<u>Appendix 10. Concept Notes for Monthy P&L</u>

Concept

- <u>Tab. 8 Reporting P&L shows the P&L reclassified by revenue activities.</u>
- As requested by management P&L presentation has been reclassified to show margin by "revenue streams".
- P&L was also reclassified in order to present overheads allocated on each revenue stream. Overheads allocation method chose by management is **"allocation on revenue".** Management also chose to weigh the allocation considering the time spent by the staff on each activity (Weighted from 1 to 3).
- P&L includes:
  - the lines **"Revenue"** and **"Direct costs"** shows the revenues by service line ("stream") and costs directy allocated on each stream by Service Icar;
  - the line **"Indirect costs"** shows the overheads allocated by revenue stream and weighted considering the time spent by the staff on each activity. Please note that Indirect costs are detailed below P&L.
  - a division between **"recurring revenue streans"** and **"not recurring".**
  - **EBITDA** : Earning Before Income Tax, Depreciation and Amortization [for semplification EBITDA here excludes also financial income/loss and other extraordinary income.
  - **EBIT**: Earning Before Income Tax.

- <u>Below P&L are presented a few details as follows:</u>
  - **Revenues Backlog:** invoices issued for which cash has been already received, and revenue has been deferred until the laboratory conclude the test.
  - **Costs backlog**: estimation of invoices to be received for the above-mentionned invoices issued.
  - Details of Overheads;
  - Main comments on variations.