAS 34 allows the financial statements to be prepared in "condensed" form, based on a significantly lower minimum level of disclosure than required by the International Financial Reporting Standards, issued by the International Accounting Standards Board and adopted by the European Union (IFRS), where a full disclosure statement prepared on the basis of IFRS has previously been made available to the public. The half-yearly condensed consolidated financial statements at 31 March 2022 have been prepared in this form and must therefore be read together with the Group's consolidated financial statements for the year ended 30 September 2021, prepared in compliance with IFRS, without prejudice to what may be described in the following paragraphs "New accounting standards, amendments and interpretations applicable from 1 January 2021".

These financial statements have been prepared on a going concern basis.

Financial Statements

The half-yearly condensed consolidated financial statements at 31 March 2022 include the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the notes, all prepared in accordance with the IFRS.

The schedules of the statement of financial position provide a classification of current and non-current assets and current and non-current liabilities where: (i) non-current assets include positive balances with a normal operating cycle beyond 12 months; (ii) current assets include positive balances with a normal operating cycle within 12 months, and cash and cash equivalents; (iii) non-current liabilities include payables beyond 12 months; (iv) current liabilities include payables within 12 months.

Finally, the statement of cash flows was prepared using the indirect method to determine cash flows from operating activities. Under this method, profit (loss) for the year is adjusted to account for the effects of non-cash transactions, any deferral or provision allocated for previous or future operational receipts or payments and any revenue or expense items associated with cash flows from investing or financing activities. With reference to CONSOB Resolution 15519 of 27 July 2006 on the financial statements, specific supplementary income statement schedules have been included, where necessary, in order to highlight any significant transactions with related parties, and any transactions qualifying as non-recurring, atypical and/or unusual are indicated in the financial statements, and therefore highlighted in the notes.

Statement of amounts in the consolidated financial statements and notes

Unless otherwise specified, all amounts shown in the consolidated financial statements and in the notes are in Euro. The figures shown in the financial statements and in the notes are rounded up/down to ensure consistency with the figures shown in the statement of financial position and the income statement.

Basis of consolidation

Scope of consolidation

The scope of consolidation includes subsidiaries for which control can be exercised as defined in IFRS 10, which envisages that an investor controls an entity in which it has invested when it has rights that give it the possibility to direct the entity's significant assets, has an exposure, or a right, to receive variable returns from its involvement with the entity and has a real possibility of using its power to influence the amount of its return on investment.

The results of subsidiaries acquired or sold during the financial year are included in the consolidated income statement from the actual acquisition date until the actual sale date. If necessary, adjustments are made to the financial statements of the subsidiaries to align the accounting policies used with those adopted by the Group.

The consolidation of the financial statements of the subsidiaries was carried out according to the line-by-line consolidation method, assuming the full amount of the assets, liabilities, costs and revenues of the individual companies, regardless of the equity investments held, eliminating the carrying amount of the consolidated equity investments held by the company against the related equity.

The minority shareholders' interest in the net assets of consolidated subsidiaries is identified separately from the Group's equity. This interest is determined at the acquisition date on the basis of the fair value of the minority interest or as a proportion of the current value of the recognised net assets of the acquiree and after that date in changes in equity. The choice of measurement method is made on a transaction-by-transaction basis. Losses attributable to third parties in a consolidated subsidiary may exceed the non-controlling interests in the subsidiary's equity; in such cases non-controlling interests will present a negative balance. The effects of changes in the shareholdings of subsidiaries that do not involve acquisition/loss of control are recorded under changes in equity.

Profits and losses, provided they are significant, not yet realized and deriving from transactions between companies within the scope of consolidation are eliminated, as are all items of significant amount that give rise to payables and receivables, costs and revenues between Group companies. These adjustments, like other consolidation adjustments, take into account the related deferred tax effect, where applicable.

The following companies are included in the scope of consolidation (on a line-by-line basis):

Society	Venue	Share Capital	% of ownership
Abitare In Development 3 S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Abitare In Development 4 S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Abitare In Development 5 S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Abitare In Development 6 S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Abitare In Development 7 S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Abitare In Maggiolina S.r.l.	Milan, via degli Olivetani 10/12	100,000	100%
Accursio S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
City Zeden S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Citynow S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Creare S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Deametra S.r.l.	Milan, via degli Olivetani 10/12	10,000	70.72%*
Homizy S.p.A.	Milan, via degli Olivetani 10/12	115,850	70.72%
Hommi S.r.l.	Milan, via degli Olivetani 10/12	10,000	70.72%*
Housenow S.r.l.	Milan, via degli Olivetani 10/12	10,000	70.72%*
Immaginare S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Lambrate Twin Palace S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Milano City Village S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Milano Progetti S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Mivivi S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
MyCity S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Palazzo Naviglio S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Porta Naviglio Grande S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Richard S.r.l.	Milan, via degli Olivetani 10/12	1,000,000	100%**
Savona 105 S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Smartcity S.r.l.	Milan, via degli Olivetani 10/12	10,000	70.72%*
TheUnits S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Trilogy Towers S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Volaplana S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%
Ziro S.r.l.	Milan, via degli Olivetani 10/12	10,000	100%

* 70.72% owned through Homizy S.p.A.

** Wholly-owned (100%) through Abitare In Development 4 S.r.l.

The subsidiaries prepare separate interim financial statements in accordance with the provisions applicable in Italy and in compliance with the Italian Accounting Standards. The Italian accounting standards adopted

have therefore been aligned with the IFRS to make the financial statements of subsidiaries consistent with the accounting standards adopted by the Group

Use of estimates

In preparing the financial statements and the related notes in accordance with the IFRS, the management is required to make estimates and assumptions that have an impact on the value of revenue, costs, assets and liabilities in the financial statements and on disclosures of contingent assets and liabilities at the reporting date. The final figures may differ from these estimates due to the uncertainty underlying the assumptions and the conditions on which the estimates are based. Consequently, any change in the conditions underlying the associated opinions, assumptions and estimates could have a significant impact on subsequent performance. Estimates are used to determine the fair value of real estate investments, financial instruments and derivatives. The management reviews the estimates and assumptions periodically and, if necessary, these are backed by opinions and studies of independent consultants of primary standing (e.g. property appraisal). The effects of any changes are reflected in the income statement.

The following estimates used in the financial statements are deemed significant in that they involve extensive use of subjective opinions, assumptions and estimates:

- Assessment of the progress of works and recognition of revenue: the method used is that of final cost based on the estimated cost to complete; this measurement is based on assumptions and estimates of the costs to complete and the related margins.
- Taxes: income taxes, related only to non-exempt operations, are estimated on the basis of the forecast of the actual amount that will be payable to the Revenue Agency in the annual tax return. Deferred tax assets are recognised on the basis of income forecasts for the coming years, taking into account the tax regime applicable to the Company, and are calculated at the tax rates that are expected to apply in the reporting periods in which the temporary differences will be realised or settled.
- Medium/long-term share-based incentive plans: these plans provide that the estimated number of rights accruing up to maturity is updated at the end of each reporting period. The measurement is made with the help of external experts.

Please also note that some measurement processes are generally only fully completed when the annual financial statements are prepared, when all the necessary information is available, unless there are indicators of impairment that require the immediate measurement of any impairment losses.

New accounting standards, amendments and interpretations applicable from 1 January 2021

Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments include the temporary reduction in requirements with reference to the effects on financial statements when the interest rate offered on the interbank market (IBOR) is replaced by a near risk-free alternative rate (RFR):

The amendments include the following practical expedients:

- a practical expedient that enables contractual changes, or changes in cash flows that are directly required by the reform, to be accounted for and treated as changes in a variable interest rate, equivalent to the movement of an interest rate in the market;
- allow the changes required by the IBOR reform to be made to the documentation for the designation of the hedging relationship without the need for the hedging relationship to be discontinued;
- providing temporary relief to entities from having to comply with the separately identifiable requirements when an RFR is designated as hedging a risk component.

These amendments have no impact on the Group's consolidated financial statements.

Amendment to IFRS 16 Covid-19 Related Rent Concessions beyond 30 June 2021

On 28 May 2020, the IASB published an amendment to IFRS 16, which permits a lessee not to apply the requirements of IFRS 16 on the accounting effects of contractual modifications for reductions in lease payments, granted by lessors, that are a direct consequence of the Covid-19 epidemic.

The amendment introduces a practical expedient according to which a lessee may choose not to assess whether the reductions in lease payments represent contractual modifications. A lessee who chooses to use this expedient shall account for these reductions as if they were not contractual modifications for the purpose of IFRS 16.

From the point of view of the lessor, the accounting for concessions to lease payments is based on existing guidelines. In fact, the amendments to IFRS 16 apply exclusively to lessees. However, the IASB has provided some clarifications on how to manage these cases from the point of view of the lessors.

The IASB has decided not to provide the lessors with practical solutions for rent concessions occurring as a direct consequence of the Covid-19 pandemic for the following reasons:

- IFRS 16 does not specify how the lessor must account for a change in lease payments that is not a contractual modification; and
- any practical expedient would adversely affect the comparability of, and interaction between, the accounting requirements of IFRS 16 and the related requirements in other standards (in particular, IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers).

These amendments, originally applicable until 30 June 2021, were extended by the IASB until 30 June 2022 due to the continued impact of the Covid-19 pandemic.

These amendments have no impact on the Group's consolidated financial statements.

IFRS accounting standards, amendments and interpretations of future effectiveness

Numerous standards, amendments to standards and interpretations have been issued by the IASB, but that will be effective in future financial years, which the Group has decided not to apply in advance.

The following amendments are effective as from the financial year beginning 1 January 2022:

- Onerous contracts - Cost of fulfilling a contract (Amendments to IAS 37);
- Property, plant and machinery: Proceeds before intended use (Amendments to IAS 16);
- Annual improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and

- Reference to the conceptual framework (Amendments to IFRS 3).

The following amendments are effective as from the financial year beginning 1 January 2023:

- Disclosure of accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of accounting estimates (Amendments to IAS 8); and
- Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12).

In January 2020, the IASB issued amendments to IAS 1 which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that the classification as current or non-current is based on the consideration whether at the end of the financial year an entity has the right to defer the settlement of the liability for at least twelve months after the reporting date. The amendments also clarify that the term "settlement" includes the transfer of cash, goods, services or equity instruments, unless the obligation to transfer equity instruments derives from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. The amendments were originally effective from the financial years beginning on or after 1 January 2022. However, in May 2020, the effective date was postponed to the financial years that will begin on or after 1 January 2023.

In response to the feedback and questions of stakeholders, in December 2020, the IFRIC (the Committee) issued a tentative agenda decision, which analysed the applicability of the amendments to three scenarios. However, in view of the feedback received and the various concerns raised on the outcome of the application of some aspects of the amendments, the Committee did not follow through with the tentative agenda decision and reported the issue to the IASB. During its meeting in June 2021, the IASB provisionally decided to amend the requirements set out in IAS 1 with regard to the classification of liabilities, subjecting it to conditions and the disclosure of information concerning those conditions and postponing the effective date of the 2020 amendment by at least one year. The Group is currently assessing the impact of these new accounting standards and amendments.

The Group will assess the impact of the final amendments to IAS 1 on the classification of its liabilities once they have been issued by the IASB.

Other

The Group does not envisage that other standards issued by the IASB, but that are not yet effective, will have a significant impact on the Group.

Any impacts on the Group's consolidated financial statements arising from the aforementioned amendments are still being assessed.

Notes to key items of the Statement of Financial Position

Note 1. Property, plant and equipment

The table below shows the breakdown of Property, plant and equipment as at 31 March 2022 and 30 September 2021.

	31.03.2022	30.09.2021	Change
Property	5,344,518	5,416,105	(71,587)
Plant and machinery	26,726	18,661	8,065
General equipment	18,684	15,411	3,273
Other property, plant and equipment	907,412	848,867	58,545
Tangible assets under construction and advances	2,977,186	2,681,154	296,032
Total	9,274,526	8,980,197	294,329

The table below shows changes in Property, plant and equipment at the reporting dates 31 March 2022 and 30 September 2021, by individual asset category.

	Property	Plant and machinery	General equipment	Other property, plant and equipment	Total property, plant and equipment	Property
Opening balance						
Cost	5,962,146	37,917	19,722	1,271,101	2,681,154	9,972,041
Amortisation (accumulated amortisation)	(546,041)	(19,256)	(4,311)	(422,234)	-	(991,843)
Carrying amount	5,416,105	18,661	15,411	848,867	2,681,154	8,980,197
Changes in the period						
Increases for acquisitions	4,816	12,150	4,343	145,388	296,032	462,729
Reclassifications (of carrying amount)	-	-	-	-	-	-
Amortisation in the year	(76,403)	(4,085)	(1,070)	(86,843)	-	(168,401)
Total changes	(71,587)	8,065	3,273	58,545	296,032	294,328
Closing balance						
Cost	5,966,962	50,067	24,065	1,416,489	2,977,186	10,434,769
Amortisation (accumulated amortisation)	(622,444)	(23,341)	(5,381)	(509,077)	-	(1,160,243)
Carrying amount	5,344,518	26,726	18,684	907,412	2,977,186	9,274,526

The item "Other property, plant and equipment" increased primarily as a result of the refurbishment of the Viale Umbria showroom, for a total amount of Euro 131 thousand.

The item "assets under construction" increased due to costs incurred for the construction of the properties intended for rental in co-living form of the subsidiaries Smartcity S.r.l. and Deametra S.r.l., equal to Euro 106 thousand and Euro 190 thousand, respectively.

Note 2. Intangible assets

The table below shows the breakdown of Intangible assets as at 31 March 2022 and 30 September 2021.

	31.03.2022	30.09.2021	Change
Development costs	998,432	1,011,508	(13,076)
Concessions, licences, trademarks and similar rights	2,533	844	1,689
Assets under construction and payments on account	504	504	-
Other intangible assets	753,259	661,098	92,161
Total	1,754,728	1,673,955	80,773

The table below shows changes in Intangible assets at the reporting dates 31 March 2022 and 30 September 2021, by individual asset category.

	Development costs	Concessions, licences, trademarks and similar rights	Intangible assets under construction and payments on account	Other intangible assets	Total intangible assets
Opening balance					
Cost	2,039,541	24,382	504	999,653	3,064,080
Amortisation (accumulated amortisation)	(1,028,033)	(23,538)	-	(338,555)	(1,390,125)
Carrying amount	1,011,508	844	504	661,098	1,673,955
Changes in the period					
Increases for acquisitions	207,679	1,770	-	225,332	434,781
Reclassifications (of carrying amount)	-	-	-	-	-
Amortisation in the year	(220,755)	(81)	-	(133,171)	(354,007)
Total changes	(13,076)	1,689	-	92,161	80,774
Closing balance					
Cost	2,247,220	26,152	504	1,224,985	3,498,861
Amortisation (accumulated amortisation)	(1,248,788)	(23,619)	-	(471,726)	(1,744,133)
Carrying amount	998,432	2,533	504	753,259	1,754,728

The increase in development costs and other intangible assets, for an amount equal to Euro 229 thousand, is due to the investment made by the Group in relation to the development and integration of the CRM platform, a management platform for the integration between Revit and Salesforce, an e-commerce platform. These costs refer to services supplied by third parties. Development costs incurred by the Group refer to projects that satisfy the requirements of IAS 38.

In addition, the item "other intangible assets" increased by Euro 204 thousand due to the registration of the right of use pertaining to the lease agreement for the new offices at Viale Umbria, 36.

Note 3. Financial assets

As at 31 March 2022, this item was composed of financial assets resulting from the mark-to-market measurement of the cash flow hedging derivatives entered into by Abitare In S.p.A. and the subsidiary Porta Naviglio Grande S.r.l.

Note 4. Equity investments in other companies

The item in question is mainly represented by the shares held in Tecma Solutions S.p.A. (7.3% of the share capital), a company listed on the Euronext Growth Milan Market, specialised in Real Estate Business Innovation for an amount equal to Euro 6,092 thousand.

The carrying amount has increased by Euro 1,724 thousand owing to the revaluation arising from the adjustment of the carrying amount to the fair value as at 31 March 2022, as the asset is classified as a Financial Asset measured at fair value through profit or loss (FVTPL). The quotation value as at 31 March 2022 of Euro 10.6 per share, was used as the fair value benchmark.

The residual amount of Euro 3 thousand relates to shareholdings held in Banca di Credito Cooperativo.

Note 5. Deferred tax assets and liabilities

The net balance of deferred tax assets and liabilities as at 31 March 2022 is as follows.

	31.03.2022	30.09.2021	Change
Deferred tax assets	1,765,496	1,172,151	593,345
Payables for deferred tax liabilities	(8,445,794)	(6,466,158)	(1,979,636)
Net position	(6,680,298)	(5,294,007)	(1,386,291)

This item includes the balance of prepaid and deferred taxes on temporary differences between the carrying amount of an asset or liability and the value for tax purposes of that same asset or liability.

	30.09.2021	Subscribed to account income statement	Subscribed to Net Equity	31.03.2022
ACE	8,740	-	-	8,740
Director's remuneration	160,560	81,468	-	242,028
Unpaid employee bonuses	115,104	(59,424)	-	55,680
Measurement of work in progress in accordance with IFRS 15	(7,907,979)	(1,871,452)	-	(9,779,431)
Leases in accordance with IAS 17	(20,119)	(7,405)	-	(27,524)
Employee benefits in accordance with IAS 19	24,732	339	(18,081)	6,990
Derecognition of multi-year costs in accordance with IAS 38	184,340	(69,616)	331,692	446,686
Hedging derivatives valuation	7,689	-	(34,460)	(26,771)
Tax losses of subsidiary Richard Srl	2,928	209,651	-	212,579
Inventory adjustment to reflect intercompany mark-up	2,129,998	5,727	-	2,180,725
Total	(5,294,007)	(1,665,712)	279,421	(6,680,298)

Note 6. Inventory

The table below shows the breakdown of Inventory as at 31 March 2022 and 30 September 2021.

	31.03.2022	30.09.2021	Change
Real estate developments under way	248,451,767	189,836,692	58,615,075
Advances on inventory	1,771,534	3,043,421	(1,271,887)
Finished products	7,150,192	16,783,276	(9,633,084)
Total	257,373,493	209,663,389	47,710,104

	Advances on inventory	Real estate developments under way	Finished products
Abitare In Development 4 Srl	-	99,835	-
Abitare In Development 5 Srl	-	8,550,997	2,375,479
Abitare In Development 6 Srl	(63,656)	-	-
Abitare In Development 7 Srl	-	-	4,487,272
Abitare In Maggiolina Srl	-	3,769,404	287,441
Accursio S.r.l.	-	17,494,708	-
City Zeden S.r.l.	181,316	-	-
Citynow S.r.l.	608,573	-	-
Immaginare Srl	-	791,640	-
Lambrate Twin Palace Srl	-	10,721,231	-
Milano City Village Srl	-	65,936,249	-
Milano Progetti Srl	-	25,065,167	-
Mivivi Srl	389,606	-	-
MyCity Srl	-	5,664,612	-
Palazzo Naviglio	-	22,038,664	-
Porta Naviglio Grande	-	12,225,758	-
Richard Srl	-	9,228,553	-
Savona 105 Srl	-	30,184,591	-
TheUnits Srl	-	1,365,508	-
Trilogy Towers Srl	-	35,314,850	-
Volaplana Srl	337,547	-	-
Ziro Srl	318,148	-	-
Total	1,771,534	248,451,767	7,150,192

The item "Finished products" mainly refers to the apartments completed by the subsidiary Abitare In Development 7 S.r.l. for a total of Euro 4,487 thousand and the subsidiary Abitare In Development 5 S.r.l. for a total of Euro 2,375 thousand. The item "Real estate developments under way" refers to projects under way and not yet completed at 31 March 2022 and includes costs incurred to purchase real estate to be developed for a total amount of Euro 108,984 thousand. The typical length of the production cycle in the Abitare In Group's sector is influenced by a number of factors, such as authorisation procedures and relations with the public administration in general, customer requests to customise properties and works planning. In view of the above, the number of projects to be completed within 12 months cannot be reliably estimated. The item in question mainly consists of inventory attributable to the subsidiaries Milano City Village (Euro 65,936 thousand), Milano Progetti S.r.l. (Euro 25,065 thousand), Savona 105 S.r.l. (Euro 30,185 thousand), Trilogy Towers S.r.l. (Euro 35,315 thousand), Palazzo Naviglio S.r.l. (Euro 22,039 thousand), Porta Naviglio Grande S.r.l. (Euro 12,226 thousand), and Accursio S.r.l. (Euro 17,495 thousand). Advances on inventory refer to suspended costs linked to areas for which a preliminary contract has been signed.

Note 7. Trade receivables

Trade receivables amount to Euro 367 thousand (Euro 293 thousand at the end of the previous reporting period). These receivables are recognised net of the provision for bad debt. There are no past due receivables.

Note 8. Other current assets

Other current assets amounted to Euro 10,727 thousand (Euro 12,105 thousand at the end of the previous reporting period).

	31.03.2022	30.09.2021	Change
Down payments/deposits on real estate complexes purchased	5,794,930	6,820,672	(1,025,742)
Accrued income and prepaid expenses	3,448,265	3,972,466	(522,201)
Other current assets	1,483,954	1,312,209	171,745
Other current assets	10,727,149	12,105,347	(1,378,198)

The item "Down payments/deposits on real estate complexes purchased" consists of:

- the payment of Euro 470 thousand for the purchase without recourse, from Banco BPM, of the receivable due from Immobiliare Tacito s.r.l. of a nominal amount of Euro 11,000 thousand. The receivable is secured by a mortgage on the property situated in Via Tacito in Milan, near the other two real estate complexes owned by the subsidiaries Milano City Village S.r.l. and Milano Progetti S.r.l.;
- the down payment of Euro 192 thousand to purchase a 100% equity investment in the company New Tacito s.r.l., owner of a real estate complex in Via Tacito in Milan. The purchase will be completed by July 2026. The total agreed price to purchase the real estate complex is Euro 236 thousand;
- the down payment of Euro 1,000 thousand to purchase the real estate complex situated in the area south of the former Porta Romana rail yard in Milan. Finalisation is subject to obtaining the urban planning implementation agreement. The total agreed price to acquire the entire capital is Euro 16,000 thousand. The final payment of the price will be made on the date the final agreement is signed;
- the down payment of Euro 1,677 thousand to purchase the real estate complex situated in the Nolo area of Milan. The purchase will be completed by January 2024. The total agreed price to purchase the real estate complex is Euro 2,700 thousand. The final payment of the price will be made on the date the final agreement is signed;
- the down payment of Euro 450 thousand to purchase the real estate complex situated in the Corvetto area of Milan. The agreed price to purchase the real estate complex is equal to Euro 3,000 thousand. The purchase will be finalised by 30 June 2022 and the final payment of the price will be made on the date the final agreement is signed;
- the down payment of Euro 750 thousand to purchase the real estate complex situated in via Tucidide in Milan. The total agreed price to purchase the real estate complex is Euro 12,500 thousand. The purchase will be finalised by 31 December 2022 and the final payment of the price will be made on the date the final agreement is signed;

- the down payment of Euro 500 thousand to purchase the real estate complex situated in the Bisceglie area in Milan. The total agreed price to purchase the real estate complex is Euro 5,000 thousand. The purchase will be finalised by January 2023 and the final payment of the price will be made on the date the final agreement is signed;
- the down payment of Euro 756 thousand to purchase the real estate complex situated in the Greco Pirelli area, Milan. The agreed price to purchase the real estate complex is equal to Euro 7,560 thousand. The purchase will be finalised by 30 August 2022 and the final payment of the price will be made on the date the final agreement is signed;

Accrued income and prepaid expenses mainly include:

- assets related to commission paid, totalling Euro 755 thousand, to acquire contracts of sale;
- prepayment of multi-year surety costs, totalling Euro 1,987 thousand;

The item "Other current assets" mainly refers to:

- a receivable recognised by the subsidiary Abitare In Maggiolina S.r.l., equal to Euro 719 thousand, accrued from suppliers as contractual repayments.
- a receivable of Euro 446 thousand recognised by the subsidiary Milano City Village S.r.l., consisting of the non-recoverable grant pursuant to Article 25 of Decree Law no. 34 of 19 May 2020 of Euro 296 thousand and the non-recoverable grant pursuant to Article 1, paragraph 5, of Decree Law No. 73 of 2021 of Euro 150 thousand.

Note 9. Current tax assets

Current tax assets (Euro 8,840 thousand) mainly refer to:

- VAT receivable of Euro 7,285 thousand;
- tax credits pertaining to Abitare In S.p.A. and Homizy S.p.A., of Euro 289 thousand and Euro 490 thousand, respectively, for the costs related to admission to listing on a regulated market pursuant to Article 1, paragraphs 89 to 92, of Law No. 205 of 27 December 2017;
- IRES (corporate income tax) receivables of Euro 722 thousand.

Note 10. Cash and cash equivalents

The table below shows the breakdown of cash and cash equivalents as at 31 March 2022 and 30 September 2021.

	31.03.2022	30.09.2021	Change
Bank and postal accounts	25,717,453	13,776,538	11,940,915
Cash-in-hand and cash equivalents	73	1,747	(1,674)
Cash and cash equivalents	25,717,526	13,778,285	11,939,241

The balance of cash and cash equivalents, fully reported in Euro, reflects liquid funds, cash-in-hand and cash equivalents at the respective reporting dates.

Cash and cash equivalents held as at 31 March 2022 are unrestricted and not tied to a particular use.

Note 11. Equity

Equity has increased due to the recognition of the change in the OCI reserve and in profit for the period.

OCI reserve

The item in question shows a value of Euro 75 thousand (negative for Euro 92 thousand as at 30 September 2021) and includes:

- the gains/(losses) that will be transferred to the income statement, relating to the cash flow hedge reserve on the hedging derivatives of Abitare In S.p.A. and Porta Naviglio Grande S.r.l., which show a value of Euro 60 thousand (negative for Euro 49 thousand as at 30 September 2021).

- gains/(losses) that will not be transferred to the income statement, relating to the actuarial valuation of the provision for severance pay as required by IAS 19, which show a value of Euro 15 thousand (negative for Euro 26 thousand as at 30 September 2021).

Stock Grant

On 31 May 2021, the Shareholders' Meeting of AbitareIn S.p.A. approved the 1:10 stock split of the shares, operational starting from 21 June 2021. The same meeting also approved the "2021-2023 Stock Grant Plan" for executive directors of the Company and the Strategic Manager, together with the free share capital increase to service the Plan. The Stock Plan is part of the remuneration policy for the Company's directors and provides for the free assignment of shares to executive directors, subject to achieving specific performance targets established by the BoD. The Plan is also aimed at the Company's Executive with Strategic Responsibilities.

The Plan has a three-year time frame and aims to promote and pursue the objectives of aligning the remuneration of beneficiaries with the interests of shareholders as well as retaining the management, by envisaging overall, upon achievement of the set targets, the free assignment of a maximum of 900,000 shares in favour of the executive directors and 120,000 shares in favour of the Manager (also considering the split mentioned above).

Capital and reserves attributable to non-controlling interests

The item in question amounted to Euro 3,965 thousand (Euro 469 thousand at 30 September 2021) and mainly refers to the shares pertaining to minority shareholders of the subsidiaries Homizy S.p.A., Hommy S.r.l., Housenow S.r.l., Deametra S.r.l. and Smartcity S.r.l. The increase in the period is to be attributed to the effects of the listing of the ordinary shares of the subsidiary Homizy S.p.A. on the Euronext Growth Milan Market - Professional Segment, with trading starting on 21 December 2021. Homizy successfully completed the placement in preparation for the listing, for a total value of Euro 10 million, equal to 1,860,000 newly-issued shares at a subscription price of Euro 5.4 per share, with a pre-money capitalisation of Euro 45 million.

Note 12. Current and non-current financial liabilities

The table below shows the breakdown of non-current financial liabilities as at 31 March 2022 and 30 September 2021.

	31.03.2022			30.09.2021			Change
	non-current portion	current portion	Total	non-current portion	current portion	Total	
Medium/long-term bank loans	102,677,482	14,683,429	117,360,911	71,639,614	16,362,832	88,002,446	29,358,465
Short-term bank loans	-	-	-	-	-	-	-
Other financial payables	627,312	176,970	804,282	527,436	347,830	875,267	(70,985)
Total	103,304,794	14,860,399	118,165,193	72,167,050	16,710,663	88,877,713	29,287,480

Bank loans

The following new loans were granted during the first half of the financial year:

- Unsecured loan taken out by the subsidiary Abitare In Development 4 S.r.l. for a total amount of Euro 5,785 thousand with surety of the MCC guarantee fund for small and medium enterprises pursuant to Decree Law No. 23 of 8 April 2020, converted into Law No. 40 of 5 June 2020;
- Unsecured loan taken out by the subsidiary Citynow S.r.l. for a total amount of Euro 2,000 thousand with surety of the MCC guarantee fund for small and medium enterprises pursuant to Decree Law No. 23 of 8 April 2020, converted into Law No. 40 of 5 June 2020;
- Unsecured loan taken out by the subsidiary Volaplana S.r.l. for a total amount of Euro 5,000 thousand with surety of the MCC guarantee fund for small and medium enterprises pursuant to Decree Law No. 23 of 8 April 2020, converted into Law No. 40 of 5 June 2020;
- Real estate mortgage loan (*mutuo fondiario*) taken out by the subsidiary Accursio S.r.l. for an amount up to Euro 30,900 thousand with a mortgage on the property.

The table below provides information on existing loans as at 31 March 2022.

loan type (Euro/000)	Borrower company	Amount approved*	Underwriting date	End date	Payable within the next financial year	Payable beyond next finan- cial year	Total payable	Mortgage on real estate/ guarantees	Covenants
Mortgage loan	Abitare In Deve- lopment 3 S.r.l.	3,000	22.06.2018	30.06.2033	187	2,124	2,311	6,000	No
Unsecured loan	Abitare In Deve- lopment 4 S.r.l.	5,875	04.03.2022	03.03.2027	14	5,849	5,863	n/a	No
Loan	Abitare In Deve- lopment 5 S.r.l.	8,300	02.08.2021	02.08.2023	823	4,945	5,768	16,600	No
Landed property loan	Abitare In Deve- lopment 7 S.r.l.	17,000	28.05.2020	31.05.2023	1,118	-	1,118	34,000	No
Loan	Abitare In S.p.A.	1,300	16.07.2019	31.12.2023	450	342	792	n/a	No
Loan	Abitare In S.p.A.	5,200	23.09.2020	23.09.2025	1,280	3,262	4,542	n/a	Yes
Loan	Abitare In S.p.A.	4,500	20.05.2021	31.05.2025	-	4,485	4,485	n/a	Yes
Loan	Abitare In S.p.A.	5,000	29.07.2021	29.07.2023	16	4,967	4,983	n/a	No
Landed property loan	Accursio S.r.l.	30,900	31.12.2021	31.12.2031	60	10,002	10,062	61,800	No
Unsecured loan	Citynow S.r.l.	2,000	01.02.2022	01.02.2018	37	1,946	1,982	n/a	No
Landed property loan	Lambrate Twin Pa- lace S.r.l.	18,100	25.05.2021	31.03.2049	-	3,289	3,289	36,200	No
Landed property loan	Milano City Village S.r.l.	50,000	31.07.2018	31.12.2028	120	28,574	28,694	100,000	Yes
Credit facility backed by landed property	Milano Progetti S.r.l.	10,500	28.12.2020	31.07.2022	10,296	-	10,296	21,000	No
Mortgage loan	MyCity S.r.l.	2,500	17.05.2019	31.05.2034	168	2,318	2,486	5,000	No
Landed property loan	Palazzo Naviglio S.r.l.	14,950	18.02.2020	17.02.2035	13	5,881	5,894	29,900	No
Landed property loan	Porta Naviglio Grande S.r.l.	11,802	14.01.2021	14.12.2025	-	3,020	3,020	23,604	Yes
Landed property loan	Savona 105 S.r.l.	37,500	03.12.2020	31.12.2030	68	10,702	10,771	75,000	Yes
Landed property loan	TheUnits S.r.l.	3,100	15.02.2021	28.02.2038	2	491	493	6,200	No
Landed property loan	Trilogy Towers S.r.l.	19,700	28.02.2019	28.02.2029	9	5,549	5,558	39,400	Yes
Unsecured loan	Volaplana S.r.l.	5,000	12.01.2022	11.01.2028	21	4,933	4,954	n/a	No
Total					14,683	102,677	117,360		

*For real estate mortgage loans (mutui fondiari), disbursement is provided for in the Works Progress Reports (SAL) up to the amount indicated.

Below is a summary table of the financial covenants provided for in some of the loan agreements of the Abitare In Group:

Loan	Frequency and date of last cal- culation	Parameter	Limit	Parameter at last reporting date
Abitare In S.p.A. (BPER)	Financial year (30/09/2021)	consolidated net financial debt/consolidated equity	≤ 1.75	1.04
Abitare In S.p.A. (BPER)	Financial year (30/09/2021)	net financial debt in financial statements/equity in financial statements	≤ 0.75	0.48
Abitare In S.p.A. (BCC)	Financial year (30/09/2021)	consolidated net financial indebt- edness/consolidated EBITDA Adj.	≤ 3.75	3.54
Abitare In S.p.A. (BCC)	Financial year (30/09/2021)	consolidated net financial debt/consolidated equity	≤ 1.75	1.04
Savona 105 S.r.l.	Calendar year (31/12/2021)	Loan to Cost	≤ 69.5%	59.19%
Porta Naviglio Grande S.r.l.	Financial year (30/09/2021)	Loan to Cost/Loan to Value	≤ 63%/45%	41.34%
Milano City Village S.r.l.	Financial year (30/09/2021)	Loan to Cost	≤ 62.4%	47.36%
Trilogy Towers S.r.l.	Calendar year (31/12/2021)	Loan to Cost/Loan to Value	≤ 63%/70%	40.00%

As at 30 September 2021 and as at 31 December 2021 the financial covenants had been fully complied with.

The item “Other financial payables” mainly includes the financial payable towards the leasing company in relation to the purchase of the property located at Via Amadeo 57 for Euro 400 thousand, the financial payable for the leaseback agreement entered into with BNL (Euro 74 thousand) and the financial payable relating to the multi-year right of use for the property occupied by the chairman of the Board of Directors (Euro 124 thousand) and the multi-year right of use for the office building located in Viale Umbria, 32 (Euro 187 thousand).

As required by IAS 7, paragraph 44A-44E, the table below summarises the changes in the liabilities arising from the loan:

	30.09.2021	Changes arising from cash flows		Changes arising from non-cash flows		31.03.2022
		Changes in the share capital	Changes in interest rates	Changes in fair value	Other changes	
Payables to banks	88,002,446	29,683,047	14,038	-	(338,620)	117,360,911
Other financial liabilities	875,267	(68.637)	-	-	(2,347)	804,283
Total	88,877,713	29,614,410	14,038	-	(340,967)	118,165,194

Note 13. Employee benefits

Pursuant to IAS 19R, the main economic-financial assumptions used in the actuarial valuations are detailed below:

	31.03.2022	30.09.2021
Annual inflation rate	1.75%	1.00%
Annual technical discount rate	1.80%	0.70%
Annual remuneration increase rate	2.50%	2.50%

The following changes in employee benefits were recorded in the relevant periods:

Balance at 30 September 2021	325,142
Financial expenses	1,108
Advances paid and settlements	(6,993)
Accruals	58,666
Actuarial gains (losses)	(58,540)
Balance at 31 March 2022	319,383

Note 14. Other non-current liabilities

As at 31 March 2022, the item "Other non-current liabilities" consisted of the provision for directors' severance indemnity for Euro 263 thousand.

The following changes were recorded in the provision for directors' severance indemnity:

Balance at 30 September 2021	252,759
Financial expenses	885
Advances paid and settlements	-
Accruals	26,274
Actuarial gains (losses)	(16,795)
Balance at 31 March 2022	263,123

Note 15. Customer down payments and deposits

The item payments on account consists of deposits and down payments received against contracts entered into to sell real estate units under construction. In detail, the non-current liability for down payments and deposits, amounting to Euro 69,916 thousand, refers to the subsidiaries Milano City Village S.r.l., Trilogy Towers S.r.l., Palazzo Naviglio S.r.l., Porta Naviglio Grande S.r.l., Savona 105 S.r.l., Lambrate Twin Palace S.r.l. and Abitare In Development 5 S.r.l. (Euro 25,532 thousand, Euro 16,874 thousand, Euro 8,380 thousand, Euro 6,210 thousand, Euro 11,463 thousand, Euro 1,366 thousand and Euro 91 thousand, respectively).

The current liability for down payments and deposits, amounting to Euro 411 thousand, refers to the subsidiaries Abitare In Development 7 S.r.l. and Abitare In Development 5 S.r.l., amounting to Euro 25 thousand and Euro 386 thousand, respectively.

Note 16. Trade payables

Trade payables amounted to Euro 25,071 thousand (Euro 11,704 thousand as at 30 September 2021) and are recognised at nominal value. All payables fall due within the next year. They mainly refer to suppliers involved in production activities. There are no significant payables in currencies other than the Euro.

Note 17. Other current liabilities

The table below shows the breakdown of other current liabilities as at 31 March 2022 and 30 September 2021.

	31.03.2022	30.09.2021	Change
Town planning costs	2,131,572	3,013,786	(882,214)
Other payables	6,323,825	5,547,302	776,523
Accrued expenses and prepaid income	143,006	192,454	(49,448)
Social security contributions payable	58,883	51,636	7,247
Other current liabilities	8,657,286	8,805,177	(147,891)

Payables arising from the phased payment of town planning costs refer to the subsidiaries Maggiolina S.r.l., Porta Naviglio Grande S.r.l. and Trilogy Towers S.r.l. and amounted to Euro 367 thousand, Euro 496 thousand and Euro 1,268 thousand, respectively.

The item other payables mainly includes:

- Retention money payable to the contractor engaged to build the real estate projects of the subsidiaries Abitare in Maggiolina S.r.l., Milano City Village S.r.l., Abitare In Development 7 S.r.l., Palazzo Naviglio S.r.l. and Trilogy Towers S.r.l., amounting to Euro 4,049 thousand;
- Retention money payable to the contractor engaged to complete demolition works in the real estate project of the subsidiaries MyCity S.r.l. and Lambrate Twin Palace S.r.l., amounting to Euro 162 thousand.
- Retention money payable to directors in the amount of Euro 1,205 thousand.

Note 18. Current tax liabilities

The item Current tax liabilities mainly refers to the tax payable for IRAP (regional tax on productive activities) of Euro 453 thousand and for IMU (municipal property tax) of Euro 246 thousand.

Notes to key items in the income statement

Note 19. Revenue and changes in work in progress and finished products

Total revenue increased from Euro 62,807 thousand as at 31 March 2021 to Euro 66,617 thousand as at 31 March 2022.

Note 19.1 Revenue from sales and services

Revenue from sales and services, amounting to Euro 16,001 thousand as at 31 March 2022, mainly refers to the sale of residential units by the subsidiaries Abitare In Development 5 S.r.l. and Abitare In Development 7 S.r.l., amounting to Euro 3,059 thousand and Euro 12,942 thousand, respectively.

Note 19.2 Change in inventory for new sites purchased

As at 31 March 2022, the item in question included the costs incurred for the purchase of the real estate complex by the subsidiaries Accursio S.r.l. and Immaginare S.r.l., amounting to Euro 16,150 thousand and Euro 716 thousand, respectively.

Note 19.3 Change in inventory for progress of works

The item "Change in inventory for progress of works" breaks down as follows:

	31.03.2022	31.03.2021
Abitare In Development 4 Srl	119,362	806,313
Abitare In Development 5 Srl	261,735	(15,000)
Abitare In Development 6 Srl	-	31,156
Abitare In Development 7 Srl	(12,008,562)	6,744,532
Abitare In Maggiolia Srl	119,433	(22,292,647)
Accursio Srl	660,040	-
City Zeden Srl	52,000	-
Citynow Srl	608,573	-
Immaginare Srl	75,640	100,000
Lambrate Twin Palace Srl	3,830,467	236,179
Milano City Village Srl	17,123,487	6,175,879
Milano Progetti Srl	1,755,878	777,615
Mivivi Srl	112,348	-
My City Srl	871,289	72,561
Palazzo Naviglio Srl	5,614,551	1,658,004
Porta Naviglio Grande Srl	(1,281,264)	3,978,063
Richard Srl	186,585	-
Savona 105 Srl	(186,536)	4,029,907
The Units Srl	328,799	-
Trilogy Towers Srl	12,943,238	331,486
Volaplana Srl	219,387	724,993
Ziro Srl	318,147	80,310
Total	31,724,597	3,439,352

The breakdown of revenue from sales and services by asset type and geographical area has been omitted insofar as it is immaterial.

Note 19.4 Other operating revenue

Other operating revenues of Euro 1,783 thousand al 31 march 2022 mainly include:

- revenue related to the tax credits pertaining to Abitare In S.p.A. and Homizy S.p.A., of Euro 289 thousand and Euro 490 thousand, respectively, for the costs related to admission to listing on a regulated market pursuant to Article 1, paragraphs 89 to 92, of Law No. 205 of 27 December 2017;
- the non-recoverable grant pursuant to Article 25 of Decree Law no. 34 of 19 May 2020 of Euro 296 thousand and the non-recoverable grant pursuant to Article 1, paragraph 5, of Decree Law No. 73 of 2021 of Euro 150 thousand granted to the subsidiary Milano City Village S.r.l.
- deferred costs related to investments in properties intended for rental in co-living form of the subsidiaries Smartcity S.r.l. and Deametra S.r.l., equal to Euro 106 thousand and Euro 190 thousand, respectively;
- the tax credit for R&D activities equal to Euro 21 thousand.

Note 20. Operating expenses

As at 31 March 2022, the item in question included the costs incurred for the purchase of the real estate complex by the subsidiaries Accursio S.r.l. and Immagine S.r.l., amounting to Euro 16,150 thousand and Euro 716 thousand, respectively

Note 20.1 Services

Costs for services break down as follows:

	31.03.2022	31.03.2021	Variazione
Legal, notarial and administrative consultancy	504,522	702,083	(197,561)
Technical consultancy	431,036	671,463	(240,427)
Design and project management	3,671,615	1,304,154	2.367,461
Construction costs	27,920,403	13,267,530	14,652,873
Rehabilitation	2,239,151	401,225	1,837,926
Demolition	932,392	831,260	101,132
Construction charges	1,048,616	2,244,193	(1,195,577)
Directors	1,588,324	355,794	1,232,530
Statutory auditors, auditing firm and supervisory body	166,067	262,941	(96,874)
Marketing and advertising	323,897	379,867	(55,970)
Furniture costs	167,970	1,135,831	(967,861)
Brokerage fees	707,871	126,096	581,775
Sureties	799,860	374,968	424,892
Insurance	209,391	137,346	72,045
Utilities	50,494	51,993	(1,499)
Other	1,226,702	1,018,764	207,938
Total	41,988,311	23,265,509	18,722,802

Note 20.2 Personnel expenses

The breakdown of personnel expenses is as follows:

	31.03.2022	31.03.2021	Change
Wages and salaries	845,732	970,712	(124,980)
Social security costs	297,614	283,688	13,926
Severance indemnity reserve (TFR)	58,666	52,339	6,327
Other expenses	6,511	9,448	(2,937)
Total personnel expenses	1,208,523	1,316,187	(107,664)

Employees

The table below shows the average/end-of-period number of employees by category, as at 31 March 2022 and 31 March 2021:

	31.03.2022		31.03.2021	
	Average	End-of-period	Average	End-of-period
Executives	2	2	2	2
Office workers	35	35	35	35
Total	37	37	37	37

Note 20.3 Depreciation/Amortisation

The breakdown of "Depreciation/Amortisation" is as follows:

	31.03.2022	31.03.2021	Change
Amortisation of intangible assets	354,007	246,355	107,652
Depreciation of property, plant and equipment	168,041	164,549	3,852
Total amortisation/depreciation	522,408	410,903	111,505

The increase in depreciation/amortisation mainly reflects the incremental investments made in Development by the parent company Abitare In S.p.A..

Note 20.4 Impairment losses and accruals

The item "Impairment losses and accruals" consists exclusively of the accrual to the provision for directors' severance indemnity.

Note 20.5 Other operating expenses

Other operating expenses amount to Euro 850 thousand and mainly include indirect taxes for Euro 688 thousand (including IMU tax amounting to Euro 457 thousand).

Note 21. Financial income and expenses

As of 31 March 2022, financial income amounted to Euro 1,724 thousand and referred exclusively to the revaluation generated by the alienation of the carrying value at fair value as of 31 March 2022 of the shareholding Tecma Solution S.p.A. The fair value value was used as a reference parameter equal to Euro 10.6 per share as of 31 March 2022.

Financial expenses amounted to Euro 1,528 thousand and Euro 1,074 thousand for the years ended 31 March 2022 and 31 March 2021, respectively. This change is mainly attributable to the increase in average financial indebtedness to credit institutions.

Note 22. Income taxes

The table below shows the breakdown of income taxes as at 31 March 2022 and 31 March 2021.

	31.03.2022	31.03.2021	Change
Current	190,608	-	190,608
Deferred	1,665,712	732,022	933,690
Income taxes	1,856,320	732,022	1,124,298

The reconciliation between the actual tax liability recognised in the financial statements and the theoretical tax liability, determined for IRES and IRAP taxes and based on the theoretical tax rate, is as follows:

IRES	%	2022	2021
EBT		4,658,182	4,402,651
Theoretical tax liability (%)	24%	1,117,964	1,183,873
		-	-
Increases:		-	-
IMU TAX		444,025	276,799
Unpaid remuneration and employee bonuses		572,450	385,365
Other increases		207,381	168,137
Total		1,223,856	830,301
		-	-
Decreases:		-	-
Paid remuneration and employee bonuses		425,000	280,000
revaluations			
Deduction for prior losses, ACE (aid to economic growth), IRAP tax and contributions		804,820	74,428
Changes in consolidated IAS entries		3,611,998	5,264,845
Other decreases		1,913,767	37,016
Total		6,755,585	5,656,289
		-	-
IRES tax base		(873,547)	(423,337)
IRES tax pertaining to the period		(209,651)	(101,601)

IRAP	%	2022	2021
Difference between income and costs not considered for IRAP tax purposes		6,680,760	6,618,083
Theoretical tax liability (%)	3,90%	260,550	258,105
		-	-
Increases:		-	-
Costs for collaborators and directors		759,049	391,377
IMU TAX		457,066	276,799
Other increases		391,909	88,201
Total		1,608,024	756,377
		-	-
Decreases		-	-
Grants for the year		804,820	32,053
Tax wedge deductions		1,125,451	-
Changes in consolidated IAS entries		3,611,998	5,264,845
Other decreases		334,326	272,298
Total		5,876,595	5,569,196
		-	-
IRAP tax base		2,412,189	1,805,264
IRAP tax pertaining to the period		190.608	52.245

Note 23. Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit for the year attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding in the period. Diluted earnings per share are calculated by dividing the profit attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding in the period and of those potentially to be issued if the targets set in the stock grant plan are met.

The table below shows the breakdown of the item basic and diluted earnings per share as at 31 March 2022 and 31 March 2021.

	31.03.2022	31.03.2021	Change
Net profit (loss) attributable to the owners of the Parent (Euro)	2,801,862	3,670,629	(868,767)
No. of shares outstanding	26,530,812	25,939,380	591,432
Number of potential ordinary shares	-	-	-
Average number of shares outstanding considered in the calculation of diluted earnings per share	26,530,812	25,939,380	591,432
Earnings per share (Euro)	0.11	0.14	(0.03)
Diluted earnings per share (Euro)	0.11	0.14	(0.03)

	31.03.2022	31.03.2021	Change
Net profit (loss) attributable to the owners of the Parent in statement of comprehensive income (Euro)	2,968,239	3,613,382	(645,143)
No. of shares outstanding	26,530,812	25,939,380	591,432
Number of potential ordinary shares	-	-	-
Average number of shares outstanding considered in the calculation of diluted earnings per share	26,530,812	25,939,380	591,432
Earnings per share (Euro)	0.11	0.14	(0.03)
Diluted earnings per share (Euro)	0.11	0.14	(0.03)

Note 24. Related-party transactions

Pursuant to IAS 24, the related parties of the Group are companies and individuals that are able to exercise control, joint control or have significant influence on the Group and its subsidiaries.

Intercompany transactions are of a business and financial nature and are generally formalised by contracts. Such transactions are carried out at arm's length and are carefully monitored by the Board of Directors. The transactions carried out with such related parties refer to the normal operations of each single entity. No atypical or unusual transactions have been carried out with them.

Transactions with Group companies

During the year, the Company carried out a number of business and financial transactions with the companies of the Group.

Transactions entered into with Subsidiaries substantially relate to the exchange of goods, the provision of services and the provision of financial resources; they refer to ordinary operations and are regulated, in the Issuer's opinion, at market conditions, or similar to those usually applied to unrelated parties for transactions of a corresponding nature, size and risk, and in compliance with the provisions of law in force.

The main intra-group agreements entered into by the Issuer are the interest-bearing shareholders' loan agreements and the service agreements with the Operating Vehicles. The shareholders' loan agreements provide for the payment to the Subsidiary of a sum of money, in one or more tranches, in respect of which the Company has the right to receive annual interest equal to Euribor 360 at 6 months, increased by 2.5 basis points, to be paid in full at the maturity date of the loan, together with the repayment of the principal. In any case, the Subsidiary has the right to proceed with the partial or total repayment of the loan, at any time, even before the maturity date, without any advantage or penalty to the Subsidiary.

The service agreements entered into between the Issuer and the Operating Vehicles relate to consultancy and services necessary for the development and implementation of the Real Estate Initiative, such as, for example, assistance in planning, coordination, marketing and customer management, as well as administrative management. The consideration paid to the Issuer for the performance of the aforesaid activities consists of (i) a "set-up" fee for carrying out the feasibility studies and market analysis, defining the business plan and designing the Real Estate Initiative; (ii) a fee for the promotional campaign carried out; (iii) a fee for assisting with the deeds; as well as (iv) a variable fee to be calculated on the fees resulting from the preliminary contracts signed between the Operating Vehicle and the clients. Translated with www.DeepL.com/Translator (free version).

A summary of transactions carried out in the period is provided below.

Society	Financial credits	Commercial credits	Other credits	Financial debts	Commercial debts	Other debts
Abitare In Development 3 S.r.l.	1,209,026	59,687	107,813	-	(292,800)	-
Abitare In Development 4 S.r.l.	3,842,837	245,809	305,942	-	-	-
Abitare In Development 5 S.r.l.	3,213,712	1,938,474	-	-	-	(68,843)
Abitare In Development 6 S.r.l.	50,470	2,275	-	-	-	-
Abitare In Development 7 S.r.l.	1,433,114	349,035	977,874	-	-	-
Abitare In Maggiolina S.r.l.	-	425	-	(3,668,022)	-	(55,856)
Accursio S.r.l.	6,978,435	425	132,700	-	-	-
City Zeden S.r.l.	967,271	6,731	-	-	-	-
Citynow S.r.l.	-	425	-	-	-	-
Creare S.r.l.	-	425	-	-	-	(1,065)
Deametra S.r.l.	2,192	-	-	-	-	-
Homizy S.p.A.	-	7,668	-	(4,006,931)	-	(94,318)
Hommi S.r.l.	-	850	-	-	-	-
Housenow S.r.l.	-	850	-	-	-	(2,348)
Immaginare S.r.l.	769,708	22,518	-	-	-	-
Lambrate Twin Palace S.r.l.	2,959,622	2,086,404	72,613	-	-	(143,527)
Milano City Village S.r.l.	6,092,629	203,053	-	-	(777,631)	(1,666,961)
Milano Progetti S.r.l.	11,074,159	2,019,383	-	-	-	-
Mivivi S.r.l.	1,924,943	109,078	50,255	-	-	-
MyCity S.r.l.	2,383,993	764,596	109,110	-	-	-
Palazzo Naviglio S.r.l.	1,502,086	69,463	-	-	-	(618,994)
Porta Naviglio Grande S.r.l.	4,820,156	2,583,783	-	-	-	(2,282,669)
Richard S.r.l.	295,482	28,245	-	-	-	(197,611)
Savona 105 S.r.l.	3,571,023	3,087,255	661,796	-	-	(522,217)
Smartcity S.r.l.	5,243	945	-	-	-	-
The Units S.r.l.	317,192	391,844	281,248	-	-	(11,092)
Trilogy Towers S.r.l.	2,204,962	125,417	-	-	-	(631,904)
Volaplana S.r.l.	710,687	16,140	237	-	-	-
Ziro S.r.l.	653,450	425	-	-	-	-
Total	56,982,392	14,121,628	2,699,588	(7,674,953)	(1,070,431)	(6,297,405)

Society	Revenues for services	Other revenues	Interest income	Cost for service
Abitare In Development 3 S.r.l.	-	425	12,015	425
Abitare In Development 4 S.r.l.	-	425	45,263	425
Abitare In Development 5 S.r.l.	1,933,849	4,625	28,402	4,625
Abitare In Development 6 S.r.l.	-	425	6,470	425
Abitare In Development 7 S.r.l.	348,610	425	4,302	425
Abitare In Maggiolina S.r.l.	-	425	-	425
Accursio S.r.l.	-	425	38,376	425
City Zeden S.r.l.	-	425	9,514	425
Citynow S.r.l.	-	425	-	425
Creare S.r.l.	-	425	-	425
Deametra S.r.l.	-	2,890	2,192	2,890
Homizy S.p.A.	6,818	427	-	427
Hommi S.r.l.	-	427	-	427
Housenow S.r.l.	-	427	-	427
Immaginare S.r.l.	-	6,065	9,084	6,065
Lambrate Twin Palace S.r.l.	1,449,166	425	27,429	425
Milano City Village S.r.l.	202,628	425	64,029	425
Milano Progetti S.r.l.	-	425	103,042	425
Mivivi S.r.l.	-	425	19,062	425
MyCity S.r.l.	693,744	425	22,296	425
Palazzo Naviglio S.r.l.	69,038	425	15,786	425
Porta Naviglio Grande S.r.l.	-	425	50,656	425
Richard S.r.l.	-	-	1,514	-
Savona 105 S.r.l.	164,054	425	36,111	425
Smartcity S.r.l.	-	523	5,243	523
The Units S.r.l.	352,745	425	3,292	425
Trilogy Towers S.r.l.	124,992	425	20,516	425
Volaplana S.r.l.	-	425	6,519	425
Ziro S.r.l.	-	425	38	425
Total	5,345,644	24,309	531,151	24,309

Other related-party transactions

Total remuneration for the period of directors, statutory auditors and key managers of the Group amounted to Euro 1,774 thousand and is detailed in the table below:

	31.03.2022
Directors' remuneration	1,588,324
Directors' Severance Indemnity Reserve (TFM)	26,274
Statutory Auditors' remuneration	59,794
Remuneration of executive with strategic responsibilities	100,000
Total	1,774,392

Commitments and guarantees provided by the Group

In addition to what has already been reported in note 12, Abitare In guarantees the fulfilment of the obligations undertaken by the subsidiaries towards Reale Mutua Assicurazioni, in relation to the issue by the latter of the sureties that these subsidiaries procure in favour of third parties. As at 31 March 2022 the total guaranteed amount was 133 millions.

Listed below are the guarantees issued by Abitare In S.p.A. on behalf of subsidiaries in favour of the credit institutions:

Company	Amount guaranteed	Date of issue	Type of guarantee
Abitare In Development 3 Srl	2,330,092	22.06.2018	Loan repayment guarantee
Abitare In Development 4 Srl	1,700,000	03.03.2022	Comfort letter of 1,7 mln and pledge on shares in AID4
Abitare In Development 5 Srl	8,300,000	02.08.2021	Loan repayment guarantee
Abitare In Development 7 Srl	1,673,812	28.05.2020	Subordination of shareholder financing
Accursio Srl	10,500,000	29.12.2021	Loan repayment guarantee
Citynow Srl	400,000	01.02.2022	Loan repayment guarantee
Lambrate Twin Palace Srl	3,300,000	25.05.2021	Comfort letter of 3,3 mln and subordination of 2 mln loan
Milano Progetti Srl	10,500,000	23.12.2020	Subordination of shareholder financing
MyCity Srl	2,500,000	17.05.2019	Loan repayment guarantee
Porta Naviglio Grande Srl	3,650,000	17.12.2020	Loan repayment guarantee
Savona 105 Srl	10,950,000	03.12.2020	Loan repayment guarantee
Trilogy Towers Srl	19,700,000	28.02.2019	Loan repayment guarantee
Volaplana Srl	5,000,000	11.01.2022	Loan repayment guarantee

Financial risk management policy

See the Directors' report accompanying the consolidated financial statements for further information.

Information on the carrying amount and fair value of financial instruments

IFRS 7 and IFRS 13 require that financial instruments measured at fair value are classified on the basis of the quality of the inputs used to determine their fair value. More specifically, IFRS 7 and IFRS 13 provide for 3 fair value levels:

- level 1: financial assets and liabilities whose fair value is determined on the basis of quoted prices (unadjusted) in active markets (regulated and over the counter) for identical assets or liabilities;
- level 2: financial assets and liabilities whose fair value is determined on the basis of inputs other than the quoted prices in level 1, but which, for such assets and liabilities, are directly or indirectly observable on the market;
- level 3: financial assets and liabilities whose fair value is determined on the basis of unobservable market data. This category includes instruments measured on the basis of internal estimates using proprietary methods in accordance with sector-specific best practices.

No transfers between the different levels of the fair value hierarchy were made in the relevant periods. The table below provides a summary of assets and liabilities measured at fair value at 31 March 2022, based on the level that reflects the inputs used to determine their fair value:

(In Euro)		At 31.03.2022			
	Note	Carrying amount	Level 1	Level 2	Level 3
Assets					
Financial assets	3	111,549	111,549	-	-
Equity investments in other companies	4	6,094,794	6,094,794	-	-
Trade receivables	7	366,604	-	-	366,604
Other current assets	8	10,727,149	-	-	10,727,149
Cash and cash equivalents	10	25,717,526	25,717,526	-	-
Liabilities					
Non-current financial liabilities	12	103,304,794	103,304,794	-	-
Other non-current liabilities	14	263,123	-	-	263,123
Current financial liabilities	12	14,860,399	14,860,399	-	-
Customer down payments and deposits	15	410,800	-	-	410,800
Trade payables	16	25,070,698	-	-	25,070,698
Other current liabilities	17	8,657,286	-	-	8,657,286

Contingent liabilities and main pending litigations

See the Interim report on operations.

Fees paid to the Auditing Firm

The table below shows the breakdown of the fees recognised for the six months ended 31 March 2022 for auditing services and other services supplied by the Auditing Firm BDO S.p.A.

Auditing services related to activities in support of the listing of the shares of Homizy S.p.A. for Euro 37 thousand and activities in connection with the issuer's capital increase pursuant to Article 2441, paragraphs 5 and 6 of the Italian Civil Code for Euro 20 thousand. The activities were carried out in compliance with Article 5, paragraph 4 of EU Regulation No. 537/2014.

Amounts in K€	31.03.2022
Statutory audit	77
Services other than statutory audit	57
Total	134

Declaration of the Executive Responsible for Corporate Accounting Information pursuant to Article 154-bis of Legislative Decree 58/1998 (Consolidated Finance Act).

1. We, the undersigned, Luigi Francesco Gozzini and Cristiano Contini, acting respectively as Chief Executive Officer and Executive Responsible for Corporate Accounting Information for Abitare In S.p.A., taking into account the provisions of article 154-bis, paragraphs 3 and 4 of Law 58/98, certify:
 - the adequacy, by reference to the characteristics of the business;
 - the effective application of the administrative and accounting procedures for the preparation of the condensed interim consolidated financial statements at 31 March 2022.
2. We also certify that:
 - 2.1 The condensed interim consolidated financial statements at 31 March 2022:
 - a) have been prepared in accordance with the International Financial Reporting Standards recognized in the European Union under the EC regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002;
 - b) correspond to the underlying accounting entries and records;
 - c) provides a true and fair view of the financial performance and financial position of the issuer and of all of the companies included in the consolidation scope.
 - 2.2. The interim management report includes a reliable analysis of the important events that occurred in the first six months of the year and of their effects on the abridged consolidated financial statements, together with a description of the main risks and uncertainties. The interim management report also includes a reliable analysis of the information on material transactions with related parties.

Milan, 13 June 2022

Luigi Francesco Gozzini
(CEO)

Cristiano Contini
(Executive Responsible for Corporate
Accounting Information)

Abitare In S.p.A.

Independent Auditors' review report

Condensed consolidated financial statement
as of March 31st, 2022

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.

Independent Auditors' review report on condensed consolidated interim financial statements

To the shareholders of
Abitare In S.p.A.

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements as of March 31, 2022 comprising the statement of financial position, the statement of comprehensive income, the statement of cash flow and the statement of changes in shareholders' equity for the period then ended and other explanatory notes of Abitare In S.p.A. and its subsidiaries (hereinafter the "Abitare In Group"). The directors of Abitare In S.p.A. are responsible for the preparation of the condensed consolidated interim financial statements in accordance with International Accounting Standard applicable to interim financial reporting (IAS 34) adopted by the European Union. Our responsibility is to express a conclusion on this interim consolidated financial reporting based on our review.

Scope of review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. The scope of a review is substantially less than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements of Abitare In Group as of March 31, 2022, is not prepared, in all material respects, in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34), as adopted by the European Union.

Milan, June 14th, 2022

BDO Italia S.p.A.

Signed by Giovanni Rovelli

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