

Purpose of UBO Identification

Under Italian and EU law, financial institutions (banks) and Public Administrations (PA) are required to identify the **Ultimate Beneficial Owner (UBO)** of companies operating in Italy.

- The UBO is defined as the natural person(s) who ultimately own or control an entity, or, where no such person can be identified, the directors of the company (“residual criterion”).
- This identification requirement is aimed at **AML (Anti-Money Laundering)** and **Anti-Mafia checks**, ensuring transparency of ownership and preventing criminal infiltration into companies.
- Importantly, **this requirement does not affect the governance or day-to-day operations of ATMH as a U.S. OTC-listed company**. It only impacts the Italian subsidiaries, because they are subject to Italian compliance obligations when interacting with banks or Public Administrations.
- The only involvement of ATMH is to provide formal confirmation of its ownership/control structure (e.g. SEC filings, board/legal statements), so that the Italian subsidiaries can comply with their local obligations.

KYC / AML – Italian Legal Framework (Summary)

Law / Document	Main content	Official link
Legislative Decree 231/2007	Main Italian AML law. Articles 18–21: customer due diligence obligations, UBO identification, record-keeping.	Normattiva – D.Lgs. 231/2007
Bank of Italy Provision – 30 July 2019	Defines customer due diligence (KYC) rules for banks and intermediaries. Implements Legislative Decree 231/2007.	Gazzetta Ufficiale – Provision 2019
Technical Rules ex art. 11(2) of Legislative Decree 231/2007	Technical rules (2025) on AML compliance, risk criteria, proportional measures.	Technical Rules – 2025
Bank of Italy FAQ – Ultimate Beneficial Ownership	Practical clarifications on UBO criteria (including residual criterion: directors as UBO when no one else is identifiable).	Bank of Italy – FAQ UBO

In practice (for banks / financial intermediaries):

- The **Italian legal representative** of the company must always sign the KYC/AML declaration.
- If there is a natural person UBO (>25% ownership or control), their full personal data must be indicated in the form.
- If the parent company is listed on a regulated market and no UBO can be identified, banks accept the **residual criterion** (UBOs = Italian directors).
- If the parent company is OTC-listed, some banks may still require an additional **board/legal statement** from the parent company confirming the transparency regime and explaining the ownership/control structure.

Antimafia Declarations – Italian Legal Framework (Summary)

Law / Document	Main content	Official link
Legislative Decree 159/2011 (Anti-Mafia Code)	Governs anti-mafia checks for companies operating with Public Administrations.	Normattiva – D.Lgs. 159/2011
Art. 85 of D.Lgs. 159/2011	Specifies the subjects required to provide anti-mafia declarations: legal representatives, directors, and ultimate beneficial owners (UBOs) as defined by Legislative Decree 231/2007.	Normattiva – Art. 85 D.Lgs. 159/2011
Art. 67 et seq. of D.Lgs. 159/2011	Lists the grounds for prohibition, suspension, or revocation (e.g. criminal convictions, mafia-related interdictions).	Normattiva – Art. 67 D.Lgs. 159/2011
Integration with AML law (D.Lgs. 231/2007, Art. 20)	The Anti-Mafia Code refers directly to the definition of UBO under AML legislation: persons holding >25% ownership or exercising control, or residual directors when no one else can be identified.	Normattiva – Art. 20 D.Lgs. 231/2007

In practice:

- **For Public Administration (PA)** anti-mafia checks, both the **Italian legal representatives** and the **UBOs** must provide declarations.
- If the parent company is listed and no UBO can be identified → the **Italian directors** are considered UBOs (residual criterion).
- If a natural person holds control (>25% or special rights) → that person **must** sign the anti-mafia declaration personally, in addition to the Italian directors.