



# 2022

## FINANCIAL STATEMENTS

AS AT 31.12.2022

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*#movingtothefuture*

Share Capital Euro 5,000,000 fully paid-in  
Headquarters in Tortona (AL) - Strada Statale per Alessan-  
dria 6/A Tax code, VAT and Alessandria Business  
Registry number: 042216500019  
Direction and coordination Sinelec S.p.A.

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CODELFA S.P.A. - Sports Hall, Tortona

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## INTRODUCTION

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CODELFA S.P.A. - Sports Hall, Tortona

# MANAGEMENT AND CONTROL BODIES

## EUROIMPIANTI S.P.A.

Joint Stock Company  
Share capital - Euro 5,000,000.00 - fully paid-in  
Tax code, VAT no. and Business Registry of Alessandria no.: 04216500019  
Headquarters in Tortona (AL) - Strada Statale per Alessandria 6/A  
Website: <https://www.euroimpianti-spa.com/>  
Direction and coordination: Sinelec S.p.A.

## BOARD OF DIRECTORS

### Chairman

Alberto Pernigotti

### Managing Director

Michele Blandino

### Director

Angelo Rossini

## BOARD OF AUDITORS

### Chairman

Pietro Ratti

### Standing Auditors

Stefano Ferrari

Gabriele Toso

### Alternate Auditors

Fabrizio Gatti

Pietro Mandirola

## INDEPENDENT AUDITOR

PricewaterhouseCoopers S.p.A.

## MANAGER IN CHARGE OF DRAFTING OF ACCOUNTING AND CORPORATE DOCUMENTS

Giuseppe Stefano Lucido

## DURATION

The Board of Directors was nominated by the Shareholders' Assembly held on 13 April 2023 for three financial years and thus will expire with the Assembly to approve the 2025 financial statements.

The Board of Statutory Auditors was nominated by the Shareholders' Assembly held on 14 April 2022 for three financial years and thus will expire with the Assembly to approve the 2024 financial statements.

The Auditing firm was appointed upon a resolution by the Shareholders' Assembly held on 13 April 2023 for three financial years and thus will expire with the Assembly to approve the 2025 financial statements.

## CORPORATE BODY POWERS

The **Chairman** and **Managing Director** are entrusted, severally, with tasks and powers for all ordinary administration deeds regarding Company Management granted with Board of Directors' resolution dated April 13, 2023.

Dear Shareholders,

The financial statements for the year ended 31 December 2022, prepared in accordance with IAS/IFRS international accounting standards and comprising the Statement of Assets and Liabilities, the Income Statement, the Comprehensive Income Statement, the Cash flow statement, the Statement of changes in shareholders' equity and Explanatory notes, and also accompanied by this Report on Operations, prepared pursuant to Civil Code art. 2428, were made.

## INTRODUCTORY CONSIDERATIONS

In 2022 the Euroimpianti Group continued its activity with a principal focus on the execution of works and services both for motorway concession holders and construction companies belonging to the ASTM Group and its subsidiaries (77.8% of the total) and to a lesser extent on behalf of external customers.

During the year, the volume of business, which increased compared to budget targets, amounted to 133,258 thousand Euro (of which 16,528 thousand related to the ACI consortium), compared to 165,063 thousand Euro as at 31 December 2021 (of which 36,360 thousand related to the ACI consortium). The decrease in production (-9.3% net of production related to the ACI consortium) recorded compared to the same period of the previous year is attributable - despite the steady growth in the order backlog (+74.7% compared to 2021) - to the completion of some significant projects in Italy.

In terms of the geographical areas, the most important projects in **Italy** carried out during the financial year included the completion of the engineering and plant-engineering services for the new Galeazzi Hospital in Milan, the contracts for the works to upgrade the tunnels of the A12 and A15 motorway sections managed by SALT, the works in the A32 Turin - Bardonecchia motorway section managed by SITAF and the start of the works to upgrade eight-

een tunnels in the A10 Savona - Ventimiglia motorway section managed by ADF. In Italy, production in the 2022 financial year amounted to 115.5 million Euro and accounted for 86.7% of total sales (88.6% in 2021).

In **foreign markets** there was a total production volume of 17.7 million Euro in 2022, a decrease compared to 2021 (when volumes were 18.7 million Euro). In particular, during 2022, in the construction of all the works related to the electromechanical part of the Zeland University Hospital in Koge, Denmark, due to the conflict between Russia and Ukraine, problems related to the procurement and increase in the price of raw materials and materials, electricity and other commodities were accentuated. This was not covered by the provisions of the existing contract with the customer, represented by a Joint Venture in which Itinera S.p.A., a company of the ASTM Group, is the leader.

This resulted in the need to revise the estimates of the work in progress, based on the extended execution time and the discounting of the costs of raw materials and services. These significant additional charges resulted in a significant contract loss in the year, which was added to the loss in 2021; in the second half of the year, at the time of the completion of the works on the first building, negotiations were held with the customer to find a solution to



the issues reported previously, which led the parties opting to terminate the contractual relationship, with this process currently being finalised.

However, we can report the profitable conclusion of the activities in Romania relating to the installation of the lighting system for the “Tangenziale di Satu Mare” project, purchaser “Itinera S.A. Tortona Sucursala Cluj-Napoca”.

Nevertheless, the aforementioned price increases for materials had a generalised impact on the orders executed by the Company. These were partially mitigated, in Italy, by certain compensatory measures put in place by the Government within the framework of public tenders and concessions, which led to an increase in price lists that were incorporated in job order budgets and in the expected results of the orders in progress.

## CONSOLIDATED FINANCIAL STATEMENTS

The Company drafted on a voluntary basis the consolidated financial statements as at 31 December 2022 in accordance with IFRS international accounting criteria issued by the International Accounting Standards Board (IASB) and approved by the European Commission. IFRS also means all the reviewed

International Accounting Standards (“IAS”), all the International Financial Reporting Interpretations Committee interpretations (“IFRIC”), previously called Standing Interpretations Committee (“SIC”).

The Company has opted for consolidation with the “integral method”. This consolidation method consists, in brief, in posting the consolidated companies’ assets and liabilities, costs and revenues, regardless of the amount of shares held and allocating minority shareholders, in a specific Net Equity item called “Minority shareholdings and reserves”, the due amount of profits and reserves.

Starting from 2022, on the basis of the provisions of IFRS 15, the Group considered that the most appropriate method of measuring the progress of the orders, to comply with the principle of satisfaction of the “*Performance obligation*” to the customer over time, both the input method and, in particular, the so-called “*cost to cost*” method determined applying the percentage of progress, as the ratio between costs incurred and expected total costs, to the overall expected contractual revenues.

As at 31 December 2022, the controlled entities of the parent company Euroimpianti S.p.A., consolidated with the integral method, are the following:

Name/Company Name	Registered office
CERVIT Impianti Tecnologici S.c.a r.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a
ECS MEP CONTRACTOR JV I/S	27050 Ballerup (Danimarca) - Industriparken 44/A

## 2022 SIGNIFICANT EVENTS

### COVID-19 pandemic

During the reporting period, the company continued to strictly apply all the measures previously adopted and progressively updated, the recommendations and instructions issued by the parent

company, as well as the measures of the Authorities and Institutions during the period to contain the risk of contagion. In particular, during the period, the company’s emergency provisions were updated following the termination of the state of emergency on 31 March 2022, the end (1 May 2022) of the obligation to possess and display the “Green Pass” for access to workplaces, and following the signing on

30 June 2022 of the Protocol shared between the Government and Social Partners (highlighting the working environments in which FFP2 masks are an important protection and substantially confirming the measures previously adopted).

The Euroimpianti S.p.A. committee for verification of application of the Covid 19 protocol constantly monitored the efficiency of the preventive measures that have been undertaken and ensures that these are applied throughout all the operational areas (sites and offices).

In compliance with the directives established by the competent authorities, the necessary mechanisms to protect health and safety in the workplaces were kept in place, including: the distribution of suitable Personal Protective Equipment, an increase of disinfection activities in working environments and the adoption of suitable measures for guaranteeing social distancing during working activities to ensure the continuity of operations, including through the use of remote working procedures where appropriate.

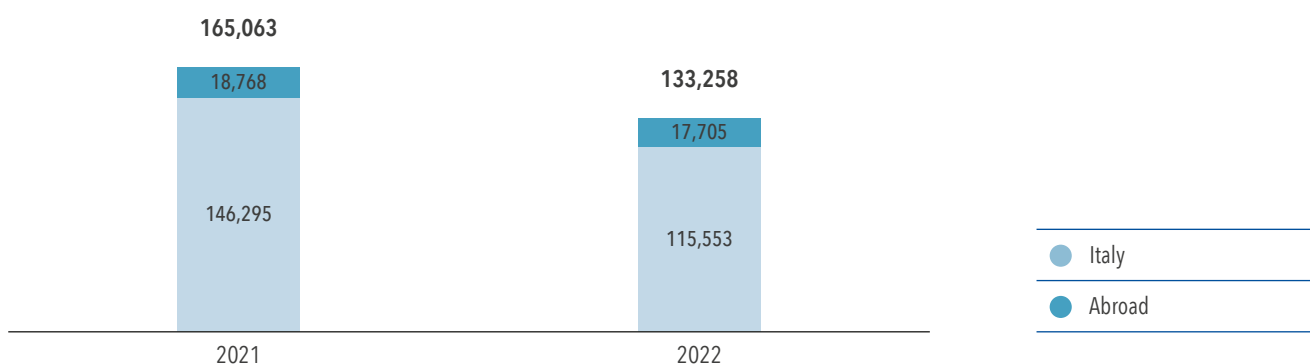


# SUMMARY STATEMENTS - ECONOMIC AND EQUITY CONSOLIDATED FIGURES

## EUROIMPIANTI GROUP KEY ECONOMIC AND EQUITY CONSOLIDATED FIGURES

At a consolidated level, the Group's **production** reached 133,258 thousand Euro in 2022 (of which 16,528 thousand related to the ACI consortium), showing a decrease of 31,805 thousand Euro compared to the figure of 31 December 2021 following the completion of some significant projects in Italy; net of ACI production, the decrease in production compared to the 2021 figure was 11,973 thousand Euro. 87% of the volumes were realised in Italy (89% in 2021).

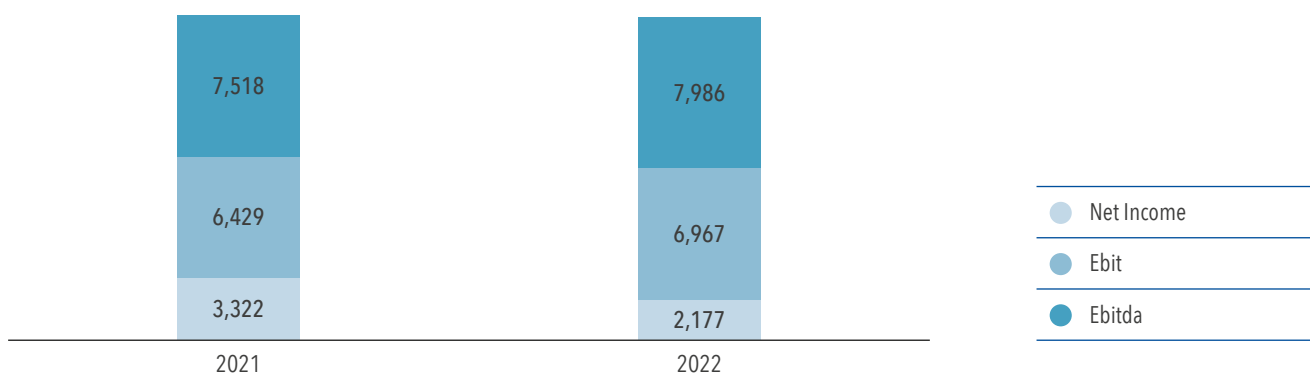
### EUROIMPIANTI GROUP- REVENUES BY GEOGRAPHIC AREA



**EBITDA** shows an increase both in absolute terms, from 7,518 thousand Euro at 31 December 2021 to 7,986 thousand Euro at 31 December 2022, and in percentage terms, from 4.55% at 31 December 2021 to the current 6.00%. Net of ACI production, the Group's margin was 6.84% compared to 5.84% at 31 December 2021. This increase is attributable to the positive results recorded at construction sites in Italy.

Consequently, **EBIT** also increased both in absolute terms, from 6,429 thousand Euro as of 31 December 2021 to 6,967 thousand Euro as of 31 December 2022, and in percentage terms, from 3.89% as of 31 December 2021 to the current level of 5.23%; (5.97% vs. 5.00% as of 31 December 2021, these figures are net of ACI production).

### EUROIMPIANTI GROUP - ECONOMIC KPI





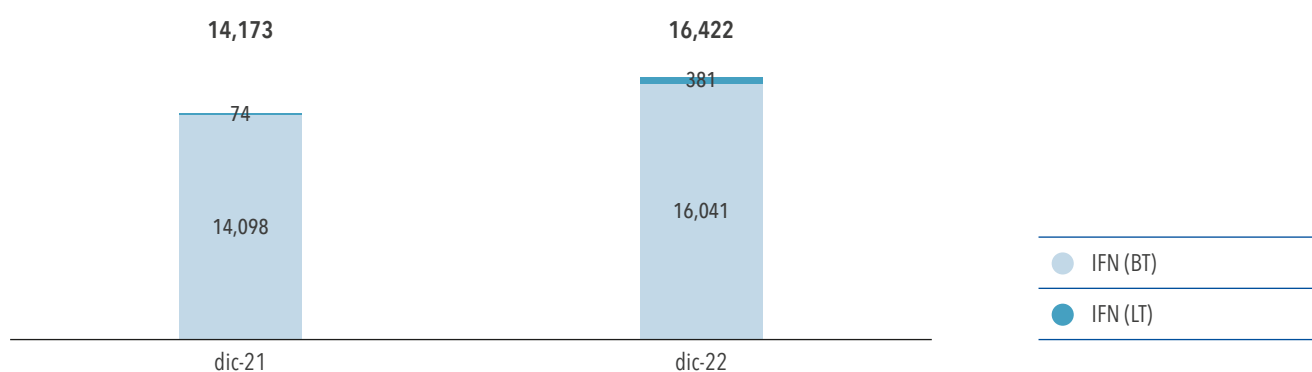
The **net result** decreased from the previous period, from 3,322 thousand Euro to the current 2,177 thousand Euro; this decrease was mainly due to higher income taxes, which were affected by the non-deductibility of the write-down of the investment in the subsidiary ECS Mep Contractor I/S.

As regards the Group's capital and financial structure, **net financial indebtedness** (NFP) at December 31, 2022 had a positive balance of 16,422 thousand Euro, up compared to the balance of 31 December 2021 of 14,173 thousand Euro. This improvement is due to the generation of liquidity from operating activities (5,840 thousand Euro), which compensates for the absorption of resources by investment and financial activities (3,591 thousand Euro, of which 3,000 thousand Euro for dividend distribution).

The **consolidated shareholders' equity** as at 31 December 2022 totalled Euro 19,541 thousand, of which 3 thousand Euro is attributable to third parties (Euro 20,185 thousand as at 31 December 2021).

Finally, the Group's total **order backlog** reached 404 million Euro at 31 December 2022, net of the residual contractual amount of 60 million Euro for the works at the Koge hospital in Denmark, with a percentage increase of 74.7% (+146.6% on a like-for-like basis excluding the aforementioned Koge works) compared with 31 December 2021, thanks to the acquisition of important orders, including the works to upgrade tunnels pursuant to Legislative Decree No. 264/2006, as amended, on behalf of Autostrada dei Fiori and the works relating to the "Smart Road A24 - A25". 264/2006 and subsequent amendments on behalf of Autostrada dei Fiori and the works for the "Smart Road A24 - A25".

#### EUROIMPIANTI GROUP - NET FINANCIAL INDEBTEDNESS



## SUMMARY STATEMENTS - EUROIMPIANTI GROUP CONSOLIDATED INCOME STATEMENT FIGURES

(in euro/000)	31/12/22	31/12/21	Change
Revenues	133,258	165,063	(31,805)
Operating costs	(125,272)	(157,545)	32,273
<b>Gross operating income (EBITDA)</b>	<b>7,986</b>	<b>7,518</b>	<b>468</b>
<b>Ebitda Margin</b>	<b>6,00%</b>	<b>4,55%</b>	
Amortisation and depreciation	(1,019)	(1,089)	70
<b>Operating result (EBIT)</b>	<b>6,967</b>	<b>6,429</b>	<b>538</b>
<b>Return on sales %</b>	<b>5,23%</b>	<b>3,89%</b>	
Financial management	(43)	14	(57)
Management of equity investments	--	(2)	2
<b>Earnings before taxes</b>	<b>6,924</b>	<b>6,441</b>	<b>483</b>
Income taxes	(4,748)	(3,119)	(1,629)
<b>Consolidated results</b>	<b>2,176</b>	<b>3,322</b>	<b>(1,146)</b>
Results pertaining to minority shareholders	(1)	--	(1)
<b>Group results</b>	<b>2,177</b>	<b>3,322</b>	<b>(1,145)</b>

## SUMMARY STATEMENTS - EUROIMPIANTI GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION FIGURES

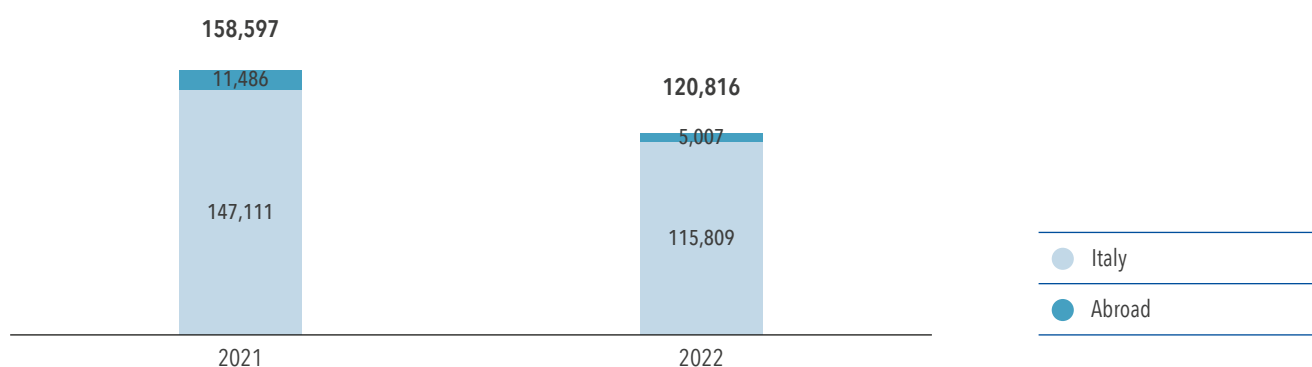
(in euro/000)	31/12/22	31/12/21	Change
<i>Intangible assets</i>	3	6	(3)
<i>Tangible assets</i>	4,376	4,773	(397)
Net non-current assets	4,379	4,779	(400)
Non-current assets (liabilities)	324	325	(1)
Tax assets and (liabilities)	(3,733)	(3,377)	(356)
Reserve for risks and charges, Severance	(2,573)	(2,444)	(129)
Working capital	4,722	6,729	(2,007)
<b>Net invested capital</b>	<b>3,119</b>	<b>6,012</b>	<b>(2,893)</b>
Shareholders' equity	19,541	20,185	(644)
Net financial position	(16,422)	(14,173)	(2,249)
<b>Treasury and third-party shares</b>	<b>3,119</b>	<b>6,012</b>	<b>(2,893)</b>

# SUMMARY STATEMENTS - ECONOMIC AND EQUITY STATUTORY FIGURES

## EUROIMPIANTI S.P.A. KEY ECONOMIC AND EQUITY CONSOLIDATED FIGURES

As at 31 December 2022, the Parent Company's **production** decreased by 37,781 thousand Euro compared to the same figure as at 31 December 2021, from 158,597 thousand Euro to the current 120,816 thousand Euro (of which 16,528 thousand Euro related to the ACI consortium); 96% of the volumes were realised in Italy (93% in 2021).

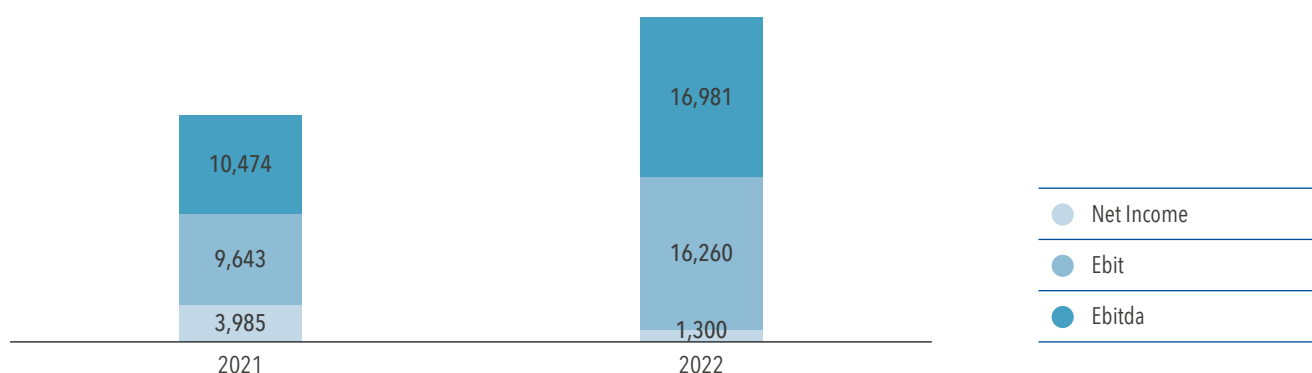
### EUROIMPIANTI S.P.A. - REVENUES BY GEOGRAPHIC AREA



**EBITDA** reached 16,981 thousand Euro (14.06% of revenues), compared to 10,474 thousand Euro (6.60%) in 2021, an increase in absolute terms of 6,507 thousand Euro; net of ACI production, the Parent Company's margins were 16.28% compared to 8.57% in the previous period. The increase in profitability is mainly due to the better performance recorded during the year on construction sites which are nearing completion, for upgrading and rebuilding tunnels on the motorway sections managed by the concession holder SALT (ASTM Group), particularly along the Ligure - Toscano section and the Autocisa section.

The **operating result (EBIT)** amounted to 16,260 thousand Euro (13.46%), considerably higher than the figure as 31 December 2021 of 9,644 thousand Euro (6.08%). Net of ACI production, the Parent Company's operating margin was 15.59% compared to 7.89% in the previous period.

### EUROIMPIANTI S.P.A. - ECONOMIC KPI





**Net profit** decreased from the previous period, from 3,985 thousand Euro to the current 1,300 thousand Euro, due to the 10,195 thousand Euro write-down of the subsidiary ECS Mep Contractor I/S and the tax charge, which was affected by the non-deductibility of the aforementioned write-down.

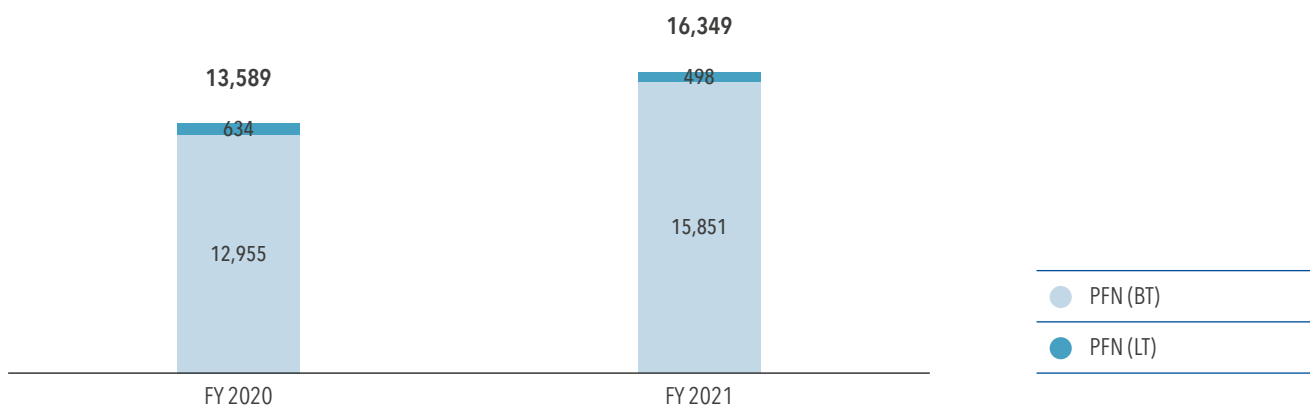
The **net financial indebtedness** as at 31 December 2022 posted a positive balance of Euro 16,349 thousand, an increase compared to the positive balance of Euro 13,589 thousand posted as at 31 December 2021. The financial receivable, deriving from the loan to the subsidiary ECS Mep Contractor I/S, amounting to €8,690 thousand (€2,390 thousand in 2021) was not included in the net financial debt as it was intended to strengthen the equity position of the subsidiary.

The improvement of 2,760 thousand Euro compared to 31 December 2021 was the result of the generation of cash from operating activities (12,935 thousand Euro), which offset the absorption of resources by investment and financial activities (10,175 thousand Euro, of which 3,000 thousand for dividend distribution and 6,300 thousand for loans to the Danish subsidiary ECS Mep Contractor I/S).

The **shareholders' equity** as at 31 December 2022 totalled Euro 20,230 thousand (Euro 21,747 thousand as at 31 December 2021).

Finally, the Company's total **order backlog** reached approximately 404 million Euro at year-end, an increase in absolute terms of 240 million Euro compared to the year-end figure of 2021.

#### EUROIMPIANTI S.P.A. - NET FINANCIAL INDEBTEDNESS

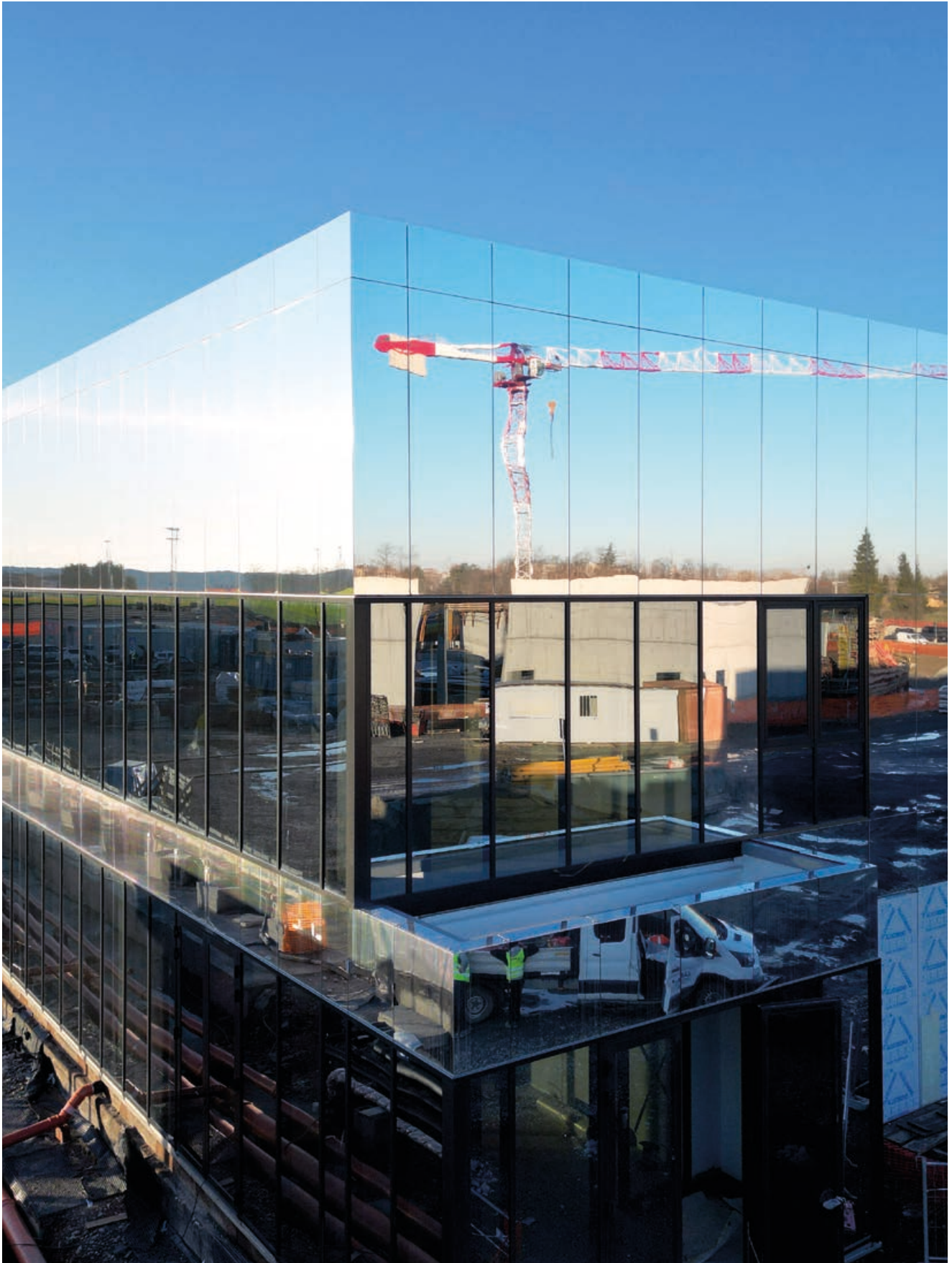


## SUMMARY STATEMENTS - EUROIMPIANTI S.P.A. INCOME STATEMENT FIGURES

(in euro/000)	31/12/22	31/12/21	Change
Revenues	120,816	158,597	(37,781)
Operating costs	(103,835)	(148,123)	44,288
<b>Gross operating income (EBITDA)</b>	<b>16,981</b>	<b>10,474</b>	<b>6,507</b>
<b>Ebitda Margin</b>	<b>14,06%</b>	<b>6,60%</b>	
Amortisation and depreciation	(721)	(830)	109
<b>Operating result (EBIT)</b>	<b>16,260</b>	<b>9,644</b>	<b>6,616</b>
<b>Return on sales %</b>	<b>13,46%</b>	<b>6,08%</b>	
Financial management	(17)	32	(49)
Management of equity investments	(10,195)	(2,571)	(7,624)
<b>Earnings before taxes</b>	<b>6,048</b>	<b>7,105</b>	<b>(1,057)</b>
Income taxes	(4,748)	(3,120)	(1,628)
<b>Consolidated results</b>	<b>1,300</b>	<b>3,985</b>	<b>(2,685)</b>
Results pertaining to minority shareholders	--	--	--
<b>Group results</b>	<b>1,300</b>	<b>3,985</b>	<b>(2,685)</b>

## SUMMARY STATEMENTS - EUROIMPIANTI S.P.A. STATEMENT OF FINANCIAL POSITION FIGURES

(in euro/000)	31/12/22	31/12/21	Change
<i>Intangible assets</i>	3	6	(3)
<i>Tangible assets</i>	4,009	3,839	170
Net non-current assets	4,012	3,845	167
Non-current assets (liabilities)	192	178	14
Tax assets and (liabilities)	(2,968)	(2,140)	(828)
Reserve for risks and charges, Severance	(7,583)	(3,559)	(4,024)
Working capital	10,228	9,834	394
<b>Net invested capital</b>	<b>3,881</b>	<b>8,158</b>	<b>(4,277)</b>
Shareholders' equity	20,230	21,747	(1,517)
Net financial position	(16,349)	(13,589)	(2,760)
<b>Treasury and third-party shares</b>	<b>3,881</b>	<b>8,158</b>	<b>(4,277)</b>



CODELFA S.P.A. - Sports Hall, Tortona



OSPEDALE SAN RAFFAELE S.R.L. - San Raffaele Hospital, Milan

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## REPORT ON OPERATIONS

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## GENERAL INFORMATION

The consolidated financial statements prepared according to IAS/IFRS international accounting policies includes the parent company Euroimpianti S.p.A. and its subsidiaries financial statements.

For further information on the technical methods and policies adopted to prepare the consolidated financial statements, please see the Notes to the Group financial statements in the paragraphs "Basis of consolidation and accounting principles" and "Scope of consolidation".

## EUROIMPIANTI GROUP BUSINESS AND COMPOSITION

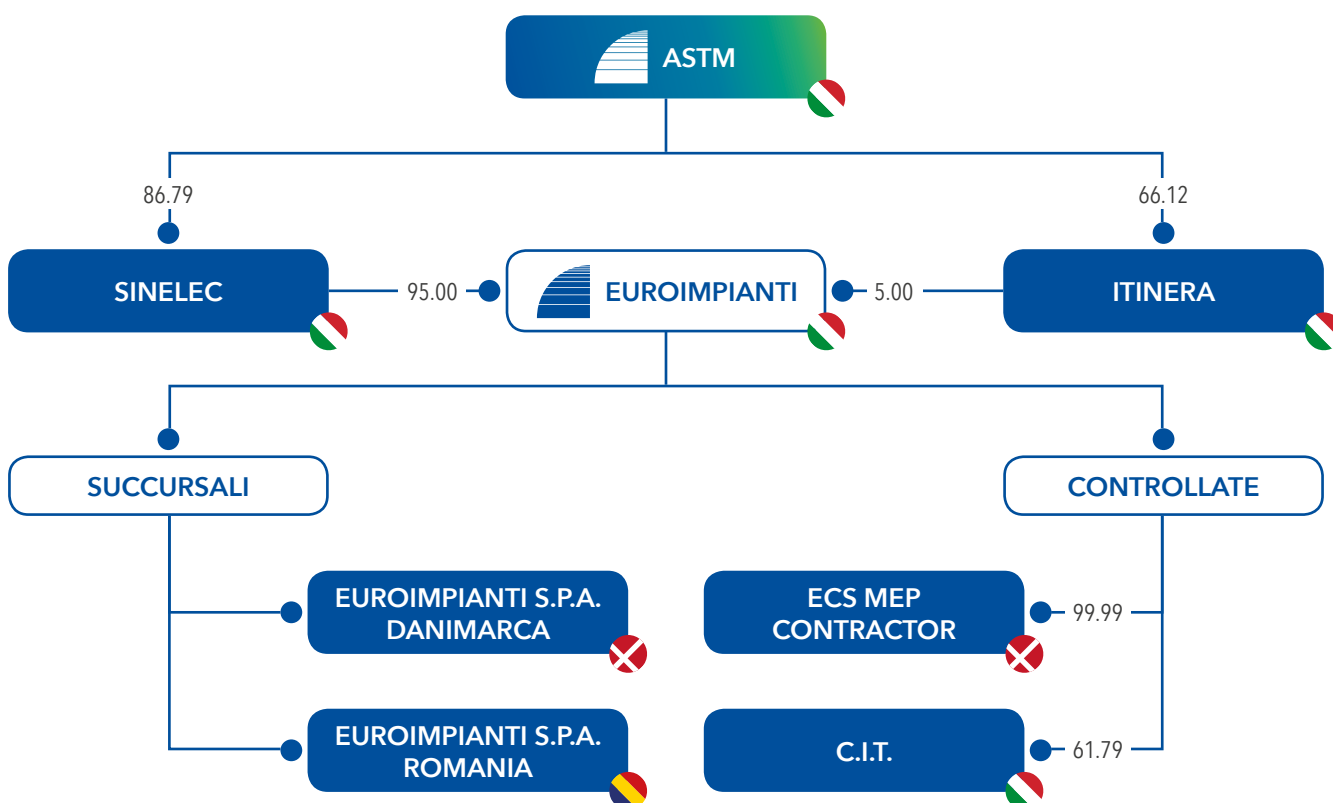
The Group operates mainly in Italy and Europe in the design and construction of electrical and electronic systems, electro-technical and electromechanical devices, the provision of energy efficiency services, the study, design and construction of public and private works.

## SCOPE OF CONSOLIDATION

As at 31 December 2022, the controlled entities of the parent company Euroimpianti S.p.A., consolidated with the integral method, are the following:

Subsidiaries	% held	Interests %
CERVIT Impianti Tecnologici S.c.a r.l.	61.79%	61.79%
ECS MEP CONTRACTOR JV I/S	99.99%	99.99%

## GROUP STRUCTURE





# GROUP ECONOMIC, EQUITY AND FINANCIAL SITUATION ANALYSIS

Following is the reclassified income statement and statement of assets and liabilities and the net financial indebtedness as at 31.12.2022; the main changes to the economic, equity and financial position over the previous year are also commented in brief.

## GROUP ECONOMIC SITUATION

From the profitability standpoint, as already mentioned, the year closed with a profit equal to 2,177 thousand Euro.

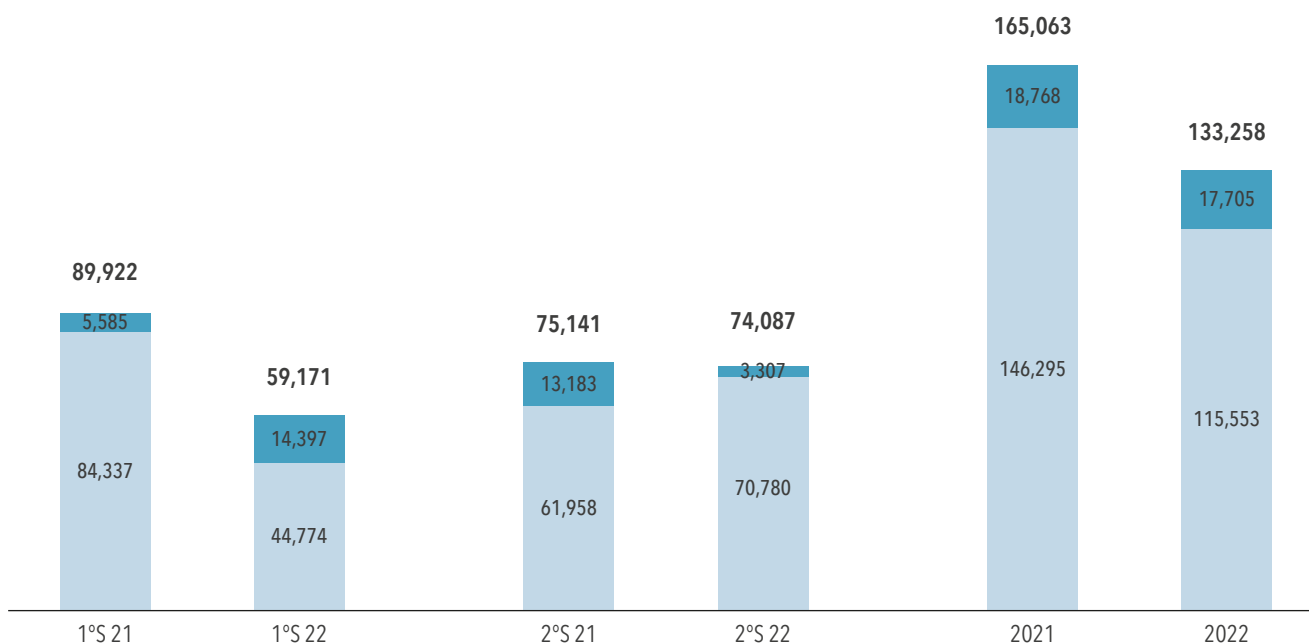
The main economic components of 2022, compared with those of the 2021 financial statements, can be summarised as follows:

(in euro/000)	31/12/22	31/12/21	Change	% Change
Revenues	133,258	165,063	(31,805)	-19.3%
Operating costs	(125,272)	(157,545)	32,273	-20.5%
<b>Gross operating income (EBITDA)</b>	<b>7,986</b>	<b>7,518</b>	<b>468</b>	<b>6.2%</b>
<i>Ebitda Margin</i>	<b>6,00%</b>	<b>4,55%</b>		
Amortisation and depreciation	(1,019)	(1,089)	70	-6.4%
<b>Operating result (EBIT)</b>	<b>6,967</b>	<b>6,429</b>	<b>538</b>	<b>8.4%</b>
<i>Return on sales %</i>	<b>5,23%</b>	<b>3,89%</b>		
Financial management	(43)	14	(57)	-407.1%
Management of equity investments	--	(2)	2	-100.0%
<b>Earnings before taxes</b>	<b>6,924</b>	<b>6,441</b>	<b>483</b>	<b>7.5%</b>
Income taxes	(4,748)	(3,119)	(1,629)	52.2%
<b>Consolidated results</b>	<b>2,176</b>	<b>3,322</b>	<b>(1,146)</b>	<b>-34.5%</b>
Results pertaining to minority shareholders	(1)	--	(1)	
<b>Group results</b>	<b>2,177</b>	<b>3,322</b>	<b>(1,145)</b>	<b>-34.5%</b>

**Consolidated revenues** showed a year-on-year decrease (-19.3%) from 165,063 thousand Euro in 2021 to the current 133,258 thousand Euro, but increased compared to the budget targets for the reporting period.

Foreign production in the period amounts to 17,705 thousand Euro (13.3% of the total) and refers to Denmark, France and Romania while an amount of €115,553 thousand Euro (86.7%) is generated in Italy.

## EUROIMPIANTI GROUP - REVENUES FOR HALF-YEARLY PERIOD



**Operating costs** totalled 125,272 thousand Euro (157,545 thousand Euro in 2021); the main amounts concern costs incurred for the purchase of raw materials (22,862 thousand Euro), for services (81,470 thousand Euro) and for personnel (19,423 thousand Euro).

In light of the above, the **gross operating margin (EBITDA)** totalled 7,986 thousand Euro (7,518 thousand Euro in 2021), equal to 6.00% of operating revenues, slightly up from 4.55% in 2021.

**Amortisation, depreciation and provisions** include depreciation of intangible and tangible assets for a total of 1,019 thousand Euro (down compared to the 2021 value of 1,089 thousand Euro).

**Operating result (EBIT)** totalled Euro 6,967 thousand, equal to 5.23% of operating revenues (6,429 thousand Euro in 2021, equal to 3.89%); The improvement is mainly attributable to the performance on construction sites in Italy for the upgrading of tunnels for the ASTM Group's concession holders, which offset the negative performance of the subsidiary Ecs Mep Contractor engaged in the construction of the Koge Hospital in Denmark.

**Financial management and equity investments**, negative by (43) thousand Euro (12 thousand Euro

in 2021), included financial income of 65 thousand Euro (92 thousand Euro in 2021) and financial expenses, amounting to (108) thousand Euro ((80) thousand Euro in 2021), mainly referring to interest expenses on leasing contracts.

**Income taxes** amounted to 4,748 thousand Euro against 3,119 thousand Euro in 2021, resulting from the algebraic sum of current taxes for a total of 4,740 thousand Euro - of which 4,032 thousand Euro for IRES and 708 thousand Euro for IRAP -, of deferred tax liabilities of 30 thousand Euro, and taxes for previous years with a positive balance of 22 thousand Euro.

## GROUP EQUITY-FINANCIAL SITUATION

The equity situation as at 31 December 2022 posts the following values:

(in euro/000)	31/12/22	31/12/21	Change
<i>Intangible assets</i>	3	6	(3)
<i>Tangible assets</i>	4,376	4,773	(397)
Net non-current assets	4,379	4,779	(400)
Non-current assets (liabilities)	324	325	(1)
Tax assets and (liabilities)	(3,733)	(3,377)	(356)
Reserve for risks and charges, Severance	(2,573)	(2,444)	(129)
Working capital	4,722	6,729	(2,007)
<b>Net invested capital</b>	<b>3,119</b>	<b>6,012</b>	<b>(2,893)</b>
Shareholders' equity	19,541	20,185	(644)
Net financial position	(16,422)	(14,173)	(2,249)
<b>Treasury and third-party shares</b>	<b>3,119</b>	<b>6,012</b>	<b>(2,893)</b>

**Net invested capital** as at 31 December 2022 totalled Euro 3,119 thousand, with a 2,893 thousand Euro decrease over 31 December 2021, in particular:

**Net non-current assets** amounted to Euro 4,379 thousand, down 400 thousand Euro, and include:

- *intangible assets* of 3 thousand Euro (down 3 thousand Euro compared to the end of 2021) due to the amortisation for the period;
- *tangible assets* of 4,376 thousand Euro, a decrease of 397 thousand Euro compared to 31 December 2021. This change is mainly due to:
  - » purchases in the period of owned assets equal to 314 thousand Euro and the related disposals and sales net of use for (71) thousand Euro and depreciation of (279) thousand Euro;
  - » investments in rights of use (application of the IFRS 16 principle relating to leasing contracts) in the period amounting to 363 thousand Euro and disposals and sales net of use for 13 thousand Euro and depreciation for (737) thousand Euro;

**Non-current assets and liabilities** decreased by 1 thousand Euro.

**Tax assets and liabilities** post a negative balance of € (3,733) thousand, increased by € 356 thousand compared to the 2021 figure. The balance is the result of the increase in current and deferred tax assets of 161 thousand Euro, the increase in current and deferred tax liabilities of (517) thousand Euro.

**Provisions for risks and charges** post an increase of 60 thousand Euro due to the use of incentives in favour of employees for 70 thousand Euro, the use of the provision to cover future charges for 84 thousand Euro and the allocations as provision during the period relating to managerial incentive system for (214) thousand Euro.

**Severance** increased by 69 thousand Euro.

**Working capital**, that includes trade, group company, third party ad supplier payables and receivables, posts a positive balance of 4,722 thousand Euro compared to the 6,729 thousand Euro balance posted in 2021 (-2,007 thousand Euro). This change is due to the increase in work in progress net of advance payments of 9,354 thousand Euro mainly due to the works to upgrade the tunnels on the A32 Turin - Bardonecchia motorway on behalf of SITAF and the start of the works to upgrade the tunnels on the A10 Savona - Ventimiglia motorway on behalf of ADF. The change in the net balance between receivables and payables was 11,361 thousand Euro.

**Consolidated shareholders' equity** went from 20,185 thousand Euro in 2021 to the current 19,541 thousand Euro with a decrease of 644 thousand Euro due to:

- to the operating profit of 2,176 thousand Euro;
- the allocation of the profit of December 31, 2021 as a dividend per Euro (3,000) thousand;
- from the provision to Shareholders' equity of the severance adjustment reserve for 182 thousand Euro.
- and other variations of (2) thousand Euro.

(in euro/000)	31/12/22	31/12/21	Change
Share capital	5,000	5,000	--
Retained earning reserve	(1,163)	(501)	(662)
Other reserves	13,524	12,360	1,164
Profit/(Loss) for the period	2,177	3,322	(1,145)
<b>Group shareholders' equity</b>	<b>19,538</b>	<b>20,181</b>	<b>(643)</b>
Third party shares and reserves	4	4	--
Profit/(Loss) for the period	(1)	--	(1)
<b>Capital and reserves attributed to third parties</b>	<b>3</b>	<b>4</b>	<b>(1)</b>
<b>Total net equity</b>	<b>19,541</b>	<b>20,185</b>	<b>(644)</b>



GKSD EDILE S.P.A. - Galeazzi Hospital, Milan



At 31 December 2022, the **net financial indebtedness** posts a positive balance of 16,422 thousand Euro for an overall positive change of 2,249 thou-

sand Euro compared with the corresponding situation at 31 December 2021 equal to 14,173 thousand Euro.

(in euro/000)	31/12/22	31/12/21	Change
Cash in bank accounts	16,608	14,664	1,944
Cash and valuables on hand	39	34	5
Short-term financial receivables	72	66	6
Short-term financial payables (IFRS 16)	(676)	(666)	(10)
Short-term payables due to other lenders	(2)	--	(2)
Short-term bank debt	--	--	--
<b>Short-term net financial indebtedness</b>	<b>16,041</b>	<b>14,098</b>	<b>1,943</b>
Medium/long term financial receivables	2,031	2,070	(39)
Medium/long term financial payables (IFRS 16)	(1,650)	(1,995)	345
Medium/long term bank debt	--	--	--
<b>Long-term net financial indebtedness</b>	<b>381</b>	<b>75</b>	<b>306</b>
<b>Net financial indebtedness</b>	<b>16,422</b>	<b>14,173</b>	<b>2,249</b>

Among the events that determined the positive change in net financial indebtedness (amounting to 2,249 thousand Euro), it is worth highlighting the generation of financial resources related to the development of operating activities for 5,840 thousand Euro, while in relation to investment and financial activities, the absorption of resources amounted to 3,591 thousand Euro, of which 3,000 thousand Euro for the distribution of dividends to shareholders.

With regard to the composition of the **Net Financial Indebtedness**:

- **Cash and cash equivalents** amount to 16,647 thousand Euro (compared to 14,698 thousand Euro in 2021);
- **Short-term financial receivables** refer exclusively to "*licensed services*" accounted for in accordance with IFRIC 12 regarding con-

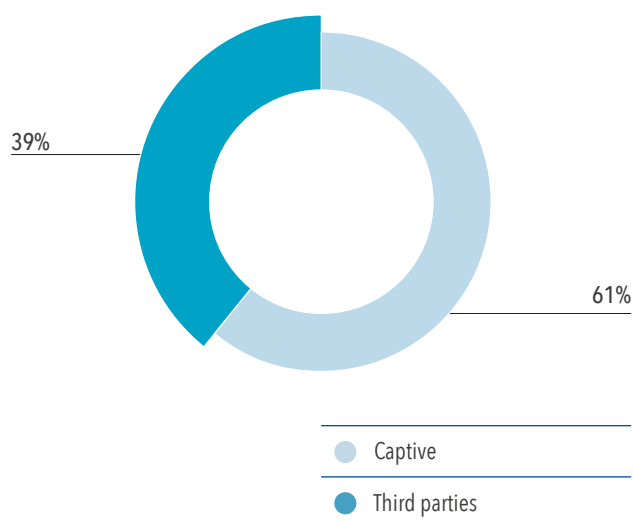
tracts with the Municipalities of Giaveno and Piosasco relating to the implementation of energy efficiency improvement interventions for the short term amounting to 72 thousand Euro.

- **Long-term financial receivables** refer exclusively to "*licensed services*" accounted for in accordance with IFRIC 12 regarding contracts with the Municipalities of Giaveno and Piosasco relating to the implementation of energy efficiency improvement interventions for the long-term equal to Euro 1,863 thousand and to non-interest bearing loans disbursed to subsidiaries for Euro 168 thousand.
- **Short-term and m/l term financial payables (IFRS 16)** refer to financial payables deriving from the application of IFRS 16 for assets under passive leasing contracts.

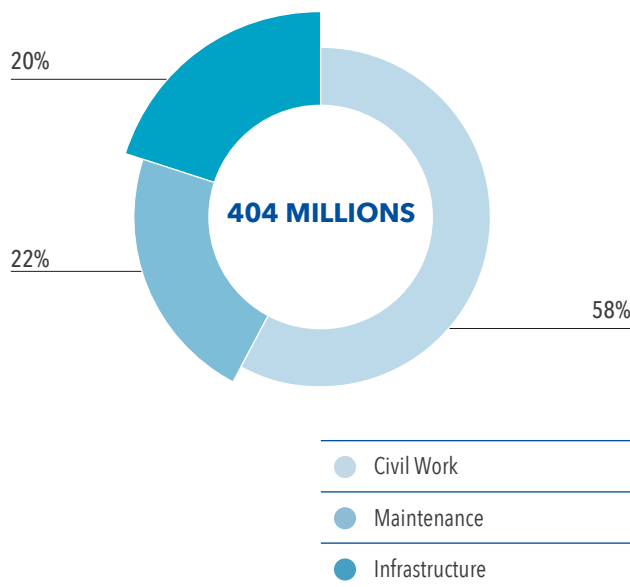
# ORDER BOOK AND JOB PROGRESS

The Group order portfolio as at 31.12.2022 totals approximately 404 million Euro.

## CUSTOMER



## BUSINESS TYPE



The Group's order book in Italy makes up 61% of the total, for a corresponding value of 246 million Euro, while the share from foreign countries, which makes up 39% of the total, is equal to 158 million Euro.

The main types of work in the order book are shown below:

SECTOR	Change
Civil Work	80,256
Infrastructure	87,453
Maintenance	236,387
<b>TOTAL €/000</b>	<b>404,096</b>

During 2022 as a whole, the Euroimpianti Group was awarded new tenders, for a total value of approx. 275 million Euro. This value takes into account contract addenda of 21 million Euro on the domestic market and the write-off of the remaining portfolio of the subsidiary Ecs Mep Contractor I/S amounting to 60 million Euro.

The main awards are:

- **A4 ecological transition** for an amount of approximately 10.9 million Euro;
- **Free-Flow Asti - Cuneo** for an amount of approximately 3.2 million Euro;
- **Indoor Sports Arena of Tortona** for an amount of approximately 2.5 million Euro;
- **Bordighera property** for an amount of approximately 4.1 million Euro;
- **Piazzale Ventimiglia** for an amount of approximately 2.1 million Euro;
- **San Raffaele University** for an amount of approximately 1.2 million Euro (34% share);
- **Giaglione - Ramat Tunnels** for an amount of approximately 12.7 million Euro;
- **Autocisa ecological transition** for an amount of approximately 13.3 million Euro;
- **Port of Rapallo** for an amount of approximately 2.3 million Euro.
- **Olon Electrical Cabin** for an amount of approximately 2.2 million Euro;
- **Adaptation of Autostrada dei Fiori Tunnels** for an amount of approximately 168 million Euro;
- **Smart Road A24 - A25** for an amount of approximately 66.6 million Euro;



AEROPORTO VALERIO CATULLO DI VERONA VILAFRANCA S.P.A. - Catullo Terminal Redevelopment, Verona

## KEY ONGOING PROJECTS

The main works and services that the company carried out during the year in Italy and abroad are summarised below, divided by purchasers:

### ITALY

#### Purchaser - EDILE S.p.A.

*Subcontract for the assignment of engineering services and construction of plant works for the new Galeazzi Hospital:*

Production by physical measurement of the period in Euroimpianti's share amounting to 5,679 thousand Euro.

Progressive revenues 30,858 thousand Euro, progress at 100.0%;

#### Purchaser - ITINERA S.p.A.

*Maintenance services for electrical systems, mechanical systems, special systems and toll collection systems serving the Milan East External Ring Road.*

Production by physical measurement for the period of 1,039 thousand Euro.

Progressive revenues 5,901 thousand Euro, progress at 79.3%;

#### Purchaser - SATAP S.p.A.

*A4 Turin-Milan section: assignment of services relating to the maintenance of the electrical and special systems as well as the heating and air conditioning systems of the A4 Turin-Milan motorway and its appurtenances:*

Production by physical measurement for the period of 1,802 thousand Euro.

Progressive revenues 7,513 thousand Euro, progress at 78.9%

#### Purchaser - SATAP S.p.A.

*A21 Turin-Piacenza section: assignment of services relating to the maintenance of the electrical and*

*special systems as well as the heating and air conditioning systems of the A21 Turin-Piacenza motorway and its appurtenances:*

Production by physical measurement for the period of 1,354 thousand Euro.

Progressive revenues 5,436 thousand Euro, progress at 80.4%;

#### Purchaser - SATAP S.p.A.

*A4 Turin-Milan motorway section: implementation of interventions called "technological innovations for the ecological transition" on the A4 Turin-Milan motorway section.*

Production by physical measurement for the period of 5,467 thousand Euro.

Progressive revenues 5,467 thousand Euro, progress at 50.6%;

#### Purchaser - CERVIT IMPIANTI TECNOLOGICI SCARL

*Assignment of part of the executive design and construction of works relating to mechanical, electrical and special and railway systems at the Turin-Ceres construction site:*

Production by physical measurement for the period of 537 thousand Euro.

Progressive revenues 5,052 thousand Euro, progress at 97.1%;

#### Purchaser - SITAF S.p.A.

*A32 Turin - Bardonecchia motorway, Serre La Voute tunnel: awarding of tunnel adaptation works pursuant to Legislative Decree No. 264/2006 and subsequent amendments.*

Production by physical measurement for the period of 12,460 thousand Euro.

Progressive revenues 12,460 thousand Euro, progress at 52.3%;



### Purchaser - SITAF S.p.A.

A32 Turin - Bardonecchia motorway, **Giaglione and Ramat tunnels**: awarding of works for tunnel adaptation in accordance with Legislative Decree No. 264/2006 and subsequent amendments.

Production by physical measurement for the period of 5,362 thousand Euro.

Progressive revenues 5,362 thousand Euro, progress at 42.2%;

### Client - AEROPORTO VALERIO CATULLO DI VERONA VILLAFRANCA S.P.A.

Contract for the redevelopment and extension of the departure **terminal** at **Verona Villafranca** airport.

Production by physical measurement for the period of 1,708 thousand Euro.

Progressive revenues 1,825 thousand Euro, progress at 19.2%;

### Purchaser - A.C.I. SCPA

**Ligure-Toscana Stretch - SALT - Lot A**: awarding of tunnel adaptation works pursuant to Legislative Decree No. 264/2006 and subsequent amendments.

Production by physical measurement for the period of 7,287 thousand Euro.

Progressive revenues 25,362 thousand Euro, progress at 98.9%;

### Purchaser - A.C.I. SCPA

**Tronco Ligure-Toscana - SALT - Lot B**: awarding of tunnel adaptation works pursuant to Legislative Decree No. 264/2006 and subsequent amendments.

Production by physical measurement for the period of 5,817 thousand Euro.

Progressive revenues 22,834 thousand Euro, progress at 100.0%;

### Purchaser - A.C.I. SCPA

**Autocisa section**: awarding of tunnel adaptation works pursuant to Legislative Decree No. 264/2006 and subsequent amendments.

Production by physical measurement for the period of 6,543 thousand Euro.

Progressive revenues 20,511 thousand Euro, progress at 90.4%;

## ABROAD

### Purchaser - SOCIETE FRANCAISE DU TUNNEL ROUTIER DU FREJUS

**Frejus motorway tunnel** - opening to traffic of the second bore - "High Current":

Production by physical measurement for the period of 3,241 thousand Euro.

Progressive revenues 11,251 thousand Euro, progress at 81.3%;

### Purchaser - KOGE HOSPITAL PROJECT TEAMS ("KHPT")

Construction of all works relating to the electromechanical part of the **Zealand University Hospital in Koge**.

Production by physical measurement for the period of 12,372 thousand Euro.

### Purchaser - ITINERA S.A. TORTONA SUCURSALA CLUJ-NAPOCA

Construction of the lighting system at the construction site for the construction of the **Satu Mare ring road** in Romania.

Production by physical measurement for the period of 474 thousand Euro.

Progressive revenues 2,253 thousand Euro, progress at 100.0%;

## COMMERCIAL ACTIVITIES

The guidelines of Euroimpianti's development plan in recent years have been geared towards progressive growth and consolidation in Italy. The main focus of the commercial activity was in the high-technology construction sectors, with particular attention to hospital, university and tertiary construction.

With reference to the construction sector, the main contracts awarded during the year are:

- extraordinary maintenance works of plant engineering works, with exclusive reference to Palazzo Cellini and Palazzo Donatello of the San Raffaele University for GSKD Edile S.p.A;
- construction of the facilities of the new Indoor Sports Arena in Tortona on behalf of Codelfa S.p.A.;
- realisation of installations at the former Hotel Angst in Bordighera, converted into a new luxury residential complex, for Bizzi & Partners S.p.A;
- redevelopment works of the 'Carlo Riva' International Tourist Port of Rapallo for Bizzi & Partners S.p.A;

With regard to the infrastructure market, the Company has consolidated its presence by acquiring new important orders in the field of tunnel adaptation, pursuant to LEGISLATIVE DECREE no. 264/2006 and subsequent amendments, both from third-party customers and from concession holders belonging to the ASTM Group.

During the period under review, the main awards in this area were:

- work to complete safety equipment in 18 tunnels on behalf of Autostrada dei Fiori S.p.A;
- dynamic monitoring of bridges and viaducts on the A24 - A25 motorways on behalf of the extraordinary commissioner.

The consolidation of the work portfolio relating to maintenance services for electrical and special systems as well as heating and air conditioning systems for the Group's concession holders continued during the year with the acquisition of new multi-year contracts on the motorway sections managed by the Group.

# HUMAN RESOURCES AND ORGANISATION

The Group's **average staff** for the year 2022 and comparison with previous year data is represented below:

Average	31/12/22	31/12/21	Change
Executives	4	2	2
Managers	7	9	(2)
White-collar workers	86	80	6
Blue-collar workers	177	105	72
<b>Total</b>	<b>274</b>	<b>196</b>	<b>78</b>

The employees of the Group at 31 December 2022 amounted to 253 units against 243 units at 31 December 2021, in particular:

Breakdown	31/12/22	31/12/21	Change
Executives	5	4	1
Managers	7	7	--
White-collar workers	87	81	6
Blue-collar workers	154	151	3
<b>Total</b>	<b>253</b>	<b>243</b>	<b>10</b>

The workforce includes a blue-collar worker and a white-collar worker with fixed-term contracts. Employees with permanent contracts also include a blue-collar worker and two white-collar workers with part-time contracts.

The growth in both the average and to date workforce is attributable to the Danish subsidiary.

To date there are no litigation situations for dismissals, salary levels, etc. relating to employees.

# INFORMATION ON THE ENVIRONMENT, SAFETY AND QUALITY

In the economic and social context, the topics of environmental protection, energy efficiency and workers' health and safety play increasingly more important roles in industrial production growth. Even companies in the plant engineering sector are increasingly aware of the value of the environment, energy and safety as well as of the commitment to assessing the impacts and risks of the construction and maintenance phase of the works.

Attention to the environmental aspects of its processes, pollution prevention, energy efficiency and the health and safety of workers represent some of the most important issues in the development of the activities of Euroimpianti S.p.A. which therefore, since the beginning of 2016, has implemented an integrated management, quality, environment and safety system that was certified at the end of 2016, integrated with energy in 2018 and with road safety in 2020.

## ENVIRONMENT

To safeguard the environment and prevent pollution, the company has undertaken to operate in line with the following principles:

- work according to current regulations on the national, regional and local levels;
- identify, for each new significant work site, the actions and activities to be carried out to meet environmental regulations and reduce potential sources of pollution;
- use the processes, technologies and materials that permit the reduction of natural resource consumption and that have the lowest impact possible on the environment;
- manage the production of waste in compliance with the law and, where possible, encourage its reuse by transferring it to recycling centres;
- involve, motivate and educate personnel and contracted companies on environmental aspects;

For the activity carried out, the company has integrated the system envisaged by the company management and control models, pursuant to Legislative Decree 231/01 and the provisions of the new 2015 edition of the UNI EN ISO 14001 standard. In October 2022, the renewal audit was carried out, which gave a positive result, of the certification no. 23741 - IAF28 sector - issued by CERTIQUALITY with validity until October 22, 2025.

## ENERGY

As regards energy savings and greater energy efficiency, the company has defined the energy policy integrating it with that of the environment, safety and quality for effective planning of continuous improvement of performance.

An analysis of the energy aspects of the organisation is carried out annually through:

- an analysis which identified significant consumption relating to the activities carried out which constitutes the reference point for the definition of the energy policy and for the outline of the Energy Management System;
- constant monitoring of energy performance indicators (EnPIs - Energy Performance Indicators), aimed at energy efficiency;
- the definition of a "baseline" energy consumption profile, confirmed every year.

In 2018, the company integrated the system with the provisions of the ISO 50001 2011 edition, and subsequently adapting to the new 2018 edition, which focuses on the "design, construction and maintenance of public and private electrical and technological systems for civil and industrial use- design, construction, installation and maintenance of electrical panels"; in



November 2022, the first maintenance audit was carried out, which gave a positive result, of certification no. 26216 - issued by CERTIQUALITY with validity until October 28, 2024.

## WORKERS HEALTH AND SAFETY

As regards aspects related to workers' safety and health, the company's conduct is compliant with the following Guidelines:

- act in compliance with Legislative Decree 81/08 and subsequent amendments and additions;
- guarantee personnel health and safety in all work environments and sectors;
- involve and motivate all personnel, by providing information, education and training on safety topics;
- involve companies working in construction sites together with the Purchasers through coordination meetings, cooperation and resolution of work interferences.

For the activity carried out, the company has integrated the system envisaged by the company management and control models, pursuant to Legislative Decree 231/01 with the provisions of the new 2018 edition of the UNI ISO 45001 standard which has as its object the "design, construction and maintenance of public and private electrical and technological systems for civil and industrial use - design, construction, installation and maintenance of electrical panels"; in October 2022 the renewal audit was carried out, which gave a positive result, of the certification no. 27600 - sector IAF28 - issued by CERTIQUALITY with validity until October 20, 2025.

During the year, specific courses were organised concerning the updating of First Aid, Fire prevention, PES, PAV and PEI and specific courses for the use of crane mounted on trucks, baskets, self-propelled platforms, forklifts, laying of signs and use of PPE.

## ROAD SAFETY

During 2021, the company, given its field of activity, implemented an integrated road safety management system (*Road Traffic Safety - RTS*) following the directives of the International Standard ISO 39001 edition 2016, which defines the requirements necessary for an organisation that interacts with the road traffic system, in order to reduce deaths and serious accidents related to road accidents.

The implementation of the new requirements of the integrated system has taken place through the definition and implementation of an adequate road safety policy, the development of RTS objectives and implementation plans that take into account legal requirements, information about the elements and principles of road safety identified by the organisation.

This activity led the company to acquire the new ISO 39001 certification by passing the checks carried out by the APAVE certification body (certificate no. SCRTS 20-37 valid until July 29, 2024), in July 2022. The maintenance audit was carried out and had a positive outcome.

## QUALITY MANAGEMENT SYSTEM, PRODUCT CERTIFICATION AND CORPORATE RESPONSIBILITY

In the area of quality, the company has implemented and adapted the integrated management system in compliance with the UNI EN ISO 9001 edition 2015 for which the Company is certified in the "design, construction and maintenance of public and private electrical and technological systems for civil and industrial use - design, construction, installation and maintenance of electrical panels"; the renewal audit was carried out in October 2022, with a positive outcome, confirming certificate no. 10177 sector IAF28 issued by CERTIQUALITY, in effect until October 22, 2025.

In this context, supplied product, quality and customer needs aspects were the main corporate goals.

System processes and procedures were monitored during the year, with specific efficiency and efficacy indicators.

In addition to using these indicators, but always according to that defined in the regulatory requirements in question, during the year the company planned and implemented, for both the offices and contracts, specific internal audits to check compliance with corporate policy and reference regulations, also permitting the identification of improvements to the consolidated management system.

As part of the applicable legislation for the installation, maintenance and repair of stationary air conditioning and heat pump equipment, the Company has adjusted the activities to the requirements of Presidential Decree no. 146 of 16.11.2018 which introduces the new EU REG. EU No. 2015/2067 maintaining certificate No. 21023 issued by CERTIQUALITY with validity until 03 July 2024, based on the document verification carried out in June 2022.

While with regard to the ESCO certification, regulated by the UNI CEI 11352 2014 edition, in May the maintenance audit was carried out which gave a positive result, with the renewal of certificate no. 22500 issued by CERTIQUALITY with validity until April 8, 2023.

The ESCO certification is necessary for the company to comply with the legal regulations for the new business field concerning the activity for the supply of energy services.

In 2017, the company integrated the management system in compliance with the SA 8000 standard 2014 edition which concerns corporate responsibility; in March the maintenance audit was carried out, confirming the SA 8000 certificate no. 299\_17\_R issued by ASACERT, expiring on March 29, 2023.

Given the COVID-19 emergency, the company has put in place and implemented the following activities to protect its employees and to be able to work safely in its offices and construction sites:

- integration of the biological risk DVR with POLS34 aimed at managing the emergency in progress;
- issuance of specific instructions for managing access to staff and visitors (external parties);
- establishment of a committee that monitors compliance with the provisions implemented by the company;
- modification of the health protocol to minimise the risks deriving from the emergency in progress;
- supply of necessary PPE (masks, sanitising gels, etc.) to personnel to protect their health;
- implement scheduled sanitation activities of the premises through authorised companies;
- plan and complete specific sessions to verify staff negativity or positivity to COVID-19 through quick swabs;



## RISKS AND UNCERTAINTIES

To date, no specific operational and financial risks have arisen for the Company, taking into account the type of activity carried out, which regards the predominance of works and services performed within the Group to which it belongs and the absence of significant litigation situations of any kind with third parties.

With particular reference to financial risk management, the Company has nevertheless identified risks and defined the relevant management policies and associated objectives. As to the identification, the Company, in its routine business operations, is potentially exposed to the following financial risks:

- **“market risk”** represented by the risk that the value of assets and liabilities or future cash flows can fluctuate following market price changes that, in this case, can essentially concern the interest and exchange rate market;
- **“liquidity risk”** due to the lack of adequate financial resources to meet business activities and the repayment of undertaken liabilities;

- **“credit risks”** represented by both the risk of default in obligations undertaken with purchasers/customers and the risk associated with normal trade relations.

As already mentioned, these risks are of little significance, taking into account, on the one hand, the overall financial framework of the Company which does not include debt positions with credit and financial institutions and, with the sole exception represented by leasing commitments and, on the other hand, the type of customer, mainly consisting of motorway concession holders and of other companies attributable to the Group to which they belong.

The company constantly monitors its trade receivables and writes down positions towards third parties for which it has identified a partial or total non-collectability.



AUTOSTRADA PEDEMONTANA LOMBARDA S.P.A - Pedemontana Lombarda Highway

## INVESTEE COMPANY

Euroimpianti S.p.A. holds equity investments in eight consortium companies; these companies are non-profit as they act as an operational tool for the consortium companies, which cover all the costs incurred pro-quota, directly achieving the result of the activity carried out.

### SUBSIDIARIES

#### CERVIT IMPIANTI TECNOLOGICI - C.I.T. SCARL

nominal stake held equal to € 6,179 Euro of the share capital of 10,000 Euro, equivalent to 61.79%.

The business purpose of the consortium company, established on July 5, 2018, is represented by the construction of works relating to mechanical, electrical and special railway systems for the construction of the connection of the Turin-Ceres line with the RFI network along Corso Grosseto, including the construction of the Grosseto stop and the completion of the Rebaudengo stop.

#### ECS MEP CONTRACTOR JV I/S"

99.99% shareholding.

### ASSOCIATED COMPANIES

#### A.C.I. ARGO COSTRUZIONI INFRASTRUTTURE S.C.P.A. - PERMANENT CONSORTIUM

share capital of 130,000.00 Euro (49.13% stake held).

A.C.I., a stable consortium wholly owned by companies belonging to Aurelia group, operates in name and on behalf of the consortium companies to participate in large public works market initiatives, having an S.O.A. certificate, with qualifications in 9 general categories (of which 4 for an unlimited amount) and in 8 specialist categories (of which 4 for an unlimited amount).

#### IGEA ROMAGNA SCARL

nominal stake held equal to € 4,066 of the share

capital of 20,000 Euro, equivalent to 20.33%.

On October 10, 2018 Euroimpianti S.p.A. participated in the establishment of the consortium company, Igea Romagna Scarl, whose corporate purpose is *"the execution of the contract, which the Local Health Authority of Romagna, with registered office in Ravenna, has entrusted to the temporary business partnership consisting of Consortium of Production and Labour Cooperatives "Ciro Menotti" Scpa, Euroimpianti S.p.A. and Adriatica Costruzioni Cervese Cooperative company, whose purpose is "the conclusion of a three-year framework agreement with a single economic operator for works to be carried out in the properties owned or used by the Local Health Authority of Romagna"*.

#### GALEAZZI SCARL

nominal stake held equal to € 3,400.00 Euro of the share capital of 10,000.00 Euro, equivalent to 34.00%.

On August 6, 2020 Euroimpianti S.p.A. participated in the establishment of the consortium company Galeazzi Scarl, established pursuant to the provisions of art. 93 of Presidential Decree October 5, 2010 no. 207, concerning the general execution of the contract awarded by GKSD Edile S.p.A. and concerning *"the engineering services, construction of the plant engineering works II extraction and completion and management and maintenance services of the New Galeazzi Hospital in Milan"*.

On January 29, 2021, a new subcontract was signed relating to the assignment of engineering services and construction of plant works, awarded by GKSD Edile S.p.A. as General Contractor, and concerning *"the renovation of the Zucchi Villa Maria di Carate Brianza Clinical Institutes real estate complex"*.

On 19 May 2022, a further subcontract was signed, awarded by GKSD Edile S.p.A, concerning the execution of extraordinary maintenance of plant engineering works with exclusive reference to the *"Palazzo Cellini and Palazzo Donatello of the Vita-Salute San Raffaele University"*.



## CONTROLLED BY PARENT COMPANIES

### GRUGLIASCO SCARL

nominal stake held equal to € 1,070 Euro of the share capital of 10,000 Euro, equivalent to 10.7%.

The corporate purpose of the consortium, established on 2 September 2019, is represented by the execution of the public-private partnership contract, through the financial leasing of public works for the design, financing and construction of the new university centre of Grugliasco (TO).

### SAFE ROADS SCARL

nominal stake held equal to Euro 1,417 of the share capital of Euro 10,000, equivalent to 14.17%.

The business purpose of the consortium, established on 25 March 2019, consists of the execution of the contract awarded by ANAS S.p.A. called the "Four-year Framework Agreement for the supply and installation of "Smart Road" technological systems along the A/90 and A/91 motorway sections.

## OTHER COMPANIES

### ARGENTEA GESTIONE S.C.P.A.

share capital of Euro 120,000 (0.01% stake held).

The company has as its main business purpose the implementation, on behalf and in the exclusive interest of the consortium member companies, of all the activities and services of the "global service" contract of the Brescia-Milan motorway link awarded to it by the concession holder Bre.Be.Mi..

### BRESCIA MILANO MANUTENZIONI SCARL

nominal stake held equal to € 1,300 of the share capital of 10,000 Euro, equivalent to 13.00%.

The business purpose of the consortium, established on 7 October 2014, is the execution of the works and maintenance of the technological, electrical, thermal and hydraulic, collection and tolling systems of the Brescia - Bergamo - Milano (Bre-Be-Mi) motorway awarded by Consorzio Argentea Gestioni S.c.p.A., holder of the maintenance and operations contract of said motorway.



UNIVERSITÀ DEGLI STUDI DI NAPOLI - University Of Naples, Naples

# SPECIFIC INFORMATION REQUIRED BY REGULATIONS

## COMPANY ADMINISTRATIVE RESPONSIBILITY

During the year, the management and monitoring of the Organisation, management and control model adopted pursuant to Legislative Decree 231/01.

The updates to the Organisation, Management and Control Model and the Anti-Corruption Policy adopted at the board meeting of 25 February 2022 remain in place.

It is also acknowledged that the new revised Group Code of Ethics and Conduct was adopted at the Board meeting of 7 March 2022.

During the year, the activities of the Supervisory Body continued regularly, through the holding of periodic meetings during which, it:

- to examine the regulatory developments that have an impact on the administrative liability of institutions (Legislative Decree 231/01) and the extension of alleged crimes;
- to monitor the evolution of the organisational structure and business processes;
- to examine the periodic reports sent by the department managers and the results of the audits concerning company procedures and processes;
- to set up information exchanges useful for the performance of their duties and to draw up mid-year reports for the Board of Directors.

It should be noted that, to date, there are no disciplinary measures or violations of the Code of Ethics.

## RESEARCH AND DEVELOPMENT

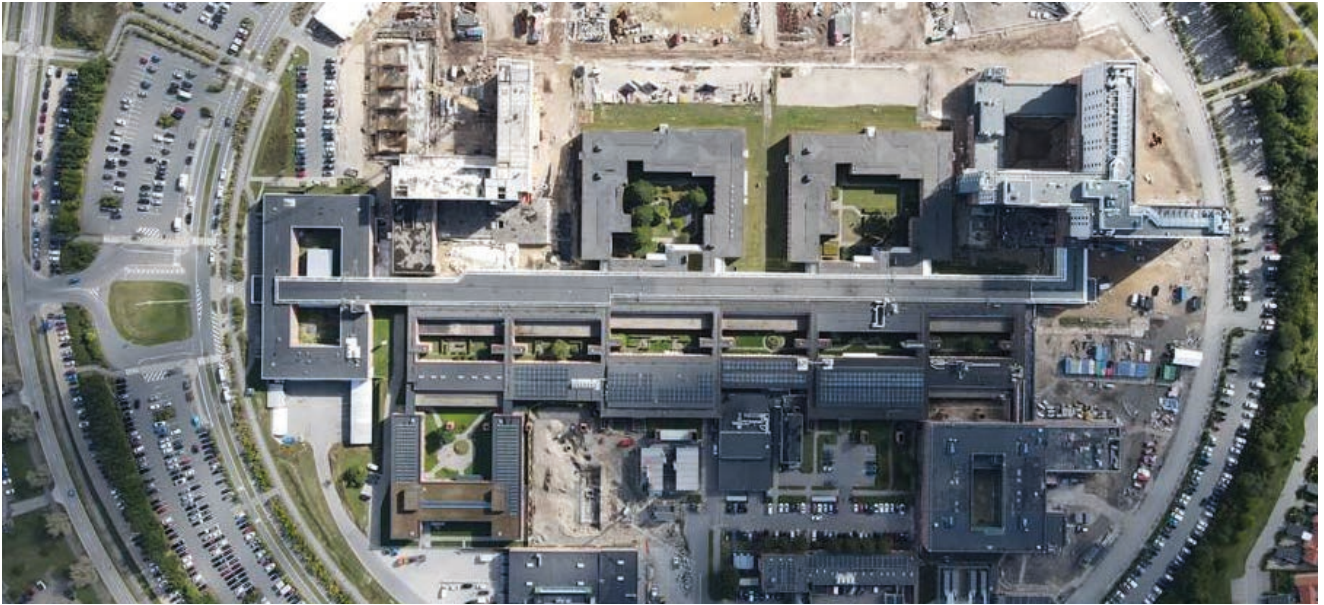
The Company did not perform research and development activities during the year.

## INFORMATION ON BUSINESS TRENDS BY BUSINESS SEGMENT AND GEOGRAPHIC AREA

Pursuant to CONSOB Communication No. 98084143 of 27 October 1998, it should be noted that the company's primary sector of activity is the construction and maintenance of electrical systems; consequently, the balance sheet and profit and loss account components as at 31 December 2022 are almost entirely attributable to this type of activity.

## PARENT COMPANY SHARES OR STOCKS

It should be noted that the company does not own treasury shares nor shares or stock in parent companies, neither directly nor through a trust company or third parties, and that it did not purchase or alienate treasury shares or shares/stock in parent companies in 2022, neither directly nor through a trust company or third parties.



KØGE HOSPITAL PROJECTTEAM I/S ("KHPT") - Koge Hospital - Koge, Denmark

## RELATIONS WITH SUBSIDIARIES, ASSOCIATED COMPANIES, PARENT COMPANIES AND WITH COMPANIES UNDER THEIR CONTROL

Regarding relations with non consolidated subsidiaries, associated companies, parent companies and with companies subject to their control, please see that illustrated in the Notes to the financial statements.

## LAW 262/2005

Since 2007, Euroimpianti, as a subsidiary of ASTM S.p.A., has appointed the "Manager in charge of preparation of the corporate accounting documents" who, together with the Delegated Boards of Directors, issued the related certification for these financial statements.

## BRANCH OFFICES

The company does not have secondary offices.



## BUSINESS OUTLOOK

With regard to the problems which had a negative impact on global economic performance in recent years with regard to the Covid-19 pandemic, it is reasonable to believe there will be no further negative impacts on operations, given the decisive improvement in the national landscape and the countries in which the Company operates, thanks to the vaccination campaigns implemented.

With regard to the global macroeconomic situation, fears of a severe recession are gradually receding, and in particular the European Commission's latest forecasts for the eurozone rule out the possibility of the recession that had been forecasted the turn of 2022-2023, with EU growth in 2023 expected to be 0.9%, thanks in particular to factors such as falling gas and energy prices, increased confidence and a resilient labour market. In Italy, GDP growth of 0.8 per cent is expected in 2023 (+1 per cent in 2024) with inflation of 6.1 per cent (2.6 per cent in 2024).

However, critical elements remain, as (i) consumers and businesses continue to face high energy costs - among other things, a possible reversal of falling prices cannot be ruled out in view of continuing geopolitical tensions and in particular the Russian-Ukrainian conflict - and (ii) persistent inflationary pressures continue to require stringent monetary policies, which are bound to affect business activity and curb investments.

As far as Euroimpianti is concerned, the strategic lines of development are aimed at strengthening the domestic market, both by exploiting the opportunities of the Italian market, characterised by maintenance and investment activities for the concession companies of the ASTM group, and by seizing the opportunities deriving from the major PNRR investment plan.

For the 2023 financial year, production volumes are expected to grow compared to the previous financial year, by an expected amount of approximately 165/175 million Euro, which will be developed entirely from work already acquired.

The composition of the current order book, which sees the prevalence of work to be carried out within the Group and the presence of solid and reliable third-party customers, along with the expectations for new contracts, allows us to look forward to the near future with confidence, despite the current critical elements at a macroeconomic level.



# APPOINTMENT OF THE BOARD OF DIRECTORS

Dear Shareholders,

Please note that with the next Shareholders' Meeting to approve the financial statements as at 31 December 2022, the company's Board of Directors and the appointment of the Auditing Firm will reach the end of their natural term. We therefore request you take suitable measures on that occasion.

S.A.T.A.P.S.P.A. - Technological innovations  
for ecological transition - A4

03



## CONSOLIDATED FINANCIAL STATEMENTS

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# STATEMENT OF ASSETS AND LIABILITIES

## ASSETS

(Amounts in €/000)	Notes	31/12/22	31/12/21
<b>Assets</b>			
<b>Non-current assets</b>			
1. Intangible assets	1		
a. goodwill		-	-
b. other intangible assets		3	6
c. concessions - non-compensated revertible assets		-	-
<b>Total intangible assets</b>		<b>3</b>	<b>6</b>
2. Tangible assets	2		
a. buildings, plants, machinery and other assets		981	1,016
b. investment property		-	-
c. rights of use assets		3,395	3,757
<b>Total tangible assets</b>		<b>4,376</b>	<b>4,773</b>
3. Non-current financial assets	3		
a. investments in subsidiaries		-	-
b. Investments in jointly controlled and associate companies		71	71
c. other shareholdings		4	6
d. other non-current financial assets		2,280	2,318
<b>Total non-current financial assets</b>		<b>2,355</b>	<b>2,395</b>
4. Deferred tax assets	4	235	324
<b>Total non-current assets</b>		<b>6,969</b>	<b>7,498</b>
<b>Current assets</b>			
5. Inventories and contractual assets	5	36,670	27,316
6. Trade receivables	6	38,693	37,935
7. Current tax assets	7	295	45
8. Other receivables	8	3,650	3,487
9. Current financial assets	9	72	66
<b>Total</b>		<b>79,380</b>	<b>68,849</b>
10. Cash and cash equivalents	10	16,647	14,698
<b>Subtotal current assets</b>		<b>96,027</b>	<b>83,547</b>
11. Discontinued operations/Non-current assets held for sale		-	-
<b>Total current assets</b>		<b>96,027</b>	<b>83,547</b>
<b>Total Assets</b>		<b>102,996</b>	<b>91,045</b>



## LIABILITIES

(Amounts in €/000)	Notes	31/12/22	31/12/21
<b>Net equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>11</b>		
1. Shareholders' equity			
a. share capital		5,000	5,000
b. retained earnings		14,538	15,181
<b>Total</b>		<b>19,538</b>	<b>20,181</b>
2. Third party-shares and reserves		3	4
<b>Total net equity</b>		<b>19,541</b>	<b>20,185</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
3. Provisions for risks and charges and Employee benefits	12	2,573	2,444
4. Other payables and contractual liabilities		-	-
5. Bank debt		-	-
7. Other financial liabilities	13	1,650	1,995
8. Deferred tax liabilities	14	45	46
<b>Total non-current liabilities</b>		<b>4,268</b>	<b>4,485</b>
<b>Current liabilities</b>			
9. Trade payables	15	44,621	40,632
10. Other payables	16	29,670	21,377
11. Bank debt		-	-
12. Other financial liabilities	17	678	666
13. Current tax liabilities	18	4,218	3,700
<b>Total current liabilities</b>		<b>79,187</b>	<b>66,375</b>
<b>Total liabilities</b>		<b>83,455</b>	<b>70,860</b>
<b>Total liabilities and net equity</b>		<b>102,996</b>	<b>91,045</b>

# INCOME STATEMENT

(Amounts in €/000)	Notes	31/12/21	31/12/20
<b>Revenues</b>	<b>19</b>		
1. customer contract revenue		130,502	162,730
2. changes to work in progress, semi-finished and finished products		-	-
3. other revenue	19.1	2,756	2,333
<b>Total Revenue</b>		<b>133,258</b>	<b>165,063</b>
4. Payroll expenses	20	(19,423)	(13,776)
5. Costs for services	21	(81,470)	(110,307)
6. Costs for raw materials	22	(22,862)	(31,325)
7. Other costs	23	(1,517)	(2,137)
8. Amortisation, depreciation and write-downs	24	(1,019)	(1,005)
9. Other provisions for risks and charges	25	-	(84)
<b>EBIT</b>		<b>6,967</b>	<b>6,429</b>
10. Financial income:	26.1		
a. from equity investments		-	-
b. others		65	92
11. Financial expenses:	26.2		
a. interest expense		(40)	(55)
b. others		(68)	(25)
12. Profit (loss) of companies accounted for by the equity method		-	-
<b>Profits (Loss) before taxes</b>		<b>6,924</b>	<b>6,441</b>
13. Taxes	27		
a. Current taxes		(4,718)	(3,052)
b. Deferred taxes		(30)	(67)
<b>Profit (loss) for the year</b>		<b>2,176</b>	<b>3,322</b>
- amount attributable to minority shares		(1)	-
- amount attributable to the Group		2,177	3,322
<b>Earnings per share</b>	<b>28</b>		
<i>Earnings (loss) per share (Euro unit)</i>		<i>0,44</i>	<i>0,66</i>

# STATEMENT OF COMPREHENSIVE INCOME

(Amounts in €/000)	31/12/22	31/12/21
<b>Profit for the year (a)</b>	<b>2,176</b>	<b>3,322</b>
Actuarial profits (loss) on employee benefits (severance)	240	(136)
Shareholding fair value measurement		
Tax effect on profits (loss) not reclassified in the Income statement	(58)	33
<b>Profits (loss) not subsequently reclassified in the Income statement (b)</b>	<b>182</b>	<b>(103)</b>
Cash flow hedge reserves		
Foreign exchange reserves	(2)	(1)
Tax effect on profits (loss) subsequently reclassified in the Income statement		
<b>Profits (loss) subsequently reclassified in the Income statement when certain conditions are met (c)</b>	<b>(2)</b>	<b>(1)</b>
<b>Comprehensive economic results (a) + (b) + (c)</b>	<b>2,356</b>	<b>3,218</b>



S.A.T.A.P S.P.A. - Photovoltaic Plant, Biandrate

# STATEMENT OF CASH FLOWS

(Amounts in €/000)	31/12/22	31/12/21
<b>Cash and cash equivalents starting balance</b>	<b>14,698</b>	<b>11,539</b>
Changes in scope of consolidation	-	782
<b>"Adjusted " cash and cash equivalents starting balance (a)</b>	<b>14,698</b>	<b>12,321</b>
<b>Profits (loss)</b>	<b>2,176</b>	<b>3,322</b>
<b>Adjustments</b>		
Amortisation, depreciation and write-downs	1,019	1,005
Adjustment to provisions for employee benefits	435	352
(Utilisation)/ Provisions for risks	60	(43)
(Gains)/ Losses on the disposal of assets	(27)	(10)
(Gains)/ Losses on share sales	-	2
Financial asset (adjustments)/ Writedowns	-	-
<b>Operating Cash Flow (I)</b>	<b>3,663</b>	<b>4,628</b>
Net variation in deferred tax assets and liabilities	31	67
Changes in net working capital	2,275	2,455
Other general operating activities changes	(129)	(338)
<b>Changes in net working capital and other changes (II)</b>	<b>2,177</b>	<b>2,184</b>
<b>Liquidity generated (absorbed) by operating activities (I+II) (b)</b>	<b>5,840</b>	<b>6,812</b>
Investments in intangible assets	-	(9)
Investments in buildings, plants, machinery and other assets	(856)	(947)
Net divestiture of buildings, plants, machinery and other assets	27	8
<b>Net investments in tangible and intangible assets (III)</b>	<b>(829)</b>	<b>(948)</b>
Investments in non-current financial assets	-	(377)
Non-current financial asset divestiture	40	(34)
<b>Net investments in non-current financial assets (IV)</b>	<b>40</b>	<b>(411)</b>
<b>Extraordinary transactions (V)</b>	<b>-</b>	<b>(501)</b>
<b>Liquidity generated (absorbed) by investments (III+IV+V) (C)</b>	<b>(789)</b>	<b>(1,860)</b>
Change in other financial liabilities	(96)	(94)
Change in current financial assets/liabilities	(6)	19
Dividend distribution	(3,000)	(2,500)
<b>Liquidity generated (absorbed) by financial activities (d)</b>	<b>(3,102)</b>	<b>(2,575)</b>
<b>Cash and cash equivalents closing balance (a+b+c+d)</b>	<b>16,647</b>	<b>14,698</b>
<b>Taxes paid in the year</b>	<b>2,898</b>	<b>2,818</b>



# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(amounts in Euro)	Share capital reserve	Legal reserve	"Fair value" revaluation reserves	Extraordinary reserve	Foreign exchange reserves	Severance actualisation reserve	FTA reserve	Retained earnings (loss)	Profit/ (Loss) for the period	Shareholders' equity pertaining to the Group	Shareholders' equity pertaining to Third Parties	Total shareholders' equity
	5,000	136	10,534	(1)	(36)	1,192	402	3,137	20,364	4	20,368	
31/12/2020	5,000	136	10,534	(1)	(36)	1,192	402	3,137	20,364	4	20,368	
Allocation of 2020 results		157	480				2,500	(3,137)				
Capital increase/decrease												
Dividend distribution							(2,500)		(2,500)		(2,500)	
Reclassifications				(1)					(1)		(1)	
Other changes				1	(103)		(902)		(1,004)		(1,004)	
Result for the period								3,322	3,322		3,322	
<b>31 December 2021</b>	<b>5,000</b>	<b>293</b>	<b>11,014</b>	<b>(1)</b>	<b>(139)</b>	<b>1,192</b>	<b>(500)</b>	<b>3,322</b>	<b>20,181</b>	<b>4</b>	<b>20,185</b>	
Allocation of 2021 results		199	123				3,000	(3,322)				
Capital increase/decrease												
Dividend distribution							(3,000)		(3,000)		(3,000)	
Reclassifications												
Other changes			662	(1)	182		(663)			180	180	
Result for the period								2,177	2,177	(1)	2,176	
<b>30 September 2022</b>	<b>5,000</b>	<b>492</b>	<b>11,799</b>	<b>(2)</b>	<b>43</b>	<b>1,192</b>	<b>(1,163)</b>	<b>2,177</b>	<b>19,538</b>	<b>3</b>	<b>19,541</b>	

# NOTES TO THE FINANCIAL STATEMENTS

## BASIS OF CONSOLIDATION AND ACCOUNTING PRINCIPLES

Euroimpianti S.p.A. prepared the consolidated financial statements for 2022 that are submitted for statutory audit to Pricewaterhouse Coopers S.p.A..

### BASIS OF PRESENTATION

The consolidated financial statements were prepared - based on that defined by Legislative Decree no. 38, art. 3, paragraph 2, dated 28/02/2005 - in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission. IFRS also means all the reviewed International Accounting Standards ("IAS"), all the International Financial Reporting Interpretations Committee interpretations ("IFRIC"), previously called Standing Interpretations Committee ("SIC").

The consolidated financial statements are made up of the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Shareholders' equity and the notes to the Group financial statements, applying what set forth by IAS 1 "Presentation of the Financial Statements" and general cost criteria. The Statement of Financial Position is presented based on the layout that divides current and non-current assets and liabilities, while costs are presented in the Income Statement using the classification based on their nature. The Statement of Cash Flows is presented using the "indirect method".

The consolidated financial statements for the 2022 financial year have been prepared on a going concern basis as there is a reasonable expectation that the Euroimpianti Group will continue its operations in the foreseeable future and in any case over a time frame of more than 12 months.

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### Consolidation with the integral method

Consolidation with the "integral method" consists, in brief, in posting the consolidated companies' assets and liabilities, costs and revenues, regardless of the amount of shares held and allocating minority shareholders, in a specific Net Equity item called "Minority shareholdings and reserves", the due amount of profits and reserves.

The main consolidation adjustments made are the following:

1. Elimination of the book value of the investments consolidated with the integral method and of the corresponding fractions of the shareholders' equity of these attributing, to the single asset and liability items, the current value on the date of acquisition of the control; any residual difference, if positive, is recorded, if the conditions exist, in the asset item "Goodwill"; if negative, it is posted in the income statement.

The higher/lower price paid compared to the corresponding amount of net equity, due to the acquisition of additional subsidiary shares, reduces/increases Group "net equity".

The acquisitions of majority interests within the same Group (i.e. "business combinations under common control") are accounted for in continuity of values.

2. Elimination of receivables and payables between companies in the consolidation, as well as revenues and charges concerning operations between the same. Profits and losses consequent to operations between these companies and the relevant values in the Statement of Financial Position and Income Statement were also eliminated. Any

infra-group losses are not eliminated should they represent an indicator of value loss of the underlying business.

- Dividends collected by consolidated companies are reversed.

### Measurement of shareholdings using the “equity method”

Shareholdings are initially posted at cost and the book value is increased or decreased to calculate the share, pertinent to the shareholder, of the subsidiary's profits and losses after the purchase date. Any goodwill included in the investment value are subject to “impairment test”. The cost of acquisition is allocated to the pro-quota of the fair value of the identifiable assets and liabilities of the associated companies or joint ventures, and for difference, to goodwill. The portion of the investee company's financial year results is recognised in the income statement of the investor except for the effects of changes in the investee's Statement of Comprehensive Income, other than transactions with shareholders, which are reflected directly in the Group's Statement of Comprehensive Income. In the event of any losses exceeding the book value of the investments, the excess is recognised in a specific provision in the liabilities to the extent that the investor is committed to fulfilling legal or implicit obligations towards the investee or in any case to cover its losses.

Dividends received by a subsidiary reduce the book value of the shareholding.

### Joint control agreements

Companies or enterprises in which the company exercises joint control based on the shareholding or specific contractual provisions, based on the definition of IFRS 11, are consolidated line by line based on the share of ownership, if they are *Joint Operations*, otherwise with the equity method if they are *Joint Ventures*.



S.I.T.A.F. S.P.A - Giaglione and Ramat Tunnels

## ACCOUNTING POLICIES

### Intangible assets

“Other intangible assets”, posted at cost, are systematically depreciated based on a period in which it is assumed the assets will be used by the company.

They are posted at purchase or production cost including accessory costs and are systematically depreciated for the period of their foreseen future working life.

In particular, software costs (posted under Statement of Financial Position asset item “Industrial patents and intellectual property rights”) refer to costs for the purchase of basic software and licenses and are directly depreciated with an annual rate of 33.33% and 20% respectively. This depreciation is deemed consistent with the intensity of use and program working life.

If events occur that lead to the presumption of a loss in intangible asset value, the difference between the book value and relevant "recovery value" is posted in the Income statement.

### Tangible assets

Assets are posted at purchase or production cost (including directly attributable accessory costs) and include the relevant directly attributable financial charges necessary to make the assets available for use.

Depreciation rates used to systematically divide the depreciable value of tangible assets based on the working lives are the following:

Category	Rate
Land	not depreciated
Civil and industrial buildings	3%
General plants	10%
Specific plants	15%
Temporary construction	12.5%
Various equipment	40%
Metallic formworks	25%
Mechanical excavators and shovels	20%
Transport vehicles	20%
Office furniture and machines	12%
Electric/electronic office machines	20%
Cars, vehicles, etc.	25%

Rates for new investments during the year were reduced by 50% since it is believed that this is a reasonable approximation of the average share of possession and thus of their participation in the production process.

With reference to non-civil buildings, the land item was separated from buildings; in lack of a value for land in purchase contracts, this value was calculated as set by law no. 286 dated 24 November 2006. This consideration is consistent with the component analysis required by IAS 16.

Routine tangible asset maintenance costs are posted in the Income Statement in the year in which they are sustained.

### Rights of use

Based on the provisions of IFRS 16, the accounting representation of passive lease contracts (which do not constitute the provision of services) takes place through the recognition in the Statement of Financial Position of a liability of a financial nature, represented by the present value of the future rents, against the inclusion in the asset of the right of use of the leased business.

IFRS 16 introduces the concept of "right of use" which determines - regardless of the contractual form - the obligation to post the right of use under assets and the debt corresponding to the present value of the future fees.

Assets and liabilities must be recognised at the present value of the contractually owed fees, taking into account both the possible renewal and the final option to purchase the asset.

In the lessee's income statement, the depreciation charge for the right of use entered in the asset will always be recognised, on which the right of use is based on the duration of the contract. Also in the income statement, interest expense corresponding to the debt entered in the liability must be recognised, using the amortised cost method.

For contracts falling due within 12 months (*short-term lease*) and contracts for which the underlying assets are configured as low-value assets (i.e. the assets underlying the lease contracts do not exceed Euro 5 thousand as new/USD 5 thousand) the introduction of IFRS 16 did not entail the recognition of the financial liability of the lease and the related right of use, but the lease payments are recognised in the income statement on a straight-line basis for the duration of the respective contracts.

### Financial assets

Consistent with the provisions of IFRS 9, financial assets are classified in the following three categories:

- Financial assets valued at amortised cost (AC) using the effective interest method: these assets are part of a hold to collect business model and generate contractual cash flows that have Principal and Interest nature. This category includes financial assets other than derivatives such as loans and receivables with fixed or determinable payments that are not listed on an active market. Discounting is omitted when the effect is irrelevant. Interest-bearing loans granted are included.
- Financial assets measured at fair value with changes in fair value recognised in the comprehensive income statement (FVOCI): these assets fall within a hold to collect and sell business model and generate contractual cash flows that have Principal and Interest nature. This category also includes minority interests, as irrevocably designated pursuant to IFRS 9, other than equity instruments that are not held for trading and are not a contingent consideration arising in the context of a business combination. For the latter, contrary to what generally happens in the category of financial assets in FVOCI, the profits and losses recognised in the Statement of Comprehensive Income are not subsequently transferred to the income statement, although the accumulated profit or loss can be transferred within shareholders' equity; furthermore, these minority interests are not subject to impairment accounting. Dividends from these are in any case recorded in the income statement, unless they clearly represent a recovery of part of the cost of the investment.
- Financial assets measured at fair value with changes in fair value recognised in the income statement (FVPL): this category is residual and includes all financial assets other than those measured at amortised cost and at fair value with changes in fair value recognised in the comprehensive income statement. Financial assets without an interest component, including investments in investment funds, fall into this category.

### Licensed services

Based on contract agreements (Concessions) under the application of IFRIC 12, the concession holder operates as service provider for (i) the construction and/or improvement of the infrastructure used to provide the public service and (ii) its management and maintenance, for a certain period of time. Consequently, the construction and improvement of the infrastructure is similar to that of a construction company; therefore, during the period in which these services are rendered, the construction revenues and costs are posted in the Income Statement as per IFRS 15.

As set forth by IFRIC 12, for construction and/or improvement services rendered by the concession holder, the assignor will recognise a fee for the concession holder, to be posted at its fair value, that can consist in rights on:

- a financial asset (so-called financial asset model); or
- an intangible asset (so-called intangible asset model).

Euroimpianti applies the financial activity model since it has an unconditional right to receive contractually guaranteed cash flows (so-called "Guaranteed minimum") for construction services, regardless of the actual use of the infrastructure, as a concession holder.

### Non-current assets held for sale/discontinued operations

"Non-current assets held for sale or disposal groups" the book value of which will be recovered mainly through sale rather than through their continuous use are classified as held for sale and are shown separately from other assets and liabilities in the Balance Sheet. The corresponding balance sheet values of the previous year are not reclassified in the Statement of Financial Position, but are indicated where they are significant in the comment on the individual items in the Notes to the financial statements.

A "Discontinued Operation" represents a part of



the entity that has been disposed of or classified as held for sale, and:

- represents an important business unit or geographical business area;
- it is part of a coordinated plan for the disposal of an important business unit or geographical business area;
- is a subsidiary acquired exclusively for the purpose of being resold.

The results of discontinued operations - whether disposed of or classified as held for sale - are shown separately in the income statement, net of tax effects. The corresponding values for the previous year, if any, are reclassified and shown separately in the income statement, net of tax effects, for comparative purposes. Non-current assets held for sale or disposal groups classified as held for sale are first recognised in accordance with the specific reference IFRS applicable to each asset and liability and subsequently recognised at the lower of the book value and the related fair value, net of sales costs.

Any subsequent impairment losses are recognised directly as an adjustment to non-current assets or disposal groups classified as held for sale with a balancing entry in the Statement of Comprehensive Income.

On the other hand, a reversal is recognised for each subsequent increase in the fair value of an asset net of sales costs, but only up to the amount of the impairment loss previously recognised.

### **Inventories and contractual assets**

#### **Raw, ancillary and consumable materials and semi-finished, finished products and goods**

Inventories are measured at the lower of purchase or production cost, determined according to the

method of the average weighted cost of the period, and the net realizable value.

#### **Contract work in progress /Contractual assets**

These are measured, based on agreed fees, according to construction/production progress at the date of reference of the accounting situation, according to the "percent completion" method determined with the physical measurement method. Advances paid by purchasers are deducted from the value of inventories within the limit of the fees accrued; the excess part is posted under liabilities. Any expected losses are posted in the Income statement.

Requests for additional fees due to changes to contract work and other claims due, for example, for higher charges sustained for reasons attributable to the purchaser, are posted in the financial statements for the entire fee amount when and to the extent of probability the counter-party accepts them.

#### **Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, including cheques and bank deposits payable on sight. Equivalents are represented by financial investments maturing by or before a three-month period (from purchase date), readily convertible in liquid funds and with a negligible risk of change to their value.

Cash and cash equivalents are recorded, according to their nature, at face value or the amortised cost.

#### **Financial liabilities**

Financial liabilities include loans, bonds, derivative financial instruments, financial payables deriving from the application of IFRS 16 and other payables of this nature.

They are posted, when granted, at fair value net of any attributable costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method with the exception of derivative

financial instruments (other than derivative financial instruments designated as effective hedging instruments) and financial liabilities designated to FVPL, which are accounted for at fair value with changes in fair value recognised in the income statement.

### Provisions for risks and charges

Provisions for risks and charges concern costs and charges of a given type and of certain or probable existence, which on the closing date of the reference period are undetermined in terms of amount or due date. Allocations are recognized when: (i) there is a current, legal or implicit obligation which originates from a past event; (ii) it is probable that fulfilment of the obligation will be onerous; (iii) the amount of the obligation can be estimated reliably.

Allocated provisions represent the best estimate of the amount necessary to meet the obligation or to transfer it to third parties on the closing date of the reference period. Should the financial effect be significant in time and the obligation payment dates be reliably estimated, provisions are actualised.

The Notes to the financial statements also illustrate any potential liabilities represented by: (i) possible (but not probable) obligations, due to past events, the existence of which will only be confirmed if and when one or more uncertain future events are fully under the control of the Company; (ii) current obligations due to past events, the amounts of which cannot be reliably estimated or whose occurrence is probably not burdensome.

### Employee benefits (Severance indemnity)

Severance Indemnity ("TFR") is defined as a defined benefit plan, valued using actuarial techniques using the "projected unit credit method". It should be noted that from 1 January 2007 this liability refers exclusively to the portion of TFR, accrued up to 31 December 2006, which following

the supplementary pension reform (Legislative Decree 5 December 2005, no. 252) continues to constitute an obligation of the company. Following the entry into force of the aforementioned reform by Law of 27 December 2006, no. 296 (2007 Budget Law), the liability, since it refers to a service that has now fully matured, was recalculated without applying the pro-rata of the service provided and without considering, in the actuarial statement, the component relating to future salary increases. The recognition of changes in actuarial gains/losses is recognised among the other components of the Statement of Comprehensive Income. The cost of labour as well as interest expense relating to the "time value" component in the actuarial calculations remain recorded in the income statement. The portion of severance indemnity paid to supplementary pension funds and to the INPS Treasury fund is considered a defined contribution fund since the company's obligation to the employee ceases with the payment of the maturing amounts to the pension funds.

### Revenues

Revenues represent the gross flows of economic benefits for the year deriving from the performance of ordinary activities.

Revenues are recognised at a given time (point in time) or over time (over time), when the company meets the performance obligations by transferring the goods and services to its customers; the process underlying the recognition of revenues follows the five phases required by IFRS 15: (i) identification of the contract with the customer; (ii) identification of the performance obligations therein; (iii) determination of the transaction price; (iv) allocation of the price to the various contractual performance obligations and (v) recognition of the revenue when the relative performance obligation is satisfied. In particular:

**Sales revenue**

With reference to the sale of assets, the Company records the revenue when it transfers control of the asset to its customer; this moment generally coincides with the obtaining of the right to payment by the Company and with the transfer of the material possession of the property, which incorporates the transfer of the risks and significant benefits of the property.

**Service revenue**

Revenues for the provision of services are recognised on the basis of the amount accrued, determined with reference to the state of completion of the service.

**Contract revenue**

The recognition of revenues related to work in progress on order is carried out using the percentage of completion criteria.

**Financial income**

Interest income is calculated on the value of the related financial assets using the effective interest rate.

**Dividends**

Dividends paid by non-consolidated companies are posted when the right to receive payment is set, corresponding to the distribution resolution by the subsidiary's Shareholders' Assembly.

Any dividend advances are posted when distribution is resolved by the subsidiary's Board of Directors.

**Grants**

Grants are posted when reasonable certainty exists that they will be received and all the related distribution conditions are satisfied. Capital grants are posted in the Statement of Financial Position as an offset to the asset posting to which they refer. Working grants

are posted as income and systematically divided over the various years to compensate associated costs.

**Financial expenses**

Financial expenses are posted - by accrual - as costs in the year in which they are sustained except for those that are directly attributable to the construction of reversible assets and other assets that are, therefore, capitalised as an integral part of production cost. Financial charge capitalisation begins when work is in progress to prepare the asset for its use and is interrupted when these assets are substantially completed.

**Income taxes**

Current and deferred taxes are posted in the Income statement if not associated with operations directly posted in net equity.

Income taxes are posted based on an estimate of taxable income and in compliance with the provisions of tax laws.

"Deferred tax liabilities" and "Deferred tax assets" are calculated - according to IAS 12 - on the time differences between the value recognised for tax purposes on an asset or liability and its book value in the Statement of Financial Position, should it be probable - in the foreseeable future - that these differences cease to exist.

The amount of "deferred tax liabilities" or "deferred tax assets" is determined based on tax rates - set by current tax laws at the date of reference of the single account postings - expected to be applied in the period in which the tax asset is realised or the tax liability extinguished.

Deferred tax assets are posted when their recovery is probable.

Deferred tax assets and deferred tax liabilities are compensated in the Statement of Financial Position if legally admissible.

## Derivative financial instruments

Derivative financial instruments are assets and liabilities posted at fair value. The fair value of derivative financial instruments is determined by discounting expected cash flows, using the market interest rate curve at the reporting date and the curve of the listed credit default swaps of the counter-party, to include the risk of non-performance explicitly envisaged by IFRS 13.

Derivatives are classified as hedge instruments when the relationship between the derivative and the subject being hedged is formally documented and the effectiveness of the hedge, which is periodically verified, is high. When the hedge covers the hedge fair value variation risk (*fair value hedge*; i.e.: hedge on fixed rate asset/liability fair value variability), hedges are posted at fair value with the effects posted in the Income statement; consistently, hedges are adjusted to reflect the fair value variations associated with the covered risk. When hedges cover cash flow variation risks (*cash flow hedge*; i.e.: hedge on floating rate asset/liability cash flow variability), hedge fair value variations are initially posted under net equity and later in the income statement consistent with the economic effects produced by the covered operation. Hedge *fair value* variations that do not meet the condition to be qualified as hedges are posted in the income statement.

## Asset value losses (impairment test)

Company asset book values are measured at each year end to determine whether there are indications of value loss (or in the event of impairment indicators), in which case the recoverable value of the asset is estimated. Impairment is posted in the Income statement when the book value of an asset or generating unit of cash flows exceeds the recoverable value.

*Intangible assets with an indefinite useful life* (goodwill) are tested annually and whenever there is an indication of a possible impairment in value in order to determine whether such impairment exists.

The *recoverable value of non-financial assets* is recorded at the greater of its fair value, net of sales costs, and its use value. For the determination of use value, estimated future cash flows are actualised using a discount rate that reflects the current market value of money and risks associated with the type of asset. For assets that do not generate incoming cash flows that are widely independent, the recoverable value of the cash flow generating unit the asset belongs to is calculated.

When, subsequently, an impairment on an asset other than goodwill and other assets with indefinite working life, no longer exists or decreases, the asset accounting value or cash-generating unit is increased to the revised estimate of the recoverable value and cannot exceed the value that would have been determined, net of depreciation, if, in previous years, no impairment loss had been recognised. The reversal is recognised immediately in the income statement.

## Conversion of currency items

The economic and financial situations of Euroimpianti and its branches are drawn up using the functional currency relating to the economic context in which each company operates. Transactions in currencies other than the functional currency are posted at the exchange rate on the date of the transaction. For the purpose of transferring the balances of branches to the head office, the conversion of the Statement of Financial Position with functional currencies other than the Euro occurs by applying to the assets and liabilities, the exchange rate existing at the closing date of the financial year and to income statement items the average exchange rates for the year or the reference period, if lower.

The business' account balances expressed in the local currency were converted into Euro at the exchange rate at the end of the year as per IAS 21 principle.

The positive and negative differences due to the

conversion in Euro at the end of the year must be posted to a net equity reserve named "Foreign exchange reserves" and are recognised in the Statement of Comprehensive Income.

The main exchange rates applied during the period for the conversion of economic/financial situations with functional currencies other than the euro are those published by the Bank of Italy and indicated in the following table:

Currencies	Spot exchange rate as at 31 December 2022	Average annual exchange rate 2022
Euro/Romania - Ron	4.9495	4.9313
Euro/Denmark - Danish Kroner	7.4365	7.4396

### Earnings per share

Basic earnings per share are calculated by dividing the company's share of profit or loss by the weighted average number of the shares outstanding during the year.

### Estimates and measurements

Estimates and assumptions were made which influence the values of the assets and liabilities of the financial statements and the information regarding potential assets and liabilities at the date of the financial statements to draft these financial statements and the relevant notes. The final results may differ from such estimates. The estimates are used, among other things, for the "fair value" measurement of financial assets and liabilities, for the impairment test, for assessing the probability of the recognition by customers of requests for additional fees arising from changes to the contractually foreseen works and other claims deriving, for example, from higher charges incurred for causes attributable to customers, for actuarial valuations as well as to detect depreciation, asset impairment, deferred taxation, provisions for risks. The estimates and assumptions are reviewed periodically, and the variations are immediately reflected in the income statement.

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These accounting policies were homogeneously applied and consistent with the preparation of these consolidated financial statements.

As per art. 5, paragraph 2 of Legislative Decree no. 38 dated 28 February 2005 and according to paragraph 46 of IAS 1, please note that these consolidated financial statements are expressed in thousands of Euro. For the Euroimpianti Group, the Euro represents the "functional currency" and coincides with the "presentation currency".

## ACCOUNTING POLICIES, AMENDMENTS AND INTERPRETATIONS OF IFRS APPLIED FROM 1 JANUARY 2022

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group as of 1 January 2022:

- On May 14, 2020, the IASB published the following amendments called:
  - » **Amendments to IFRS 3 Business Combinations:** the amendments aim to update the reference in IFRS 3 to the *Conceptual Framework* in the revised version, without this entailing changes to the provisions.
  - » **Amendments to IAS 16 Property, Plant and Equipment:** the amendments are intended not to allow the amount received from the sale of goods produced in the test phase of the activity to be deducted from the cost of tangible assets. These sales revenues and the related costs will therefore be recognised in the income statement.



- » **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets:** the amendment clarifies that in the estimate of the possible cost of a contract, all costs directly attributable to the contract must be considered. As a consequence, the valuation of the possible cost of a contract includes not only incremental costs (such as, for example, the cost of the direct material used in the processing), but also all the costs that the company cannot avoid as it has entered into the contract (such as, for example, the share of the depreciation of the machinery used for the fulfilment of the contract).
- » **Annual Improvements 2018-2020:** the amendments were made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples of IFRS 16 Leases.

The adoption of these amendments did not have any effects on the Group's consolidated financial statements.

## **ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS IFRS OR IFRIC APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORY AND NOT ADOPTED IN ADVANCE BY THE GROUP AT 31 DECEMBER 2022.**

- On 18 May 2017, the IASB published **IFRS 17 - Insurance Contracts**, which is intended to replace IFRS 4 - *Insurance Contracts*.

The objective of the new standard is to ensure that an entity provides relevant information that accurately represents the rights and obligations arising from insurance contracts it has issued. The IASB developed the standard to eliminate inconsistencies and weaknesses in existing accounting policies by providing a single principle-based framework to account

for all types of insurance contracts, including reinsurance contracts, that an insurer holds.

The new standard also includes presentation and disclosure requirements to improve comparability between entities belonging to this sector.

The new principle measures an insurance contract on the basis of a General Model or a simplified version called the Premium Allocation Approach ('PAA').

The main features of the General Model are:

- » estimates and assumptions of future cash flows are always the current ones;
- » measurement reflects the time value of money;
- » estimates involve extensive use of observable market information;
- » there is a current and explicit measurement of risk;
- » the expected profit is deferred and aggregated into groups of insurance contracts at initial recognition; and,
- » the expected profit is recognised over the contractual hedging period, taking into account adjustments resulting from changes in the cash flow assumptions for each group of contracts.

The PAA approach provides for the measurement of the liability for residual coverage of a group of insurance contracts on condition that, at the time of initial recognition, the entity reasonably expects that the liability is an approximation of the General Model. Contracts with a coverage period of one year or less are automatically eligible for the AAP approach. The simplifications resulting from the application of the AAP method do not apply to the valuation of liabilities for outstanding claims, which are measured with the General Model. However, it is not necessary to discount these cash flows if it is expected that the balance to be paid or collected will

occur within one year from the date the claim occurred.

An entity must apply the new standard to insurance contracts it has issued, including reinsurance contracts issued, reinsurance contracts held and also investment contracts with a *discretionary participation feature* (DPF).

The standard will be applied from 1 January 2023 but early application is allowed only for companies that have applied in advance for IFRS 9 - *Financial Instruments* e IFRS 15 - *Revenue from Contracts with Customers*.

The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this standard.

- On December 9, 2021, the IASB published an amendment called **"Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information"**. The amendment is a transition option relating to comparative information on financial assets presented at the date of initial application of IFRS 17. The amendment is intended to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts, and thus to improve the usefulness of comparative information for financial statement readers. The changes will apply from 1 January 2023, together with the application of IFRS 17.

The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.

- On February 12, 2021, the IASB published two amendments called **"Disclosure of Accounting Policies-Amendments to IAS 1 and IFRS Practice Statement 2"** and **"Definition of Accounting Estimates-Amendments to IAS 8"**. The changes are intended to improve disclosure on accounting policies so as to pro-

vide more useful information to investors and other primary users of the financial statements as well as to help companies distinguish changes in accounting estimates from changes in *accounting policy*. The amendments will apply as of 1 January 2023 but early application is allowed.

The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of these amendments.

- On May 7, 2021, the IASB published an amendment called **"Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction"**. The document clarifies how deferred taxes on certain transactions that can generate assets and liabilities of the same amount, such as leasing and decommissioning obligations, are to be accounted for. The amendments will apply as of 1 January 2023 but early application is allowed.

The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.

## ACCOUNTING POLICIES, AMENDMENTS AND INTERPRETATIONS OF IFRS NOT YET APPROVED BY THE EU

On the reporting date of this document, the European Union had not yet completed the approval process necessary for the adoption of the amendments and the principles described below.

- On January 23, 2020, the IASB published an amendment called **"Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current"** and on 31 October 2022 published an amendment entitled **"Amendments to**

**IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants**". The documents aim to clarify how to classify debts and other short or long term liabilities. The amendments come into effect from January 1, 2024; early application is however permitted.

The directors are currently considering the possible effects of the introduction of these amendments on the Group's Consolidated Financial Statements.

- On September 22, 2022, the IASB published an amendment called **"Amendments to**

**IFRS 16 Leases: Lease Liability in a Sale and Leaseback**". The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction to avoid recognising an income or loss that relates to the retained right of use. The amendments will apply as of 1 January 2024 but early application is allowed.

The directors are currently considering the possible effects of the introduction of this amendment on the Group's Consolidated Financial Statements.



GSKD EDILE S.P.A - ANGST - Renovation Technological Systems Housing Complex , Bordighera

# INFORMATION ON THE BALANCE SHEET

## NOTE 1 - INTANGIBLE ASSETS

### b. Other intangible assets

This item is broken down below.

(in euro/000)	Other intangible assets		Total
	Rights from Patents	Other assets	
<b>Book value:</b>			
as at 1st January 2021	19	304	323
Investments	9		9
Disposals			-
Reclassifications			-
Write-downs			-
Reversals			-
Other changes			-
as at 31 December 2021	28	304	332
<b>Provision for amortisation:</b>			
as at 1st January 2021	(17)	(304)	(321)
Grants			-
Reclassifications			-
Amortisation	(5)		(5)
Utilisations			-
Other changes			-
as at 31 December 2021	(22)	(304)	(326)

(in euro/000)	Other intangible assets		Total
	Industrial patent rights	Other assets	
<b>Book value:</b>			
as at 1st January 2022	28	304	332
Investments			-
Disposals			-
Reclassifications			-
Write-downs			-
Reversals			-
Other changes			-
as at 31 December 2022	28	304	332
<b>Provision for amortisation:</b>			
as at 1st January 2022	(22)	(304)	(326)
Grants			-
Reclassifications			-
Amortisation	(3)		(3)
Utilisations			-
Other changes			-
as at 31 December 2022	(25)	(304)	(329)



## NOTE 2 - TANGIBLE ASSETS

### 2.a - Buildings, plants, machinery and other assets

This item is broken down below:

(in euro/000)	Land	Buildings	Plants and machinery	Industrial and commercial equipment	Other assets	Total
<b>Book value:</b>						
as at 1st January 2021	44	175	261	1,660	241	2,381
Investments			19	267	67	353
Disposals			(2)	(77)	(29)	(108)
Reclassifications						-
Write-downs						-
Other changes			1			1
<b>as at 31 December 2021</b>	<b>44</b>	<b>175</b>	<b>279</b>	<b>1,850</b>	<b>279</b>	<b>2,627</b>
<b>Provision for amortisation:</b>						
as at 1st January 2021	-	(39)	(153)	(1,069)	(177)	(1,438)
Grants						-
Reclassifications						-
Amortisation		(5)	(25)	(208)	(24)	(262)
Utilisations			1	76	13	90
Other changes		(1)				(1)
<b>as at 31 December 2021</b>	<b>-</b>	<b>(45)</b>	<b>(177)</b>	<b>(1,201)</b>	<b>(188)</b>	<b>(1,611)</b>

(in euro/000)	Land	Buildings	Plants and machinery	Industrial and commercial equipment	Other assets	Total
<b>Book value:</b>						
<b>as at 1st January 2022</b>	<b>44</b>	<b>175</b>	<b>279</b>	<b>1850</b>	<b>279</b>	<b>2,627</b>
Investments				312	2	314
Disposals			(43)	(237)		(280)
Reclassifications						-
Write-downs						-
Other changes				1		1
<b>as at 31 December 2022</b>	<b>44</b>	<b>175</b>	<b>236</b>	<b>1,926</b>	<b>281</b>	<b>2,662</b>
<b>Provision for amortisation:</b>						
<b>as at 1st January 2022</b>	<b>-</b>	<b>(45)</b>	<b>(177)</b>	<b>(1,201)</b>	<b>(188)</b>	<b>(1,611)</b>
Grants						-
Reclassifications						-
Amortisation		(5)	(24)	(222)	(28)	(279)
Utilisations			24	184		208
Other changes					1	1
<b>as at 31 December 2022</b>	<b>-</b>	<b>(50)</b>	<b>(177)</b>	<b>(1,239)</b>	<b>(215)</b>	<b>(1,681)</b>

Investments in the period, equal to Euro 314 thousand, mainly relate to industrial and commercial equipment.

No guarantees were issued on non-current assets held as at 31 December 2022.

## 2.c - Rights of use assets

This item is broken down below:

(in euro/000)	Building Licenses - book value	Vehicle Licenses - book value	Other assets Licenses - book value	Total
<b>Book value:</b>				
as at 1st January 2021	4,265	471	0	4,736
Investments	487	322		809
Disposals	(68)	(79)		(147)
Reclassifications		2		2
Write-downs				-
Other changes		(4)		(4)
as at 31 December 2021	4,684	712	-	5,396
<b>Provision for amortisation:</b>				
as at 1st January 2021	(906)	(166)	-	(1,072)
Reclassifications				-
Amortisation	(511)	(227)		(738)
Utilisations	68	79		147
Other changes	24			24
as at 31 December 2021	(1,325)	(314)	-	(1,639)



(in euro/000)	Building Licenses - book value	Vehicle Licenses - book value	Other assets Licenses - book value	Total
<b>Book value:</b>				
<b>as at 1st January 2022</b>	<b>4,684</b>	<b>711</b>	<b>-</b>	<b>5,395</b>
Investments	199	164		363
Disposals	(264)	(72)		(336)
Reclassifications	3	13		16
Write-downs	-	-		-
Other changes	1	(20)		(19)
<b>as at 31 December 2022</b>	<b>4,623</b>	<b>796</b>	<b>-</b>	<b>5,419</b>
<b>Provision for amortisation:</b>				
<b>as at 1st January 2022</b>	<b>(1,325)</b>	<b>(314)</b>	<b>-</b>	<b>(1,639)</b>
Reclassifications				-
Amortisation	(507)	(230)		(737)
Utilisations	264	72		336
Other changes		16		16
<b>as at 31 December 2022</b>	<b>(1,568)</b>	<b>(456)</b>	<b>-</b>	<b>(2,024)</b>

In accordance with IFRS 16, the "rights of use" item includes passive leasing contracts which do not constitute the provision of services.

Investments in the period therefore amounted to 363 thousand Euro.



## NOTE 3 - NON-CURRENT FINANCIAL ASSETS

### 3.b.c - Shareholdings accounted for by the equity method

Changes in equity investments during the period and the list of equity investments are shown in Annexes 1 and 2. The details of the investments are summarised below:

(in euro/000)	31/12/22	31/12/21
Jointly controlled and associate companies	71	71
Companies controlled by parent companies	3	5
Other companies	1	1
<b>Total Shares measured using the equity method</b>	<b>75</b>	<b>77</b>

Euroimpianti S.p.A. holds equity investments in seven consortium companies; these companies are non-profit as they act as an operational tool for the consortium companies, which cover all the costs incurred pro-quota, directly achieving the result of the activity carried out.

#### Jointly controlled and associate companies

- **A.C.I. ARGO COSTRUZIONI INFRASTRUTTURE S.C.P.A. - PERMANENT CONSORTIUM**

share capital of 130,000.00 Euro (49.13% stake held).

A.C.I., a stable consortium wholly owned by companies belonging to Aurelia group, operates in name and on behalf of the consortium companies to participate in large public works market initiatives, having an S.O.A. certificate, with qualifications in 9 general categories (of which 4 for an unlimited amount) and in 8 specialist categories (of which 4 for an unlimited amount).

- **IGEA ROMAGNA SCARL** - nominal stake held equal to € 4,066 of the share capital of 20,000 Euro, equivalent to 20.33%.

On October 10, 2018 Euroimpianti S.p.A. participated in the establishment of the consortium company, Igea Romagna Scarl, whose corporate purpose is "the execution of the contract, which the Local Health Au-

thority of Romagna, with registered office in Ravenna, has entrusted to the temporary business partnership consisting of Consortium of Production and Labour Cooperatives "Ciro Menotti" Scpa, Euroimpianti S.p.A. and Adriatica Costruzioni Cervese Cooperative company, whose purpose is "the conclusion of a three-year framework agreement with a single economic operator for works to be carried out in the properties owned or used by the Local Health Authority of Romagna".

- **GALEAZZI SCARL** - nominal stake held equal to € 3,400.00 Euro of the share capital of 10,000.00 Euro, equivalent to 34.00%.

The company's purpose is "engineering services, construction of plant engineering works II section and completion and management and maintenance services of the New Galeazzi Hospital in Milan".

#### Companies controlled by parent companies

- **GRUGLIASCO SCARL** - nominal stake held equal to € 1,070 Euro of the share capital of 10,000 Euro, equivalent to 10.7%.

The corporate purpose of the consortium, established on 2 September 2019, is represented by the execution of the public-private partnership contract, through the financial leasing of public works for the design, financ-

ing and construction of the new university centre of Grugliasco (TO).

- **SAFE ROADS SCARL** - nominal stake held equal to Euro 1,417 of the share capital of Euro 10,000, equivalent to 14.17%.

The business purpose of the consortium, established on 25 March 2019, consists of the execution of the contract awarded by ANAS S.p.A. called the "Four-year Framework Agreement for the supply and installation of "Smart Road" technological systems along the A/90 and A/91 motorway sections.

### Other companies

- **ARGENTEA GESTIONE S.C.P.A.** share capital of Euro 120,000 (0.01% stake held).

The company has as its main business purpose the implementation, on behalf and in the exclusive interest of the consortium member companies, of all the activities and

services of the "global service" contract of the Brescia-Milan motorway link awarded to it by the concession holder Bre.Be.Mi..

- **BRESCIA MILANO MANUTENZIONI SCARL** - nominal stake held equal to € 1,300 of the share capital of 10,000 Euro, equivalent to 13.00%.

The business purpose of the consortium, established on 7 October 2014, is the execution of the works and maintenance of the technological, electrical, thermal and hydraulic, collection and tolling systems of the Brescia - Bergamo - Milano (Bre-Be-Mi) motorway awarded by Consorzio Argentea Gestioni S.c.p.A., holder of the maintenance and operations contract of said motorway.

### 3.d - Other non-current financial assets

These are represented by:

(in euro/000)	31/12/22	31/12/21
Other loans to affiliated companies	168	135
Security deposits	211	204
Financial receivables from assignor IFRIC 12 - long-term share	1,863	1,935
Other receivables	38	44
<b>Total other non-current financial assets</b>	<b>2,280</b>	<b>2,318</b>

The item "Other non-current financial assets" is broken down as follows:

- **Amounts receivable from associated companies:** refer to non-interest bearing loans disbursed to Safe Roads Scarl of 107 thousand Euro and Igea Romagna Scarl of 61 thousand Euro;
- **Guarantee deposits** amounting to 211 thousand Euro.
- The item "**financial receivables from grantor IFRIC 12**" refers to the long-term portion of the Project Financing Giaveno-Piossasco financial receivables.
- **Other receivables** of 38 thousand Euro.

## NOTE 4 - DEFERRED TAX ASSETS

This item amounts to Euro 235 thousand (Euro 324 thousand as at 31 December 2021) and assimilates deferred tax assets calculated on tax deductible negative income elements in years following the posting to the statutory income statement. Deferred tax assets are posted in the financial statements assuming their recovery through economic results in future years.

The items that during the year have given rise to such assets are represented by the amounts of taxable provisions and IRES tax loss.

Please see the following table for changes during the year:

(in euro/000)	31/12/22
Prepaid taxes as at 01/01/2022	324
Prepaid severance taxes (Actuary)	(58)
Deferred tax assets for the previous years	53
Deferred tax assets for the year	(84)
<b>Total deferred tax assets</b>	<b>235</b>

## NOTE 5 - INVENTORIES AND CONTRACTUAL ASSETS

These are represented by:

(in euro/000)	31/12/22	31/12/21
Raw materials, subsidiary materials and consumables	2,574	3,400
Work in progress on order/Contractual assets	33,336	23,076
Advances	760	840
<b>Inventory</b>	<b>36,670</b>	<b>27,316</b>

The **adjustment provisions** are against the possible risks of certain asset items due to disputes in progress with purchasers and losses that are expected to occur in the continuing work on a number of contracts in progress; their amount is considered adequate to risks and potential liabilities that could arise in relation to the value of inventories. Changes in "adjustment provisions" are provided in the following statement:

## Adjusting provisions

(in euro/000)	31/12/22	31/12/21
<b>Opening balance</b>	<b>(50)</b>	<b>(165)</b>
Provision for the year	(8,907)	-
Utilisation during the year	21	115
<b>Adjusting provisions</b>	<b>(8,936)</b>	<b>(50)</b>

Adjustment provisions of 8,936 Euro refer to losses that are expected to occur in the continuation of work on the Koge hospital project in Denmark by the subsidiary ECS Mep Contractor I/S.

## Contract work in progress net of advances

(in euro/000)	31/12/22	31/12/21
Net job order balance	33,336	23,076
Customer advances	(17,055)	(6,601)
<b>Total</b>	<b>16,281</b>	<b>16,475</b>

## NOTE 6 - TRADE RECEIVABLES

The details as at 31 December 2022 are summarised below:

(in euro/000)	31/12/22	31/12/21
Invoiced receivables	32,161	32,108
Receivables to be invoiced	6,713	6,007
Provision for bad debts	(181)	(181)
<b>Total trade receivables</b>	<b>38,693</b>	<b>37,935</b>

Trade receivables due to normal business operations essentially refer to work, material supplies, technical and administrative services and other services, etc. With regard to transactions with related parties, reference is made to the annex of relations with related parties. The doubtful debt reserves allocated in the financial statements are thus deemed consistent to the expected receivable collectability. The bad debt provision did not undergo any changes during the year.



## NOTE 7 - CURRENT TAX ASSETS

Tax receivables as at 31.12.2022 are broken down as follows:

(in euro/000)	31/12/22	31/12/21
Other tax receivables	48	32
Receivables from tax authorities for VAT	247	13
<b>Current tax assets</b>	<b>295</b>	<b>45</b>

## NOTE 8 - OTHER RECEIVABLES

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21
Receivables from suppliers (others)	251	299
Receivables from others	2,829	2,571
Accrued income and deferred expenses	559	604
Receivables from employees	11	-
Tax consolidation receivables	-	13
<b>Total other receivables</b>	<b>3,650</b>	<b>3,487</b>

The item **"Accrued income and prepaid expenses"** mainly refers to prepaid expenses on insurance.

## NOTA 9 - CURRENT FINANCIAL ASSETS

(in euro/000)	31/12/22	31/12/21
Financial receivables from assignor IFRIC 12 - current share	72	66
<b>Total Current financial assets</b>	<b>72</b>	<b>66</b>

The item refers to the short-term portion of the IFRIC 12 financial receivable (Giaveno-Piosasco).

## NOTE 10 - CASH AND CASH EQUIVALENTS

These are represented by:

(in euro/000)	31/12/22	31/12/21
Bank and post office deposits	16,608	14,664
Cash and valuables on hand	39	34
<b>Cash and cash equivalents</b>	<b>16,647</b>	<b>14,698</b>

Interest rates on bank and postal current accounts are market rates.

## NOTE 11 - NET EQUITY

(in euro/000)	31/12/22	31/12/21
<b>Share capital</b>	<b>5,000</b>	<b>5,000</b>
<b>Legal reserve</b>	<b>492</b>	<b>293</b>
Fair value reserves	-	(1)
Extraordinary reserve	11,799	11,014
FTA reserve	1,192	1,192
Exchange rate reserves	(2)	1
Severance actualisation reserve	43	(139)
<b>Other reserves</b>	<b>13,032</b>	<b>12,067</b>
<b>Retained earnings</b>	<b>(1,163)</b>	<b>(501)</b>
<b>Profits /(Loss)</b>	<b>2,177</b>	<b>3,322</b>
<b>Shareholders' Equity</b>	<b>19,538</b>	<b>20,181</b>
Retained earnings - third parties	4	4
<b>Third party-shares and reserves</b>	<b>4</b>	<b>4</b>
<b>Third party Profit/(Loss)</b>	<b>(1)</b>	<b>-</b>
<b>Minorities net equity</b>	<b>3</b>	<b>4</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>19,541</b>	<b>20,185</b>

## 11.1 - Share capital

The share capital as at 31 December 2022, fully subscribed and paid-in, comprises 5,000,000 ordinary shares with a par value of Euro 1 each totalling Euro 5,000 thousand.

## 11.2 - Reserves

Changes are summarised in the following table (values in thousands of Euro):

(in euro/000) Share Reserve	31/12/21	Increases	Decreases	31/12/22
Legal reserve	293	199	-	492
<b>Other reserves</b>	<b>12,067</b>	<b>968</b>	<b>(3)</b>	<b>13,032</b>
"Fair value" revaluation reserves	(1)	1	-	-
Extraordinary reserve	11,014	785	-	11,799
Foreign exchange reserves	1	-	(3)	(2)
Severance actualisation reserve	(139)	182	-	43
FTA reserve	1,192	-	-	1,192
Retained earnings	(501)	-	(662)	(1,163)
<b>Profit for the year</b>	<b>3,322</b>	<b>2,177</b>	<b>(3,322)</b>	<b>2,177</b>
<b>Total reserves</b>	<b>15,181</b>	<b>3,344</b>	<b>(3,987)</b>	<b>14,538</b>

### 11.2.2 - Legal reserves

The increase is attributable to the resolution of the Ordinary Shareholders' Meeting of April 14, 2022 with which the statutory profit for the 2021 financial year, equal to 3,985 thousand Euro, was allocated to a legal reserve for 199 thousand Euro, to an extraordinary reserve for 786 thousand Euro and to a dividend for 3,000 thousand Euro to the shareholders at the rate of € 0.60 for each of the 5,000,000 ordinary shares.

### 11.2.3 - Other reserves

The total amount is Euro 13,032 thousand and the detail is as follows:

#### Extraordinary reserve

The value of the reserve is Euro 11,799 thousand.

#### Foreign exchange reserves

It is negative for - Euro 2 thousand and relates solely to the adjustment to foreign branch exchange rates at the end of the period.

#### Severance actualisation reserve

This item amounts to Euro 43 thousand and includes unrealised gains and losses related to severance indemnities posted under other components of the "comprehensive income statement".

## FTA reserve

This reserve amounts to Euro 1,192 thousand and refers exclusively to the adjustments deriving from the transition from the ITA GAAP national accounting principles to the IAS - IFRS accounting principles which took place in 2020.

### 11.2.4 - Retained earning reserve

This reserve, which amounts to -1,163 thousand Euro, is affected by the losses confirmed by ECS Mep Contractor JV I/S.

### 11.2.5 - Year's results

This item includes profits for the year for 2,177 thousand Euro (3,322 thousand Euro in 2021).

## NOTE 12 - PROVISIONS FOR RISKS AND CHARGES AND EMPLOYEE BENEFITS (SEVERANCE)

### 12.1 - Provision for risks and charges

This item totalled Euro 380 thousand (Euro 320 thousand as of 31 December 2021).

(in euro/000)	
as at 1st January 2022	320
Use of managerial incentives provision	(70)
Allocation for managerial incentives provision	214
Allocation for / utilisation of Provision for future expenses	(84)
as at 31 December 2022	380

The item includes the following accounts:

- **"Managerial incentives provisions"**; This reserve refers solely to bonuses relating to the management incentive scheme. During the year, in particular, the reserve set aside in the previous year was fully utilised in an amount of 70 thousand Euro and a new provision of 214 thousand Euro was set aside.
- **"Provision for future charges"**; during the year, 84 thousand Euro was used from the provision previously set aside in connection with the work performed at Linate airport.

## 12.2 - Employee benefits (Severance)

This item totalled Euro 2,193 thousand (Euro 2,124 thousand as at 31 December 2021).

The following changes occurred during the year:

(in euro/000)	
as at 1st January 2022	2,124
Adjustment of the period	126
Indemnity liquidated in the period	(57)
as at 31 December 2022	2,193

The following tables illustrate the economic-financial and demographic hypotheses adopted for the actuarial measurement of the liabilities, respectively.

### Economic-financial hypothesis

Economic-financial hypothesis	
Annual discount rate	4.17%
Annual inflation rate	2.30%
Annual severance growth rate	3.225%

### Demographic hypothesis

Demographic hypothesis	
Mortality	Tab RG48 from State Jan. Status
Disability	INPS tables by age and gender
Retirement age	Achievement of AGO requirements
Advance frequency %	3.00%
Turnover	8.00%



## NOTE 13 - OTHER FINANCIAL LIABILITIES (NON-CURRENT)

This item, totalling 1,650 thousand Euro (1,995 thousand Euro as at 31 December 2021) is represented by the medium long term share of loans for leased assets as per IFRS 16. With the application of the new accounting standard IFRS 16, the accounting representation of passive lease contracts (which do not constitute the provision of services) takes place through the recognition in the Statement of Financial Position of a liability of a financial nature, represented by the present value of the future rents, against the inclusion in the asset of the right of use of the leased business.

(in euro/000)	31/12/22	31/12/21
Financial lease contract payables	1,650	1,995
<b>Total</b>	<b>1,650</b>	<b>1,995</b>

These liabilities, based on their maturity, are broken down as follows:

(in euro/000)	between 1 and 5 years	> 5 years
Financial lease contract payables	1,297	353
<b>Total</b>	<b>1,297</b>	<b>353</b>

## NOTE 14 - DEFERRED TAX LIABILITIES

This item refers to deferred tax liabilities allocated in previous years on the basis of the different valuation criteria for "interim" inventories. For IFRS purposes, the valuation at cost of work in progress on orders with interim periods is therefore not permitted, therefore in line with the assessment of the duration works multi-year the value was recalculated based on the percentage of completion determined using the physical measurement method.

The change in the provision during the year represents the restatement of deferred tax liabilities to works closed during the year.

For the breakdown of this item, please see Note 27 - Income tax.

(in euro/000)	
<b>as at 1st January 2022</b>	<b>46</b>
Deferred tax liabilities reversal (multi-year work)	(1)
<b>as at 31 December 2022</b>	<b>45</b>

## NOTE 15 - TRADE PAYABLES (CURRENT)

Trade payables totalled Euro 44,621 thousand (Euro 40,632 thousand as of 31 December 2021).

(in euro/000)	31/12/22	31/12/21
Invoiced payables	31,295	29,982
Invoices receivable	13,326	10,650
<b>Total trade payables</b>	<b>44,621</b>	<b>40,632</b>

## NOTE 16 - OTHER PAYABLES AND CONTRACTUAL LIABILITIES (CURRENT)

These are represented by:

(in euro/000)	31/12/22	31/12/21
Advances	17,055	6,601
Payables due to social security and welfare institutions	391	316
Payables for cost reversals to consortium companies	8,809	12,258
Accrued charges and deferred income	16	89
Other current payables	2,089	734
Payables to employees	1,310	1,379
<b>Total other payables</b>	<b>29,670</b>	<b>21,377</b>

**"Advances"** includes advances received from customers according to law and intended to be recovered based on the issue of the work progress report.

**"Payables due to social security and welfare institutions"** includes item refers to payables due as at 31 December to these institutes for the amount due by the company and employees.

**"Payables for cost reversals to consortium companies"** refer to cost reversals by consortium companies posted net of invoiced advances.

(in euro/000)	31/12/22	31/12/21
Payables for cost reversals to consortium companies	129,819	102,788
Advances paid for cost reversals	(121,010)	(90,530)
<b>Payables due to consortium companies</b>	<b>8,809</b>	<b>12,258</b>

“Payables due to employees” includes the amounts to be paid to employees for December salaries, holidays and leave not taken.

## NOTE 17 - OTHER FINANCIAL PAYABLES (CURRENT)

These are represented by:

(in euro/000)	31/12/22	31/12/21
Financial lease contract payables	676	666
<b>Total Other current financial payables</b>	<b>676</b>	<b>666</b>

The item “Other current financial payables” is represented by the short term share of loans for leased assets recognised as per IFRS 16.

## NOTE 18 - CURRENT TAX LIABILITIES

The item is broken down as follows:

(in euro/000)	31/12/22	31/12/21
IRES payable	2,475	891
IRAP payable	421	259
IRPEF payable as withholding agent	456	381
VAT payables	-	922
Other current tax liabilities	866	1,247
<b>Total Other current financial payables</b>	<b>4,218</b>	<b>3,700</b>

The item “IRES payable” corresponds to the difference between the amount of the tax calculated on the taxable income for the year and the sum of the IRES advances paid during the year and the withholding taxes suffered on bank interest income.

“IRAP Payables” are net of advances paid during the year.

# NOTES TO THE FINANCIAL STATEMENTS - INFORMATION ON THE INCOME STATEMENT

## NOTE 19 - REVENUES

Revenues are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Work and design revenue	40,128	55,091	(14,963)
Changes in work in progress on order	84,583	99,719	(15,136)
Hire	9	-	9
Other revenue	5,492	6,521	(1,029)
Reversal revenues	290	1,399	(1,109)
<b>Total</b>	<b>130,502</b>	<b>162,730</b>	<b>(32,228)</b>

The turnover from works and services, performed on the Italian and European territory, is the following:

(in euro/000)	31/12/22	31/12/21	Change
Revenues for completed job orders	40,128	55,091	(14,963)
Changes in work in progress on order	93,466	99,604	(6,138)
<b>Total</b>	<b>133,594</b>	<b>154,695</b>	<b>(21,101)</b>

The above figure refers to the volume of work performed and does not include the provisions and utilisation of the guarantee fund, which amounted to a cost of 8,883 thousand Euro as at 31 December 2022 (income of 115 thousand Euro in 2021).

## 19.1 - Other revenues

Revenues are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Compensation of damages	65	75	(10)
Operating grants	28	19	9
Out-of-period income	1,120	290	830
Other revenue	1,495	1,935	(440)
Gains on disposals	48	14	34
<b>Total</b>	<b>2,756</b>	<b>2,333</b>	<b>423</b>

Operating grants: this item refers to grants related to the urgent support measures in the energy sector and public finance of Decree-Law No. 176 of 18 November 2022 - *Aiuti Quater*.

## NOTE 20 - PAYROLL EXPENSES

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Wages and salaries	(14,841)	(10,365)	(4,476)
Social security contributions	(3,699)	(2,829)	(870)
Post-Employment provision adjustment	(546)	(432)	(114)
Pensions and similar commitments	(30)	(19)	(11)
Other costs	(307)	(131)	(176)
<b>Total personnel costs</b>	<b>(19,423)</b>	<b>(13,776)</b>	<b>(5,647)</b>



Employee breakdown by category at year end:

<b>Current number of employees</b>	<b>31/12/22</b>	<b>31/12/21</b>
Executives	5	4
Managers	7	7
White-collar workers	87	81
Blue-collar workers	154	151
<b>TOTAL</b>	<b>253</b>	<b>243</b>

The average breakdown for employees by category is the following:

<b>Average number of employees</b>	<b>31/12/22</b>	<b>31/12/21</b>
Executives	4	2
Managers	7	9
White-collar workers	86	80
Blue-collar workers	177	105
<b>TOTAL</b>	<b>274</b>	<b>196</b>

The workforce includes a blue-collar worker and a white-collar worker with fixed-term contracts. Employees with permanent contracts also include a blue-collar worker and two white-collar workers with part-time contracts.

The increase in the average and to date figure of the workforce is due to the opening and development of work abroad, in particular in Denmark.

To date there are no litigation situations for dismissals, salary levels, etc. relating to employees.

## NOTE 21 - COSTS FOR SERVICES

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Mechanical processing	(285)	(492)	207
Non recoverable asset maintenance	(485)	(400)	(85)
Consulting	(2,149)	(2,366)	217
Technical design activities	(1,581)	(1,455)	(126)
Security services	(101)	(67)	(34)
Transportation	(490)	(797)	307
Insurance	(1,805)	(553)	(1,252)
Legal and notary consultancy expenses	(105)	(179)	74
Corporate body fees and reimbursements	(40)	(40)	-
Auditors' fees	(42)	(31)	(11)
Seconded personnel and contract workers	(788)	(1,369)	581
Other payroll and related costs	(1,464)	(1,663)	199
Utilities	(495)	(439)	(56)
Subcontracting	(13,792)	(15,492)	1,700
Subcontracts	(28,807)	(23,722)	(5,085)
Reversals from consortium companies	(27,282)	(58,690)	31,408
Others	(1,759)	(2,552)	793
<b>Total costs for services</b>	<b>(81,470)</b>	<b>(110,307)</b>	<b>28,837</b>

The decrease in production was followed by a reduction in operating costs; these include, in particular, the decrease in costs incurred for the provision of services mainly due to the reduction in the items relating to the charge-backs of the consortia in which the company has equity investments and services from third parties.

## NOTE 22 - COSTS FOR RAW MATERIALS

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Raw materials	(4,137)	(4,748)	611
Consumables	(17,900)	(28,064)	10,164
Changes in inventories of raw, consumable materials and goods	(825)	1,487	(2,312)
<b>Costs for raw materials</b>	<b>(22,862)</b>	<b>(31,325)</b>	<b>8,463</b>

## NOTE 23 - OTHER OPERATING COSTS

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Costs for the use of third party assets (Rentals and leasing)	(1,045)	(1,840)	795
Out-of-period expense	(280)	(213)	(67)
Other sundry operating expenses	(171)	(80)	(91)
Losses on the disposal of assets	(21)	(4)	(17)
<b>Total</b>	<b>(1,517)</b>	<b>(2,137)</b>	<b>620</b>



## NOTE 24 - AMORTISATION, DEPRECIATION AND WRITE-DOWNS

These are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
<i>Intangible assets</i>			
Intangible assets - Other intangible assets	(3)	(5)	2
<b>Total intangible assets depreciation (A)</b>	<b>(3)</b>	<b>(5)</b>	<b>2</b>
<i>Tangible assets:</i>			
Tangible assets - Buildings	(5)	(5)	-
Tangible assets - Plants and machinery	(24)	(25)	1
Tangible assets - Industrial and commercial equipment	(222)	(208)	(14)
Tangible assets - Other assets	(28)	(24)	(4)
Building licenses - Depreciation	(507)	(511)	4
Vehicle licenses - Depreciation	(230)	(227)	(3)
<b>Total tangible assets depreciation (B)</b>	<b>(1,016)</b>	<b>(1,000)</b>	<b>(16)</b>
<b>Total depreciation (A+B)</b>	<b>(1,019)</b>	<b>(1,005)</b>	<b>(14)</b>

## NOTE 25 - PROVISIONS FOR RISKS AND CHARGES

(in euro/000)	31/12/22	31/12/21	Change
Other provisions for risks and charges	-	(84)	84
<b>TOTAL</b>	<b>-</b>	<b>(84)</b>	<b>84</b>

## NOTE 26 - FINANCIAL INCOME AND CHARGES

### 26.1 - Financial income

These are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
<i>Other financial income</i>			
Other minor interest from receivables included in non-current assets	2	-	2
Other financial income	56	91	(35)
Exchange differences	7	1	6
<b>Total other financial income (b)</b>	<b>65</b>	<b>92</b>	<b>(27)</b>

The item mainly includes discounts on financial receivables for 56 thousand Euro.

### 26.2 - Financial charges

These are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
<i>Interest due to credit institutes</i>			
Interest due to credit institutes: on current accounts	-	(6)	6
<i>Other interest payable</i>			
Interest payable other than financial lease contracts	(40)	(49)	9
<i>Other financial charges</i>			
Capital losses on share sales	-	(2)	2
Other financial charges	(61)	(16)	(45)
Exchange differences	(7)	(7)	-
<b>Total Financial charges</b>	<b>(108)</b>	<b>(80)</b>	<b>(28)</b>

“Other financial charges” include the interest cost calculated on employees (IAS 19).



## NOTA 27 - INCOME TAXES

This item is broken down as follows:

(in euro/000)		31/12/22	31/12/21	Change
Current taxes	IRES	(4,032)	(2,557)	(1,475)
Current taxes	IRAP	(708)	(540)	(168)
<b>Current taxes</b>		<b>(4,740)</b>	<b>(3,097)</b>	<b>(1,643)</b>
Deferred tax liabilities	IRES	(83)	(77)	(6)
Deferred tax liabilities	IRAP	53	10	43
<b>Deferred tax liabilities</b>		<b>(30)</b>	<b>(67)</b>	<b>37</b>
Taxation relating to previous years	IRES	(15)	(4)	(11)
Taxation relating to previous years	IRAP	37	49	(12)
<b>Taxation relating to previous years</b>		<b>22</b>	<b>45</b>	<b>(23)</b>
	<b>TOTAL</b>	<b>(4,748)</b>	<b>(3,119)</b>	<b>(1,629)</b>

Income taxes amounted to 4,748 thousand Euro against 3,119 thousand Euro in 2021, resulting from the algebraic sum of current taxes for a total of 4,740 thousand Euro - of which 4,032 thousand Euro for IRES and 708 thousand Euro for IRAP -, of deferred tax liabilities, which show a negative balance of 30 thousand Euro, and taxes for previous years with a positive balance of 22 thousand Euro.

In accordance with paragraph 81, letter c) of IAS 12, the reconciliation of income taxes posted in the financial statements as at 31 December 2022 and 2021 ("actual") and those "theoretic" at the same dates is provided below.

### Reconciliation between the "theoretic" and "actual" tax rate - IRES

(in euro/000)	31/12/2022			31/12/2021		
Earnings before income taxes		6,924			6,441	
Actual income tax (IRES)	17,146	4,115	59,43%	10,975	2,634	40,89%
<b>Lesser taxes (compared to theoretic rate)</b>						
Other decreases (IRES)	350	84	1,21%	404	97	1,51%
<b>Greater taxes (compared to theoretic rate)</b>						
Other increases (IRES)	(10,572)	(2,537)	-36,64%	(4,938)	(1,185)	-18,40%
<b>Theoretic income tax (IRES)</b>	<b>6,924</b>	<b>1,662</b>	<b>24,00%</b>	<b>6,441</b>	<b>1,546</b>	<b>24,00%</b>

### Reconciliation between the "theoretic" and "actual" tax rate - IRAP

(in euro/000)	31/12/2022			31/12/2021		
Added value (IRAP taxable income)	15,960			11,718		
Actual income tax (IRAP)	16,795	655	4,10%	13,590	530	4,52%
<b>Lesser taxes (compared to theoretic rate)</b>						
Other decreases (IRAP)	26	1	0,01%	26	1	0,01%
<b>Greater taxes (compared to theoretic rate)</b>						
Other increases (IRAP)	(861)	(34)	-0,21%	(1,897)	(74)	-0,63%
<b>Theoretic income tax</b>	<b>15,960</b>	<b>622</b>	<b>3,90%</b>	<b>11,718</b>	<b>457</b>	<b>3,90%</b>

The following tables illustrate, for the year in question and 2021, the **deferred tax income and charges** posted in the **income statement and deferred tax assets and liabilities** posted in the Statement of Financial Position.

(in euro/000)	31/12/22	31/12/21
<b>Deferred tax income for:</b>		
deferred tax "reversal" on capital gains	2	-
Effects from work in progress as per IAS	-	70
Maintenance expenses over the tax deductible rate	-	17
Other changes	51	107
<b>Total income (A)</b>	<b>53</b>	<b>194</b>
<b>Deferred tax charges for:</b>		
Deferred taxes on extended capital gains	(9)	-
Maintenance expenses over the deductible rate reversal	(12)	(9)
Other changes	(62)	(252)
<b>Total costs (B)</b>	<b>(83)</b>	<b>(261)</b>
<b>Total (B) - (A)</b>	<b>(30)</b>	<b>(67)</b>

## NOTE 28 - EARNINGS PER SHARE

Share profits are calculated, according to IAS 33, dividing the net results by the average number of shares in circulation during the year.

(in euro/000)	31/12/22	31/12/21
Net result	2,177	3,322
<b>Earnings per share (€/ 000)</b>	<b>0.435</b>	<b>0.664</b>
Number of ordinary shares	5,000,000	5,000,000

Options, warrants or equivalent financial instruments on "potential" ordinary shares with diluting effects were not posted in 2022 and 2021.

## NOTE 29 - INFORMATION ON THE STATEMENT OF CASH FLOWS

### 29.1 - Changes to net working capital

(in euro/000)	31/12/22
Inventory	(9,354)
Trade receivables	(758)
Current tax assets	(250)
Receivables from others	(163)
Trade payables	3,989
Other payables	8,293
Current tax liabilities	518
<b>Total</b>	<b>2,275</b>

### 29.2 - Other general operating activities changes

(in euro/000)	31/12/22
Severance reserve use	(57)
Other fund use	(70)
<b>Total</b>	<b>(127)</b>

## OTHER INFORMATION

Following is information on the determination of "fair value"; as for information on the company, on **events after year end** and **foreseeable business outlook**, please see the "Report on Operations".

## INFORMATION ON THE DETERMINATION OF FAIR VALUE

Fair value is used to measure financial assets and liabilities if their amount is not reliably determinable.

For financial assets and liabilities listed in an active market, the fair value is determined with reference to market prices at the date of posting and/or subsequent measurement. Should an official market price not be available, the fair value is determined with reference to prices applied in the most recent

financial asset or liability purchase, sale or extinction operations.

The fair value of receivables and payables of trade nature is identified with their book value, even in consideration of the fact that their maturity is generally short term and does not require, among others, the use of actualisation techniques.

## STATEMENT OF RELATIONS BETWEEN THE GROUP LEADER'S NET EQUITY AND YEAR'S RESULTS ACCORDING TO IFRS INTERNATIONAL POLICIES AND THE GROUP'S NET EQUITY AND CONSOLIDATED NET RESULTS

(amounts in Euro)	Net equity as of 31.12.2021	Change in Shareholders' Equity 2022	2022 results	Net equity as of 31.12.2022
<b>Euroimpianti Financial Statements</b>	<b>21,747</b>	<b>(2,817)</b>	<b>1,300</b>	<b>20,230</b>
<b>Adjustments:</b>				
ECS MEP Contractor JV I/S result	(4,135)		(9,319)	(13,454)
ECS code MEP CONTRACTOR JV I/S impairment reversal	2,569		10,195	12,764
Other minor		1		1
<b>Consolidated financial statements</b>	<b>20,181</b>	<b>(2,816)</b>	<b>2,176</b>	<b>19,541</b>

## Company's commitments

### Performance bonds

Details are as follows:

- Guarantee policies for a total of 16,482 thousand Euro issued by insurance companies by way of definitive security deposits on contracts executed.
- Guarantee policies for a total of 995 thousand Euro issued by banks (Intesa Sanpaolo for 668 thousand Euro and Banco BPM for 327 thousand Euro) by way of definitive security deposits on contracts executed.
- Guarantee policies for a total of 645 thousand Euro issued by banks (Banco BPM) by way of withholding guarantees.
- Guarantee policies for a total of 176 thousand Euro issued by banks (Unicredit Banca), by way of temporary security deposits.
- Guarantee policies for a total of 176 thousand

Euro issued by insurance companies, by way of temporary security deposits, for participation in tenders.

- Guarantee policies for a total of 7,068 thousand Euro issued by insurance companies for advances.
- Guarantee policies for a total of 2,924 thousand Euro issued by insurance companies to guarantee special obligations.

### Leased assets

This item, for a total of Euro 969 thousand, is the sum of residual lease instalments and the redemption price to be paid on outstanding lease contracts as at 31 December 2022.

### Fees paid to External auditor

As per legal decree no.39 dated 27 January 2010, fees recognised to PricewaterhouseCoopers S.p.A. are broken down below:

(in euro/000)	31/12/22	31/12/21
<b>Auditing services</b>		
Financial statement audit	(34)	(25)
Consolidated financial statement audit	(5)	(5)
Mid-year report audit	(3)	(3)
Quarterly report audit	-	(1)
<b>Total</b>	<b>(42)</b>	<b>(34)</b>

### Intra-group transactions and with related parties

The balance sheet and economic transactions with subsidiaries, associated companies, parent companies and companies under their control of the year, are summarised in the illustrative tables enclosed with this report (see annexes 3 and 4). Please note that these transactions were completed at normal market conditions and based on rules that ensure accountability as well as substantial and procedural correctness.

These transactions have been concluded under normal market conditions. It should be noted that, in addition to what is reported in annexes 3 and 4, the following amounts must be highlighted in relation to other related parties, including relations with subjects with positions with strategic responsibilities of the Aurelia Group:

- relations with the P.C.A S.p.A. through which premiums were paid during the year to

insurance companies for a total of Euro 693 thousand.

- relations with the Derthona Basket sports club in the amount of 599 thousand Euro for sponsorship pertaining to the year.

These transactions have been concluded under normal market conditions.

### Significant events after the end of the year

No significant events occurred after the end of the year for the Company as the development of the business continued without any facts or events worthy of mention.

### Disclosure pursuant to art. 2447-septies, Italian Civil Code

Pursuant to art. 2447-septies of the Italian civil code, it should be noted that at 31 December 2022 there are no assets intended for specific business.

**Disclosure pursuant to art. 2447- decies, Italian Civil Code**

Pursuant to art. 2447-decies of the Italian civil code, it should be noted that at 31 December 2022 there are no loans intended for specific business.

**Disclosure on the transparency of public payments**

Pursuant to article 1 paragraphs 125-129 of law no. 124/2017, subsequently supplemented by the "Security" Law Decree (No. 113/2018) and the "Simplification" Law Decree (No. 135/2018) it should be noted that in the 2022 financial year, "subsidies, contributions, paid assignments and in any case economic advantages of any kind" were not granted to the company by public administrations and by a series of similar entities with which the Company does business.

It should be noted that during the financial year, the Company benefited from contributions under the title of "Tax Credit" in the amount of 23 thousand

Euro related to the urgent support measures in the energy sector and public finance of Decree-Law No. 176 of 18 November 2022 - *Aiuti Quater*.

**Annexes**

- Statement no. 1 on changes in Equity Investments.
- Statement no. 2 containing the list of Shares held as at 31 December 2022.
- Statement no. 3 relating to equity transactions with related parties.
- Statement no. 4 related to economic transactions with related parties.

Tortona, 02 March 2023.

For the Board of Directors

**The Managing Director**

(Mr. Michele Blandino)



# ANNEX TO NOTES TO THE FINANCIAL STATEMENTS

## EUROIMPIANTI GROUP

## Statement of changes in Shareholding accounts - Financial statements as at 31.12.2022 (Values expressed in Euro units)

## Annex no.1

Description	Opening balance		Movements during the year				Closing balance	
	Book value	Revaluations and (write-downs)	Acquisitions	Increases	(Decreases)	(Write-downs)/ Reversals	Revaluations and (write-downs)	Book value
Galeazzi Impianti S.c.a r.l.	3,400		3,400					3,400
Igea Romagna S.c.a r.l.	4,066		4,066					4,066
A.C.I. S.c.p.A.	63,870		63,870					63,870
<b>Total associated companies</b>	<b>71,336</b>		<b>71,336</b>					<b>71,336</b>
Grugliasco S.c.a r.l.	1,070		1,070					1,070
Safe Roads S.c.a r.l.	1,417		1,417					1,417
Sistemi e Servizi S.c.a r.l.	3,000	(900)	2,100		(2,100)			
<b>Total companies controlled by parent companies</b>	<b>5,487</b>	<b>(900)</b>	<b>4,587</b>		<b>(2,100)</b>			<b>2,487</b>
Argentea Gestioni S.C.P.A.	12		12					12
B.M.M. S.c.a r.l.	1,300		1,300					1,300
<b>Total Other</b>	<b>1,312</b>		<b>1,312</b>					<b>1,312</b>
<b>Overall total</b>	<b>78,135</b>	<b>(900)</b>	<b>77,235</b>		<b>(2,100)</b>			<b>75,135</b>

**EUROIMPIANTI GROUP****List of shareholdings held as at 31/12/2022** (Values expressed in Euro units)**Annex no.2**

Investee	Type	Registered office	Share capital	Number of shares	Shareholders' Equity	Last year's result	Treasury shares	Shareholder's equity held	Shares held	Treasury shares par value	Shareholders' equity Share	Posted value	Notes
Galeazzi Impianti S.c.a r.l.	Associated company	Tortona (AL) - Strada Statale per Alessandria 6/A	10,000		10,000		34.000%	3,400	34.000%	3,400	3,400	3,400	
Igea Romagna S.c.a r.l.	Associated company	Ravenna (RA) - Via Pier Traversari 63	20,000		20,000		20.330%	4,066	20.330%	4,066	4,066	4,066	
A.C.I. S.c.p.A.	Associated company	Tortona (AL) - Strada Statale per Alessandria 6/A	130,000		130,000		49.131%	63,870	49.131%	63,870	63,870	63,870	
<b>Total associated companies</b>										<b>71,336</b>	<b>71,336</b>	<b>71,336</b>	
Grugliasco S.c.a r.l.	Others	Tortona (AL) - Strada Statale per Alessandria 6/A	10,000		10,000		10.700%	1,070	10.700%	1,070	1,070	1,070	
Safe Roads S.c.a r.l.	Others	Tortona (AL) - Strada Statale per Alessandria 6/A	10,000		10,000		14.170%	1,417	14.170%	1,417	1,417	1,417	
Sistemi e Servizi S.c.a r.l.	Controlled by parent companies	Tortona (AL) - Strada provinciale 211 della Lomellina 3/13	100,000		100,000		3.000%	3,000	3.000%	3,000	3,000	(0)	
<b>Total companies controlled by parent companies</b>										<b>5,487</b>	<b>5,487</b>	<b>2,487</b>	
Argentea Gestioni S.C.P.A.	Others	Brescia (BS) - Via Somalia 2/4	120,000		120,000		0.010%	12	0.010%	12	12	12	
B.M.M. S.c.a r.l.	Others	Torino (TO) - Località Bandone 1/G	10,000		10,000		13.000%		13.000%	1,300	1,300	1,300	
<b>Total Other</b>										<b>1,312</b>	<b>1,312</b>	<b>1,312</b>	
<b>Overall total</b>										<b>78,135</b>	<b>78,135</b>	<b>75,135</b>	

## EUROIMPIANTI GROUP

## Summary statement of balance sheet transactions with related parties - 31/12/2022 (Values expressed in thousands of Euro)

## Annex no.3

Company	Receivables				Payables				Total liabilities		
	Financial receivables	Inventory works advances	Work advances	Other receivables	Trade receivables	Total assets	Financial debts	Other payables		Payables for cost reversals net of advances to consortium companies	Customer advances
Galeazzi Scrl	1,230	(1,215)	1,997	1,284	3,296	(2,851)	(519)	(3,370)			
Igea Romagna Scrl	61	4,412	(3,612)	404	1,265	(119)	(22)	(141)			
<b>Total associated companies</b>	<b>61</b>	<b>5,642</b>	<b>(4,827)</b>	<b>1,997</b>	<b>4,561</b>	<b>(2,970)</b>	<b>(541)</b>	<b>(3,511)</b>			
A.S.T.M. S.p.A.						(34)	(34)	(34)			
Sinelec S.p.A.	47	(45)		47	49	(54)	(1,272)	(1,326)			
<b>Total subsidiaries</b>	<b>47</b>	<b>(45)</b>		<b>47</b>	<b>49</b>	<b>(54)</b>	<b>(1,306)</b>	<b>(1,360)</b>			
A.C.I. S.c.p.A.- Consorzio Stabile	130,854	(121,507)		2,968	12,315	(4,757)	(79)	(5,618)			
Appia S.r.l.							1	1			
A.T.I.V.A. S.p.A.	154	(154)		113	113						
Aurea Scrl				14	14						
Autostrada Asti-Cuneo S.p.A.	45	(6)		652	691		(6)	(6)			
Autostrada dei Fiori S.p.A.	3,339	(194)		1,976	5,121	(886)	(8,963)	(9,891)			
Azeta S.p.A. con Socio Unico			49	(1)	48	(2)	(2)	(2)			
Codelfa S.p.A.	2,079	(1,847)		1,296	1,528						
Derthona Basket Srl							(575)	(575)			
Grugliasco Scrl	2,612	(1,487)		63	1,188	(845)	(100)	(945)			
Itinera S.p.A.	20,960	(17,920)		1,608	4,648	(13)	(1,288)	(1,301)			
Musinet Engineering S.p.A.							(457)	(457)			

Company	Receivables				Payables				Total liabilities		
	Financial receivables	Inventory works advances	Work advances	Other receivables	Trade receivables	Total assets	Financial debts	Other payables		Payables for cost reversals net of advances to consortium companies	Customer advances
S.A.I.T. p.A.	1,233	(833)	5,587	5,987	(178)					(178)	(178)
S.A.T.A.P. S.p.A.	5,772	(2,564)	3,371	6,579	(6)					(2,910)	(12)
S.A.V. S.p.A.	928	(776)	720	872	(176)					(176)	(1)
Safe Roads Scarl	107			107	(195)						(195)
S.E.A. Segnaletica Stradale S.p.A.										(55)	(55)
Project company Autovia Padana S.p.A.	35		737	772							
SITAF S.p.A.	27,130	(24,427)	4,253	6,956							
Smart Mobility Systems s.c.a.r.l. (SMS S.c.a.r.l.)			128	128							(20)
R.o.s.s. Srl										(20)	(20)
Tecnositaf S.p.A. Bussoleno			1,654	1,654						(54)	(54)
TruCK Rail Container S.p.A.										(9)	(9)
Tomato Farm S.r.l.			12	12						(8)	(8)
Torre Di Isola Scarl			68	68							
<b>Total companies subject to parent companies' control</b>	<b>107</b>	<b>195,141</b>	<b>(171,715)</b>	<b>49</b>	<b>25,219</b>	<b>48,801</b>	<b>(907)</b>	<b>(5,797)</b>	<b>(13,009)</b>	<b>(2,705)</b>	<b>(22,418)</b>
Argentea Gestioni S.c.p.A.	51	(16)	189	224							
B.M.M. Scarl			1	1	(42)					(12)	(54)
Cervit Scarl	5,461	(5,334)	434	561						(1)	(1)
Sitalia S.p.A.			237	237						(1,040)	(1,040)
Tunnel Frejus Scarl			4	4						(125)	(125)
FZA S.r.l.										(12)	(12)
<b>Total other Group subsidiaries</b>	<b>5,512</b>	<b>(5,350)</b>	<b>865</b>	<b>1,027</b>	<b>(42)</b>	<b>(1,190)</b>	<b>(961)</b>	<b>(8,809)</b>	<b>(13,009)</b>	<b>(5,742)</b>	<b>(28,521)</b>
<b>Total</b>	<b>168</b>	<b>206,342</b>	<b>(181,937)</b>	<b>2,046</b>	<b>27,819</b>	<b>54,438</b>	<b>(961)</b>	<b>(8,809)</b>	<b>(13,009)</b>	<b>(5,742)</b>	<b>(28,521)</b>

**EUROIMPIANTI GROUP****Summary statement of economic transactions with related parties - 31/12/2022**

(values expressed in thousands of Euro)

**Annex no.4**

<b>Company</b>	<b>Operating costs</b>	<b>Cost reversals</b>	<b>Work revenue</b>	<b>Other revenue</b>
Galeazzi Scarl		7,708	(921)	(668)
Igea Romagna Scarl		666	(1,434)	
<b>Total associated companies</b>		<b>8,374</b>	<b>(2,355)</b>	<b>(668)</b>
A.S.T.M. S.p.A.	110			
Sinelec S.p.A.	468		(47)	(78)
<b>Total subsidiaries</b>	<b>578</b>		<b>(47)</b>	<b>(78)</b>
A.C.I. S.c.p.A. - Consorzio Stabile	246	16,613	(33,071)	(24)
A.T.I.V.A. S.p.A.			(357)	
Aurea Scarl				(15)
Autostrada Asti-Cuneo S.p.A.	6		(1,405)	(83)
Autostrada dei Fiori S.p.A.	926		(6,653)	(107)
Codelfa S.p.A.			(2,079)	
Derthona Basket Ssrl	599			
Grugliasco Scarl		1,633	(2,437)	(98)
Itinera S.p.A.	2,185		(4,717)	
Musinet Engineering S.p.A.	374			
Safe Roads Scarl		438		
S.A.T.A.P. S.p.A.	17		(9,123)	(30)
S.A.L.T.p.A.			(5,690)	(2,106)
S.A.V. S.p.A.	1		(2,047)	
Società di Progetto Autovia Padana S.p.A.			(1,113)	(52)
SITAF S.p.A.			(17,756)	
Smart Mobility Systems Scarl				(105)
Tecnositaf S.p.A. Bussoleno				(1,316)
Truck Rail Container S.p.A.	11			
Tomato Farm S.r.l.	8			
<b>Total companies subject to parent companies' control</b>	<b>4,373</b>	<b>18,684</b>	<b>(86,448)</b>	<b>(3,936)</b>
Argentea Gestioni S.c.p.A.			(447)	(36)
B.M.M. Scarl	23	225		(8)
Cervit Scarl	3		(787)	
Sitalfa S.p.A.	949			(155)
Tunnel Frejus Scarl	30			
F2A S.r.l.	11			
<b>Total other Group subsidiaries</b>	<b>1,016</b>	<b>225</b>	<b>(1,234)</b>	<b>(199)</b>
<b>Total</b>	<b>5,967</b>	<b>27,283</b>	<b>(90,084)</b>	<b>(4,881)</b>





GSKD EDILE S.P.A -ANGST - Renovation Technological Systems Housing Complex , Bordighera



# **REPORT OF THE BOARD OF STATUTORY AUDITORS**

Dear Shareholders,

Euroimpianti Group's consolidated financial statements as at 31 December 2022, submitted to your attention, include the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of changes in Shareholders' equity as well as the notes to the financial statements

with 19,541,000 Euro in net equity, including the amount of 3,000,000 Euro corresponding to third party capital and reserves, and a positive result for the financial year of 2,176,000 Euro.

As at 31 December 2022, the controlled entities of the parent company Euroimpianti S.p.a., consolidated with the integral method, are the following:

Subsidiaries	Registered offices	% held	Interests %
CERVIT Impianti Tecnologici S.c.a.r.l.	15057 Tortona (AL) - S.S. per Alessandria 6/a	61.79%	61.79%
ECS MEP CONTRACTOR JV I/S	27050 Ballerup (Danimarca) - Industriparken 44/A	99.99%	99.99%

The consolidated financial statements were prepared based on that defined by Legislative Decree no. 38, art. 3, paragraph 2, dated 28/2/2005 - according to IFRS international accounting criteria issued by the International Accounting Standard Board (IASB) and approved by the European Commission.

The checks made by PricewaterhouseCoopers S.p.A., assigned to audit, were conducted to ascertain whether the values posted in the financial statements match the Parent company's accounts, the Subsidiaries' financial statements and relevant information these officially transmitted to the Parent Company.

The Auditing Firm issued a report without remarks, findings or informative notes.

The Auditing Firm thus confirmed that the consolidated financial statements provide a true and fair representation of Euroimpianti Group's equity and financial situation as at 31 December 2022, of the economic results and cash flows for the year closed on that date according to the International Finan-

cial Reporting Standards adopted by the European Union.

Specific information on the Euroimpianti Group considered alone, as expressed in its economic-financial aspects through the values contained in the consolidated financial statements, is amply provided in the report on operations including Group companies, highlighting, among others, the choices and strategic guidelines followed.

In light of that indicated and the information and opinion issued by the auditing firm without remarks as per law, the Board has nothing to remark on the Euroimpianti Group's consolidated financial statements as at 31 December 2022.

Tortona, 18 March 2023

**The Board of Auditors**

(Mr. Pietro Ratti)  
(Mr. Stefano Ferrari)  
(Mr. Gabriele Toso)

# **REPORT OF THE INDEPENDENT AUDITORS**



**REPORT OF THE INDEPENDENT AUDITING  
FIRM PURSUANT TO ARTICLE 14 OF  
LEGISLATIVE DECREE 27 JANUARY 2010, NO. 39**

**EUROIMPIANTI GROUP**

**CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 December 2022**



**Report of the independent auditing firm**  
pursuant to article 14 of Legislative Decree 27 January 2010, no. 39

To the Shareholders of  
Euroimpianti SpA

**Report on the audit of the consolidated financial statements**

**Opinion**

We audited the consolidated financial statements of Euroimpianti SpA and its subsidiaries (the “Euroimpianti Group” or the “Group”), comprising the statement of financial position as at 31 December 2022, the income statement, the statement of comprehensive income, the statement of changes in shareholders’ equity, the cash flow statement for the year ended at that date and the notes to the financial statements which also include the summary of the most significant accounting standards applied.

In our opinion, the consolidated financial statements provide a true and fair representation of the Euroimpianti Group’s equity and financial situation as at 31 December 2022 and the economic results and cash flows for the year closed on that date according to the International Financial Reporting Standards adopted by the European Union.

**Elements underlying the opinion**

We carried out the accounts audit in compliance with the international audit standards (ISA Italy). Our responsibilities in accordance with these standards are more fully described in the section *Responsibility of the independent auditing firm for the audit of the consolidated financial statements* in this report. We are independent with respect to Euroimpianti SpA in compliance with the provisions and standards regarding ethics and independence applicable in the Italian legal system to the audit of financial statements. We believe we have acquired sufficient and appropriate probative elements on which we can base our opinion.

**Responsibility of the directors and the Board of Statutory Auditors for the consolidated financial statements**

The directors are responsible for the drawing up of the consolidated financial statements which provide a true and fair view in compliance with the International Financial Reporting Standards adopted by the European Union and, under the terms envisaged by the law, for that part of the internal control deemed by the same necessary for permitting the drafting of financial statements which do not contain significant errors due to fraud or unintentional events or conduct.

PricewaterhouseCoopers SpA

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The directors are responsible for the assessment of the ability of the Group to continue to operate as a going-concern and, in the drawing up of the consolidated financial statements, for the appropriateness of the use of the supposition of going-concern, as well as for suitable disclosure in this connection. The directors use the supposition of going-concern in the drafting of the consolidated financial statements unless they have assessed that conditions exist for the winding up of the group parent Euroimpianti SpA or for the interruption of the activities or they have no realistic alternatives to said choices.

The Board of Statutory Auditors is responsible for overseeing, under the terms envisaged by the law, the process for the preparation of the Group's financial disclosure.

### **Responsibility of the independent auditing firm for the audit of the consolidated financial statements**

*Our* objectives are to acquire reasonable certainty that the consolidated financial statements as a whole do not contain significant errors, due to fraud or unintentional events or conduct, and the issue of an audit report which includes our opinion. Reasonable certainty is understood to be a high level of certainty which, nevertheless, does not provide the guarantee that an accounts audit carried out in compliance with the international audit standard (ISA Italy) always identifies a significant error, if existing. The errors may derive from fraud or unintentional events or conduct and are considered significant if it can reasonably be expected that they, individually or together, are able to influence the economic decisions of the users adopted on the basis of the consolidated financial statements.

Within the sphere of the accounts audit carried out in compliance with the international audit standard (ISA Italy), we have exercised our professional opinion and we have maintained professional scepticism for the entire duration of the accounts audit. Furthermore:

- we have identified and assessed the risks of significant errors in the consolidated financial statements, due to fraud or unintentional conduct or events; we have defined and carried out audit procedures in response to these risks; we have acquired sufficient and appropriate evidence on which to base our opinion. The risk of not identifying a significant error due to fraud is higher than the risk of not identifying a significant error deriving from unintentional conduct or events, since fraud may imply the existence of collusion, falsifications, intentional omissions, misleading representations or manipulations of the internal audit;
- we have acquired an understanding of the internal control relevant for the purposes of the accounts audit with the purpose of defining audit procedures in keeping with the circumstances and not so as to express an opinion on the effectiveness of the internal control of the Group;
- we have assessed the appropriateness of the accounting standards used as well as the reasonableness of the accounting estimates made by the directors, including the related disclosure;
- we reached a conclusion on the appropriateness of the use by the Directors of the supposition of the business as a going-concern and, on the basis of the evidence acquired, on the possible existence of significant uncertainty with regard to events or circumstances which may give rise to significant doubts on the ability of the Group to continue to operate as a going-concern. In the event of significant uncertainty, we are required to highlight the related financial statement disclosure in our audit report, or, if said disclosure is inadequate, we must reflect this when formulating our opinion



Our conclusions are based on the evidence acquired up until the date of this report. Nevertheless, subsequent events or circumstances may mean that the Group ceases to operate as a going-concern;

- we have assessed the presentation, structure and content of the consolidated financial statements in their entirety, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events so as to provide a correct representation;
- we have acquired sufficient and appropriate evidence on the financial information of the companies or the different economic activities carried out within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, supervision and performance of the Group's account audit appointment. We are the only ones responsible for the audit opinion on the consolidated financial statements.

We have informed those responsible for *the governance* activities identified at an appropriate level as required by the ISA Italy, amongst other aspects, of the extent and timescale planned for the accounts audit and the significant results emerging, including any significant shortfalls in the internal control identified during the accounts audit.

#### ***Report on other legal and regulatory provisions***

#### ***Opinion as per Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10***

The directors of Euroimpianti SpA are responsible for preparing the report on operations of the Group as at 31 December 2022, and for its consistency with the related consolidated financial statements and compliance with the law.

We carried out the procedures indicated in audit standard No. 720B (SA Italy) for the purpose of expressing an opinion on the consistency of the directors' report with the consolidated financial statements of the Euroimpianti Group as at 31 December 2022 and on the compliance of the same with the legal provisions as well as issuing a declaration on any significant errors.

In our opinion, the report on operations is consistent with the consolidated financial statements of the Euroimpianti Group as at 31 December 2022, and has been prepared in compliance with the law.

With reference to the declaration as per Article 14.2, letter e) of Italian Legislative Decree No. 39/10, issued on the basis of the knowledge and understanding of the company and the related context acquired during the audit activities, we have nothing to report.

Turin, 17 March 2023  
PricewaterhouseCoopers SpA  
[Signature]

Piero De Lorenzi  
(Statutory audit)



AEROPORTO VALERIO CATULLO DI VERONA VILAFRANCA S.P.A. - Catullo Terminal Redevelopment, Verona

AEROPORTO VALERIO CATULLO DI  
VERONA VILAFRANCA S.P.A. - Catullo  
Terminal Redevelopment, Verona

04





## **EUROIMPIANTI S.P.A. FINANCIAL STATEMENTS**

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# STATEMENT OF ASSETS AND LIABILITIES

## ASSETS

(Amounts in €/000)	Notes	31/12/22	31/12/21
<b>Assets</b>			
<b>Non-current assets</b>			
1. Intangible assets	1		
a. goodwill		-	-
b. other intangible assets		3	6
c. concessions - non-compensated revertible assets		-	-
<b>3. Total intangible assets</b>		<b>3</b>	<b>6</b>
2. Tangible assets	2		
a. buildings, plants, machinery and other assets		967	1,001
b. investment property		-	-
c. rights of use assets		3,042	2,838
<b>Total tangible assets</b>		<b>4,009</b>	<b>3,839</b>
3. Non-current financial assets	3		
a. investments in subsidiaries		6	6
b. Investments in jointly controlled and associate companies		71	71
c. other shareholdings		4	6
d. other non-current financial assets		10,832	4,555
<b>Total non-current financial assets</b>		<b>10,913</b>	<b>4,638</b>
4. Deferred tax assets	4	235	324
<b>Total non-current assets</b>		<b>15,160</b>	<b>8,807</b>
<b>Current assets</b>			
5. Inventories and contractual assets	5	33,191	23,576
6. Trade receivables	6	42,961	40,569
7. Current tax assets	7	202	32
8. Other receivables	8	2,947	2,594
9. Current financial assets	9	72	66
<b>Total</b>		<b>79,373</b>	<b>66,837</b>
10. Cash and cash equivalents	10	16,218	13,194
<b>Subtotal current assets</b>		<b>95,591</b>	<b>80,031</b>
11. Discontinued operations/Non-current assets held for sale		-	-
<b>Total current assets</b>		<b>95,591</b>	<b>80,031</b>
<b>Total Assets</b>		<b>110,751</b>	<b>88,838</b>



## LIABILITIES

(Amounts in €/000)	Notes	31/12/22	31/12/21
<b>Net equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>11</b>		
1. Shareholders' equity			
a. share capital		5,000	5,000
b. retained earnings		15,230	16,747
<b>Total net equity</b>		<b>20,230</b>	<b>21,747</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
3. Provisions for risks and charges and Employee benefits	12	16,273	5,949
4. Other payables and contractual liabilities		-	-
5. Bank debt		-	-
7. Other financial liabilities	13	1,533	1,436
8. Deferred tax liabilities	14	45	46
<b>Total non-current liabilities</b>		<b>17,851</b>	<b>7,431</b>
<b>Current liabilities</b>			
9. Trade payables	15	41,745	36,200
10. Other payables	16	27,126	20,705
11. Bank debt		-	-
12. Other financial liabilities	17	439	305
13. Current tax liabilities	18	3,360	2,450
<b>Total current liabilities</b>		<b>72,670</b>	<b>59,660</b>
<b>Total liabilities</b>		<b>90,521</b>	<b>67,091</b>
<b>Total liabilities and net equity</b>		<b>110,751</b>	<b>88,838</b>

# INCOME STATEMENT

(Amounts in €/000)	Notes	31/12/22	31/12/21
<b>Revenues</b>	<b>19</b>		
1. customer contract revenue		118,574	153,514
2. changes to work in progress, semi-finished and finished products		-	-
3. other revenue	19.1	2,242	5,083
<b>Total Revenue</b>		<b>120,816</b>	<b>158,597</b>
4. Payroll expenses	20	(11,242)	(10,392)
5. Costs for services	21	(71,906)	(104,101)
6. Costs for raw materials	22	(19,536)	(31,811)
7. Other costs	23	(1,151)	(1,819)
8. Amortisation, depreciation and write-downs	24	(721)	(746)
9. Other provisions for risks and charges	25	-	(84)
<b>EBIT</b>		<b>16,260</b>	<b>9,644</b>
10. Financial income:	26.1		
a. from equity investments		-	-
b. others		63	92
11. Financial expenses:	26.2		
a. interest expense		(36)	(42)
b. others		(10,239)	(2,589)
12. Profit (loss) of companies accounted for by the equity method:		-	-
<b>Profits (Loss) before taxes</b>		<b>6,048</b>	<b>7,105</b>
13. Taxes	27		
a. Current taxes		(4,718)	(3,053)
b. Deferred taxes		(30)	(67)
<b>Profit (loss) for the year</b>		<b>1,300</b>	<b>3,985</b>
<b>Earnings per share</b>	<b>28</b>		
<i>Earnings (loss) per share (Euro unit)</i>		<i>0.26</i>	<i>0.80</i>

# STATEMENT OF COMPREHENSIVE INCOME

(Amounts in €/000)	31/12/22	31/12/21
<b>Profit for the year (a)</b>	<b>1,300</b>	<b>3,985</b>
Actuarial profits (loss) on employee benefits (severance)	240	(136)
Shareholding fair value measurement		
Tax effect on profits (loss) not reclassified in the Income statement	(58)	33
<b>Profits (loss) not subsequently reclassified in the Income statement (b)</b>	<b>182</b>	<b>(103)</b>
Cash flow hedge reserves		
Foreign exchange reserves	2	
Tax effect on profits (loss) subsequently reclassified in the Income statement		
<b>Profits (loss) subsequently reclassified in the Income statement when certain conditions are met (c)</b>	<b>2</b>	
<b>Comprehensive economic results (a) + (b) + (c)</b>	<b>1,484</b>	<b>3,882</b>



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# STATEMENT OF CASH FLOWS

(Amounts in €/000)	31/12/22	31/12/21
<b>Cash and cash equivalents starting balance</b>	<b>13,194</b>	<b>11,539</b>
Changes in scope of consolidation	-	-
<b>"Adjusted " cash and cash equivalents starting balance (a)</b>	<b>13,194</b>	<b>11,539</b>
<b>Profits (loss)</b>	<b>1,300</b>	<b>3,985</b>
<b>Adjustments</b>		
Amortisation, depreciation and write-downs	721	746
Adjustment to provisions for employee benefits	435	352
(Utilisation)/ Provisions for risks	60	(43)
(Gains)/ Losses on the disposal of assets	(27)	(10)
(Gains)/ Losses on share sales	-	2
Financial asset (adjustments)/ Writedowns	10,195	2,569
<b>Operating Cash Flow (I)</b>	<b>12,684</b>	<b>7,601</b>
Net variation in deferred tax assets and liabilities	31	67
Changes in net working capital	345	259
Other general operating activities changes	(125)	(338)
<b>Changes in net working capital and other changes (II)</b>	<b>251</b>	<b>(12)</b>
<b>Liquidity generated (absorbed) by operating activities (I+II) (b)</b>	<b>12,935</b>	<b>7,589</b>
Investments in intangible assets	-	(9)
Investments in buildings, plants, machinery and other assets	(559)	(675)
Net divestiture of buildings, plants, machinery and other assets	27	8
<b>Net investments in tangible and intangible assets (III)</b>	<b>(532)</b>	<b>(676)</b>
Investments in non-current financial assets	(6,300)	(2,766)
Non-current financial asset divestiture	25	84
<b>Net investments in non-current financial assets (IV)</b>	<b>(6,275)</b>	<b>(2,682)</b>
<b>Extraordinary transactions (V)</b>	<b>-</b>	<b>-</b>
<b>Liquidity generated (absorbed) by investments (III+IV+V) (C)</b>	<b>(6,807)</b>	<b>(3,358)</b>
Change in other financial liabilities	(98)	(95)
Change in current financial assets/liabilities	(6)	19
Dividend distribution	(3,000)	(2,500)
<b>Liquidity generated (absorbed) by financial activities (d)</b>	<b>(3,104)</b>	<b>(2,576)</b>
<b>Cash and cash equivalents closing balance (a+b+c+d)</b>	<b>16,218</b>	<b>13,194</b>
<b>Taxes paid in the year</b>	<b>2,898</b>	<b>2,818</b>

# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(amounts in Euro)	Share capital	Legal reserve	"Fair value" revaluation reserves	Extraordinary reserve	Foreign exchange reserves	Severance actualisation reserve	FTA reserve	Retained earnings (loss)	Profit/(Loss) for the period	Shareholders' Equity
<b>31/12/2020</b>	<b>5,000</b>	<b>136</b>		<b>10,534</b>	<b>(1)</b>	<b>(36)</b>	<b>1,192</b>	<b>402</b>	<b>3,137</b>	<b>20,364</b>
Allocation of 2020 results		157		480				2,500	(3,137)	
Capital increase/decrease										
Dividend distribution								(2,500)		(2,500)
Other changes					1	(103)				(102)
Result for the period									3,985	3,985
<b>31 December 2021 Group leader's financial statements</b>	<b>5,000</b>	<b>293</b>		<b>11,014</b>		<b>(139)</b>	<b>1,192</b>	<b>402</b>	<b>3,985</b>	<b>21,747</b>
Allocation of 2021 results		199		786				3,000	(3,985)	
Capital increase/decrease										
Dividend distribution								(3,000)		(3,000)
Reclassifications										
Other changes				(1)	2	182				183
Result for the period									1,300	1,300
<b>30 September 2022 Group leader's financial statements</b>	<b>5,000</b>	<b>492</b>		<b>11,799</b>	<b>2</b>	<b>43</b>	<b>1,192</b>	<b>402</b>	<b>1,300</b>	<b>20,230</b>

# NOTES TO THE FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

Euroimpianti S.p.A. prepared the financial statements for 2022 that are submitted for legal audit to Pricewaterhouse Coopers S.p.A..

### PREPARATION CRITERIA AND CONTENT OF THE SEPARATE FINANCIAL STATEMENTS

Therefore, the financial statements were prepared - based on that defined by Legislative Decree no. 38, art. 3, paragraph 2, dated 28/02/2005 - in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Commission. IFRS also means all the reviewed international accounting criteria ("IAS"), all the International Financial Reporting Interpretations Committee interpretations ("IFRIC"), previously called Standing Interpretations Committee ("SIC"). The comparative figures referring to the previous year also comply with the aforementioned accounting standards.

The separate financial statements for the 2022 financial year have been prepared on a going concern basis as there is a reasonable expectation that Euroimpianti will continue its operations in the foreseeable future and in any case over a time frame of more than 12 months.

The financial statements consist of the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in equity and the notes to the financial statements, applying the provisions of IAS 1 "Presentation of financial statements" and the general criterion of historical cost, except for items in the financial statements that, in accordance with IFRS, are measured at fair value as

indicated below in the accounting criteria.

The Statement of Financial Position is presented based on the layout that divides current and non-current assets and liabilities, while costs are presented in the Income Statement using the classification based on their nature. The Statement of Cash Flows is presented using the indirect method.

The tables in the Notes to the financial statements are expressed in thousands of Euro, unless otherwise specified.

\* \* \*

### ACCOUNTING POLICIES

#### Intangible assets

"Other intangible assets", posted at cost, are systematically depreciated based on a period in which it is assumed the assets will be used by the company.

They are posted at purchase or production cost including accessory costs and are systematically depreciated for the period of their foreseen future working life.

In particular, software costs (posted under Statement of Financial Position asset item "Industrial patents and intellectual property rights") refer to costs for the purchase of basic software and licenses and are directly depreciated with an annual rate of 33.33% and 20% respectively. This depreciation is deemed consistent with the intensity of use and program working life.

If events occur that lead to the presumption of a loss in intangible asset value, the difference between the book value and relevant "recovery value" is posted in the Income statement.



## Tangible assets

Assets are posted at purchase or production cost (including directly attributable accessory costs) and include the relevant directly attributable financial charges necessary to make the assets available for use.

Depreciation rates used to systematically divide the depreciable value of tangible assets based on the working lives are the following:

Category	Rate
Land	not depreciated
Civil and industrial buildings	3%
General plants	10%
Specific plants	15%
Temporary construction	12.5%
Various equipment	40%
Metallic formworks	25%
Mechanical excavators and shovels	20%
Transport vehicles	20%
Office furniture and machines	12%
Electric/electronic office machines	20%
Cars, vehicles, etc.	25%

Rates for new investments during the year were reduced by 50% since it is believed that this is a reasonable approximation of the average share of possession and thus of their participation in the production process.

With reference to non-civil buildings, the land item was separated from buildings; in lack of a value for land in purchase contracts, this value was calculated as set by law no. 286 dated 24 November 2006. This consideration is consistent with the component analysis required by IAS 16.

Routine tangible asset maintenance costs are posted in the Income Statement in the year in which they are sustained.



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Pedemontana Lombarda Highway

## Rights of use

Based on the provisions of IFRS 16, the accounting representation of passive lease contracts (which do not constitute the provision of services) takes place through the recognition in the Statement of Financial Position of a liability of a financial nature, represented by the present value of the future rents, against the inclusion in the asset of the right of use of the leased business.

IFRS 16 introduces the concept of "right of use" which determines - regardless of the contractual form - the obligation to post the right of use under assets and the debt corresponding to the present value of the future fees.

Assets and liabilities must be recognised at the present value of the contractually owed fees, taking

into account both the possible renewal and the final option to purchase the asset.

In the lessee's income statement, the depreciation charge for the right of use entered in the asset will always be recognised, on which the right of use is based on the duration of the contract. Also in the income statement, interest expense corresponding to the debt entered in the liability must be recognised, using the amortised cost method.

For contracts falling due within 12 months (*short-term lease*) and contracts for which the underlying assets are configured as low-value assets (i.e. the assets underlying the lease contracts do not exceed Euro 5 thousand as new/USD 5 thousand) the introduction of IFRS 16 did not entail the recognition of the financial liability of the lease and the related right of use, but the lease payments are recognised in the income statement on a straight-line basis for the duration of the respective contracts

### Financial assets

Consistent with the provisions of IFRS 9, financial assets are classified in the following three categories:

- Financial assets valued at amortised cost (AC) using the effective interest method: these assets are part of a hold to collect business model and generate contractual cash flows that have Principal and Interest nature. This category includes financial assets other than derivatives such as loans and receivables with fixed or determinable payments that are not listed on an active market. Discounting is omitted when the effect is irrelevant. Interest-bearing loans granted are included.
- Financial assets measured at fair value with changes in fair value recognised in the comprehensive income statement (FVOCI): these assets fall within a hold to collect and sell business model and generate contractual cash flows that have Principal and Interest nature. This category also includes minority interests, as irrevocably designated pursuant to IFRS 9, other than equity instruments that are not held for trading and are not a contingent consideration arising in the context of a

business combination. For the latter, contrary to what generally happens in the category of financial assets in FVOCI, the profits and losses recognised in the Statement of Comprehensive Income are not subsequently transferred to the income statement, although the accumulated profit or loss can be transferred within shareholders' equity; furthermore, these minority interests are not subject to impairment accounting. Dividends from these are in any case recorded in the income statement, unless they clearly represent a recovery of part of the cost of the investment.

- Financial assets measured at fair value with changes in fair value recognised in the income statement (FVPL): this category is residual and includes all financial assets other than those measured at amortised cost and at fair value with changes in fair value recognised in the comprehensive income statement. Financial assets without an interest component, including investments in investment funds, fall into this category.

### Equity investments in subsidiaries, jointly controlled and associated companies

Equity investments in subsidiaries, jointly controlled and associated companies are measured according to the "cost" criterion. If there are signs of loss of value by means of suitable evaluation tests, the posted value is aligned. The original value is reinstated in subsequent accounting periods, if the reasons for the adjustments made cease to exist.

### Licensed services

Based on contract agreements (Concessions) under the application of IFRIC 12, the concession holder operates as service provider for (i) the construction and/or improvement of the infrastructure used to provide the public service and (ii) its management and maintenance, for a certain period of time. Consequently, the construction and improvement of the infrastructure is similar to that of a construction company; therefore, during the period in which these services are rendered, the construction revenues and costs are posted in the Income Statement as per IFRS 15.

As set forth by IFRIC 12, for construction and/or improvement services rendered by the concession holder, the assignor will recognise a fee for the concession holder, to be posted at its fair value, that can consist in rights on:

- a. financial asset (so-called financial asset model); or
- b. an intangible asset (so-called intangible asset model).

Euroimpianti applies the financial activity model since it has an unconditional right to receive contractually guaranteed cash flows (so-called "Guaranteed minimum") for construction services, regardless of the actual use of the infrastructure, as a concession holder.

#### **Non-current assets held for sale/discontinued operations**

"Non-current assets held for sale or disposal groups" the book value of which will be recovered mainly through sale rather than through their continuous use are classified as held for sale and are shown separately from other assets and liabilities in the Balance Sheet. The corresponding balance sheet values of the previous year are not reclassified in the Statement of Financial Position, but are indicated where they are significant in the comment on the individual items in the Notes to the financial statements.

A "Discontinued Operation" represents a part of the entity that has been disposed of or classified as held for sale, and:

- represents an important business unit or geographical business area;
- it is part of a coordinated plan for the disposal of an important business unit or geographical business area;
- is a subsidiary acquired exclusively for the purpose of being resold.

The results of discontinued operations - whether disposed of or classified as held for sale - are shown separately in the income statement, net of tax ef-

fects. The corresponding values for the previous year, if any, are reclassified and shown separately in the income statement, net of tax effects, for comparative purposes. Non-current assets held for sale or disposal groups classified as held for sale are first recognised in accordance with the specific reference IFRS applicable to each asset and liability and subsequently recognised at the lower of the book value and the related fair value, net of sales costs.

Any subsequent impairment losses are recognised directly as an adjustment to non-current assets or disposal groups classified as held for sale with a balancing entry in the Statement of Comprehensive Income.

On the other hand, a reversal is recognised for each subsequent increase in the fair value of an asset net of sales costs, but only up to the amount of the impairment loss previously recognised.

#### **Inventories and contractual assets**

##### **Raw, ancillary and consumable materials and semi-finished, finished products and goods**

Inventories are measured at the lower of purchase or production cost, determined according to the method of the **average weighted cost** of the period, and the **net realizable value**.

##### **Contract work in progress /Contractual assets**

These are measured, based on agreed fees, according to construction/production progress at the date of reference of the accounting situation, according to the "percent completion" method determined with the physical measurement method. Advances paid by purchasers are detracted from the value of inventories within the limit of the fees accrued; the excess part is posted under liabilities. Any expected losses are posted in the Income statement.

Requests for additional fees due to changes to contract work and other claims due, for example, for higher charges sustained for reasons attributable to the purchaser, are posted in the financial statements for the entire fee amount when and to the extent of probability the counter-party accepts them.

### Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, including cheques and bank deposits payable on sight. Equivalents are represented by financial investments maturing by or before a three-month period (from purchase date), readily convertible in liquid funds and with a negligible risk of change to their value.

Cash and cash equivalents are recorded, according to their nature, at face value or the amortised cost.

### Financial liabilities

Financial liabilities include loans, bonds, derivative financial instruments, financial payables deriving from the application of IFRS 16 and other payables of this nature.

They are posted, when granted, at fair value net of any attributable costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method with the exception of derivative financial instruments (other than derivative financial instruments designated as effective hedging instruments) and financial liabilities designated to FVPL, which are accounted for at fair value with changes in fair value recognised in the income statement.

### Provisions for risks and charges

Provisions for risks and charges concern costs and charges of a given type and of certain or probable existence, which on the closing date of the reference period are undetermined in terms of amount or due date. Allocations are recognized when: (i) there is a current, legal or implicit obligation which originates from a past event; (ii) it is probable that fulfilment of the obligation will be onerous; (iii) the amount of the obligation can be estimated reliably.

Allocated provisions represent the best estimate of the amount necessary to meet the obligation or to transfer it to third parties on the closing date of the reference period. Should the financial effect be significant in time and the obligation payment dates be reliably estimated, provisions are actualised.

The Notes to the financial statements also illustrate any potential liabilities represented by: (i) possible (but not probable) obligations, due to past events, the existence of which will only be confirmed if and when one or more uncertain future events are fully under the control of the Company; (ii) current obligations due to past events, the amounts of which cannot be reliably estimated or whose occurrence is probably not burdensome.



ACC AMPLIAMENTO CENTRO CAVAGNARI S.C.A.R.L - EXPANSION OF CARIPARMA CENTER, PARMA



## Employee benefits (Severance indemnity)

Severance Indemnity ("TFR") is defined as a defined benefit plan, valued using actuarial techniques using the "projected unit credit method". It should be noted that from 1 January 2007 this liability refers exclusively to the portion of TFR, accrued up to 31 December 2006, which following the supplementary pension reform (Legislative Decree 5 December 2005, no. 252) continues to constitute an obligation of the company. Following the entry into force of the aforementioned reform by Law of 27 December 2006, no. 296 (2007 Budget Law), the liability, since it refers to a service that has now fully matured, was recalculated without applying the pro-rata of the service provided and without considering, in the actuarial statement, the component relating to future salary increases. The recognition of changes in actuarial gains/losses is recognised among the other components of the Statement of Comprehensive Income. The cost of labour as well as interest expense relating to the "time value" component in the actuarial calculations remain recorded in the income statement. The portion of severance indemnity paid to supplementary pension funds and to the INPS Treasury fund is considered a defined contribution fund since the company's obligation to the employee ceases with the payment of the maturing amounts to the pension funds.

## Revenues

Revenues represent the gross flows of economic benefits for the year deriving from the performance of ordinary activities.

Revenues are recognised at a given time (point in time) or over time (over time), when the company meets the performance obligations by transferring the goods and services to its customers; the process underlying the recognition of revenues follows the five phases required by IFRS 15: (i) identification of the contract with the customer; (ii) identification of the performance obligations therein; (iii) determination of the transaction price; (iv) allocation of the price to the various contractual performance obligations and (v) recognition of the revenue when the relative performance obligation is satisfied. In particular:

## Sales revenue

With reference to the sale of assets, the Company records the revenue when it transfers control of the asset to its customer; this moment generally coincides with the obtaining of the right to payment by the Company and with the transfer of the material possession of the property, which incorporates the transfer of the risks and significant benefits of the property.

## Service revenue

Revenues for the provision of services are recognised on the basis of the amount accrued, determined with reference to the state of completion of the service.

## Contract revenue

The recognition of revenues related to work in progress on order is carried out using the percentage of completion criteria.

## Financial income

Interest income is calculated on the value of the related financial assets using the effective interest rate.

## Dividends

Dividends paid by non-consolidated companies are posted when the right to receive payment is set, corresponding to the distribution resolution by the subsidiary's Shareholders' Assembly.

Any dividend advances are posted when distribution is resolved by the subsidiary's Board of Directors.

## Grants

Grants are posted when reasonable certainty exists that they will be received and all the related distribution conditions are satisfied. Capital grants are posted in the Statement of Financial Position as an offset to the asset posting to which they refer. Working grants are posted as income and systematically divided over the various years to compensate associated costs.

## Financial expenses

Financial expenses are posted - by accrual - as costs in the year in which they are sustained except for those that are directly attributable to the construction of reversible assets and other assets that are, therefore, capitalised as an integral part of production cost. Financial charge capitalisation begins when work is in progress to prepare the asset for its use and is interrupted when these assets are substantially completed.

## Income taxes

Current and deferred taxes are posted in the Income statement if not associated with operations directly posted in net equity.

Income taxes are posted based on an estimate of taxable income and in compliance with the provisions of tax laws.

"Deferred tax liabilities" and "Deferred tax assets" are calculated - according to IAS 12 - on the time differences between the value recognised for tax purposes on an asset or liability and its book value in the Statement of Financial Position, should it be probable - in the foreseeable future - that these differences cease to exist.

The amount of "deferred tax liabilities" or "deferred tax assets" is determined based on tax rates - set by current tax laws at the date of reference of the single account postings - expected to be applied in the period in which the tax asset is realised or the tax liability extinguished.

Deferred tax assets are posted when their recovery is probable.

Deferred tax assets and deferred tax liabilities are compensated in the Statement of Financial Position if legally admissible.

## Derivative financial instruments

Derivative financial instruments are assets and liabilities posted at fair value. The fair value of derivative financial instruments is determined by discounting expected cash flows, using the market interest rate curve at the reporting date and the curve of the listed credit default swaps of the counter-party, to include the risk of non-performance explicitly envisaged by IFRS 13.

Derivatives are classified as hedge instruments when the relationship between the derivative and the subject being hedged is formally documented and the effectiveness of the hedge, which is periodically verified, is high. When the hedge covers the hedge fair value variation risk (*fair value hedge*; i.e.: hedge on fixed rate asset/liability fair value variability), hedges are posted at fair value with the effects posted in the Income statement; consistently, hedges are adjusted to reflect the fair value variations associated with the covered risk. When hedges cover cash flow variation risks (*cash flow hedge*; i.e.: hedge on floating rate asset/liability cash flow variability), hedge fair value variations are initially posted under net equity and later in the income statement consistent with the economic effects produced by the covered operation. Hedge *fair value* variations that do not meet the condition to be qualified as hedges are posted in the income statement.

## Asset value losses (impairment test)

Company asset book values are measured at each year end to determine whether there are indications of value loss (or in the event of impairment indicators), in which case the recoverable value of the asset is estimated. Impairment is posted in the Income statement when the book value of an asset or generating unit of cash flows exceeds the recoverable value.



*Intangible assets with an indefinite useful life* (goodwill) are tested annually and whenever there is an indication of a possible impairment in value in order to determine whether such impairment exists.

The *recoverable value of non-financial assets* is recorded at the greater of its fair value, net of sales costs, and its use value. For the determination of use value, estimated future cash flows are actualised using a discount rate that reflects the current market value of money and risks associated with the type of asset. For assets that do not generate incoming cash flows that are widely independent, the recoverable value of the cash flow generating unit the asset belongs to is calculated.

When, subsequently, an impairment on an asset other than goodwill and other assets with indefinite working life, no longer exists or decreases, the asset accounting value or cash-generating unit is increased to the revised estimate of the recoverable value and cannot exceed the value that would have been determined, net of depreciation, if, in previous years, no impairment loss had been recognised. The reversal is recognised immediately in the income statement.

### Conversion of currency items

The economic and financial situations of Euroimpianti and its branches are drawn up using the functional currency relating to the economic context in which

each company operates. Transactions in currencies other than the functional currency are posted at the exchange rate on the date of the transaction. For the purpose of transferring the balances of branches to the head office, the conversion of the Statement of Financial Position with functional currencies other than the Euro occurs by applying to the assets and liabilities, the exchange rate existing at the closing date of the financial year and to income statement items the average exchange rates for the year or the reference period, if lower.

The business' account balances expressed in the local currency were converted into Euro at the exchange rate at the end of the year as per IAS 21 principle.

The positive and negative differences due to the conversion in Euro at the end of the year must be posted to a net equity reserve named "Foreign exchange reserves" and are recognised in the Statement of Comprehensive Income.

The main exchange rates applied during the period for the conversion of economic/financial situations with functional currencies other than the euro are those published by the Bank of Italy and indicated in the following table:

Currencies	Spot exchange rate as at 31 December 2022	Average annual exchange rate 2022
Euro/Romania - Ron	4.9495	4.9313
Euro/Danimarca - Danish Kroner	7.4365	7.4396

### Earnings per share

Basic earnings per share are calculated by dividing the company's share of profit or loss by the weighted average number of the shares outstanding during the year.

### Estimates and measurements

Estimates and assumptions were made which influence the values of the assets and liabilities of the financial statements and the information regarding potential assets and liabilities at the date of the financial statements to draft these financial statements and the relevant notes. The final results may differ from such estimates. The estimates are used, among other things, for the "fair value" measurement of financial assets and liabilities, for the impairment test, for assessing the probability of the recognition by customers of requests for additional fees arising from changes to the contractually foreseen works and other claims deriving, for example, from higher charges incurred for causes attributable to customers, for actuarial valuations as well as to detect depreciation, asset impairment, deferred taxation, provisions for risks. The estimates and assumptions are reviewed periodically, and the variations are immediately reflected in the income statement.

\* \* \*

These accounting policies were homogeneously applied and consistent with the preparation of these financial statements.

As per art. 5, paragraph 2 of Legislative Decree no. 38 dated 28 February 2005 and according to paragraph 46 of IAS 1, please note that these financial statements are expressed in thousands of Euro. For Euroimpianti, the Euro represents the "functional currency" and coincides with the "presentation currency".

## ACCOUNTING POLICIES, AMENDMENTS AND INTERPRETATIONS OF IFRS APPLIED FROM 1 JANUARY 2022

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group as of 1 January 2022:

- On May 14, 2020, the IASB published the following amendments called:
  - » **Amendments to IFRS 3 Business Combinations:** the amendments aim to update the reference in IFRS 3 to the *Conceptual Framework* in the revised version, without this entailing changes to the provisions.
  - » **Amendments to IAS 16 Property, Plant and Equipment:** the amendments are intended not to allow the amount received from the sale of goods produced in the test phase of the activity to be deducted from the cost of tangible assets. These sales revenues and the related costs will therefore be recognised in the income statement.
  - » **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets:** the amendment clarifies that in the estimate of the possible cost of a contract, all costs directly attributable to the contract must be considered. As a consequence, the valuation of the possible cost of a contract includes not only incremental costs (such as, for example, the cost of the direct material used in the processing), but also all the costs that the company cannot avoid as it has entered into the contract (such as, for example, the share of the depreciation of the machinery used for the fulfilment of the contract).
  - » **Annual Improvements 2018-2020:** the amendments were made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples of IFRS 16 Leases.

The accounting adoption of these improvements did not have any significant effect on the company's financial statements.

## ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS IFRS OR IFRIC APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORY AND NOT ADOPTED IN ADVANCE BY THE GROUP AT 31 DECEMBER 2022

- On 18 May 2017, the IASB published **IFRS 17 - Insurance Contracts**, which is intended to replace IFRS 4 - *Insurance Contracts*.

The objective of the new standard is to ensure that an entity provides relevant information that accurately represents the rights and obligations arising from insurance contracts it has issued. The IASB developed the standard to eliminate inconsistencies and weaknesses in existing accounting policies by providing a single principle-based framework to account for all types of insurance contracts, including reinsurance contracts, that an insurer holds.

The new standard also includes presentation and disclosure requirements to improve comparability between entities belonging to this sector.

The new principle measures an insurance contract on the basis of a General Model or a simplified version called the Premium Allocation Approach ('PAA').

The main features of the General Model are:

- » estimates and assumptions of future cash flows are always the current ones;
- » measurement reflects the time value of money;
- » estimates involve extensive use of observable market information;
- » there is a current and explicit measurement of risk;
- » the expected profit is deferred and aggregated into groups of insurance contracts at initial recognition; and,
- » the expected profit is recognised over the contractual hedging period, taking into account adjustments resulting from changes in the cash flow assumptions for each group of contracts.

The PAA approach provides for the measurement of the liability for residual coverage of a group of insurance contracts on condition



AEROPORTO VALERIO CATULLO DI VERONA VILLAFRANCA S.P.A. - Catullo Terminal Redevelopment, Verona

that, at the time of initial recognition, the entity reasonably expects that the liability is an approximation of the General Model. Contracts with a coverage period of one year or less are automatically eligible for the AAP approach. The simplifications resulting from the application of the AAP method do not apply to the valuation of liabilities for outstanding claims, which are measured with the General Model. However, it is not necessary to discount these cash flows if it is expected that the balance to be paid or collected will occur within one year from the date the claim occurred.

An entity must apply the new standard to insurance contracts it has issued, including reinsurance contracts issued, reinsurance contracts held and also investment contracts with a *discretionary participation* feature (DPF).

The standard will be applied from 1 January 2023 but early application is allowed only for companies that have applied in advance for IFRS 9 - *Financial Instruments* e IFRS 15 - *Revenue from Contracts with Customers*.

The directors do not expect a significant effect on the company's financial statements from the adoption of this standard.

- On December 9, 2021, the IASB published an amendment called "**Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information**". The amendment is a transition option relating to comparative information on financial assets presented at the date of initial application of IFRS 17. The amendment is intended to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts, and thus

to improve the usefulness of comparative information for financial statement readers. The changes will apply from 1 January 2023, together with the application of IFRS 17.

The directors do not expect a significant effect on the company's financial statements from the adoption of this amendment.

- On February 12, 2021, the IASB published two amendments called "**Disclosure of Accounting Policies-Amendments to IAS 1 and IFRS Practice Statement 2**" and "**Definition of Accounting Estimates-Amendments to IAS 8**". The changes are intended to improve *disclosure on accounting policies* so as to provide more useful information to investors and other primary users of the financial statements as well as to help companies distinguish changes in accounting estimates from changes in *accounting policy*. The amendments will apply as of 1 January 2023 but early application is allowed.

The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of these amendments.

- On May 7, 2021, the IASB published an amendment called "**Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction**". The document clarifies how deferred taxes on certain transactions that can generate assets and liabilities of the same amount, such as leasing and decommissioning obligations, are to be accounted for. The amendments will apply as of 1 January 2023 but early application is allowed.

The directors do not expect a significant effect on the company's financial statements from the adoption of this amendment.

## ACCOUNTING POLICIES, AMENDMENTS AND INTERPRETATIONS OF IFRS NOT YET APPROVED BY THE EU

On the reporting date of this document, the European Union had not yet completed the approval process necessary for the adoption of the amendments and the principles described below.

- On January 23, 2020, the IASB published an amendment called "**Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current**" and on 31 October 2022 published an amendment entitled '**Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants**'. The documents aim to clarify how to classify debts and other short or

long term liabilities. The amendments come into effect from January 1, 2024; early application is however permitted.

The directors are currently considering the possible effects of the introduction of these amendments on the company's Financial Statements.

- On September 22, 2022, the IASB published an amendment called "**Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback**". The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction to avoid recognising an income or loss that relates to the retained right of use. The amendments will apply as of 1 January 2024 but early application is allowed.

The directors are currently considering the possible effects of the introduction of this amendment on the company's Financial Statements.

# INFORMATION ON THE BALANCE SHEET

## NOTE 1 - INTANGIBLE ASSETS

### b. Other intangible assets

This item is broken down below.

(in euro/000)	Other intangible assets		Total
	Rights from patents	Other assets	
<b>Book value:</b>			
as at 1st January 2021	19	304	323
Investments	9		9
Disposals			-
Reclassifications			-
Write-downs			-
Reversals			-
Other changes			-
<b>as at 31 December 2021</b>	<b>28</b>	<b>304</b>	<b>332</b>
<b>Provision for amortisation:</b>			
as at 1st January 2021	(17)	(304)	(321)
Grants			-
Reclassifications			-
Amortisation	(5)		(5)
Utilisations			-
Other changes			-
<b>as at 31 December 2021</b>	<b>(22)</b>	<b>(304)</b>	<b>(326)</b>



(in euro/000)	Other intangible assets		Total
	Industrial patent rights	Other assets	
<b>Book value:</b>			
<b>as at 1st January 2022</b>	<b>28</b>	<b>304</b>	<b>332</b>
Investments	-	-	-
Disposals	-	-	-
Reclassifications	-	-	-
Write-downs	-	-	-
Reversals	-	-	-
Other changes	-	-	-
<b>as at 31 December 2022</b>	<b>28</b>	<b>304</b>	<b>332</b>
<b>Provision for amortisation:</b>			
<b>as at 1st January 2022</b>	<b>(22)</b>	<b>(304)</b>	<b>(326)</b>
Grants	-	-	-
Reclassifications	-	-	-
Amortisation	(3)	-	(3)
Utilisations	-	-	-
Other changes	-	-	-
<b>as at 31 December 2022</b>	<b>(25)</b>	<b>(304)</b>	<b>(329)</b>

## NOTE 2 - TANGIBLE ASSETS

### 2.a - Buildings, plants, machinery and other assets

This item is broken down below:

(in euro/000)	Land	Buildings	Plants and machinery	Industrial and commercial equipment	Other assets	Total
<b>Book value:</b>						
as at 1st January 2021	44	175	261	1,660	241	2,381
Investments			3	267	67	337
Disposals			(2)	(77)	(29)	(108)
Reclassifications						-
Write-downs						-
Other changes			1			1
<b>as at 31 December 2021</b>	<b>44</b>	<b>175</b>	<b>263</b>	<b>1,850</b>	<b>279</b>	<b>2,611</b>
<b>Provision for amortisation:</b>						
as at 1st January 2021	-	(39)	(153)	(1,069)	(177)	(1,438)
Grants						-
Reclassifications						-
Amortisation		(5)	(24)	(208)	(24)	(261)
Utilisations			1	76	13	90
Other changes		(1)				(1)
<b>as at 31 December 2021</b>	<b>-</b>	<b>(45)</b>	<b>(176)</b>	<b>(1,201)</b>	<b>(188)</b>	<b>(1,610)</b>

(in euro/000)	Land	Buildings	Plants and machinery	Industrial and commercial equipment	Other assets	Total
<b>Book value:</b>						
<b>as at 1st January 2022</b>	<b>44</b>	<b>175</b>	<b>263</b>	<b>1,850</b>	<b>279</b>	<b>2,611</b>
Investments				312	2	314
Disposals			(43)	(237)		(280)
Reclassifications						-
Write-downs						-
Other changes				1		1
<b>as at 31 December 2022</b>	<b>44</b>	<b>175</b>	<b>220</b>	<b>1,926</b>	<b>281</b>	<b>2,646</b>
<b>Provision for amortisation:</b>						
<b>as at 1st January 2022</b>	<b>-</b>	<b>(45)</b>	<b>(176)</b>	<b>(1,201)</b>	<b>(188)</b>	<b>(1,610)</b>
Grants						-
Reclassifications						-
Amortisation		(5)	(22)	(222)	(28)	(277)
Utilisations			24	184		208
Other changes			(1)		1	-
<b>as at 31 December 2022</b>	<b>-</b>	<b>(50)</b>	<b>(175)</b>	<b>(1,239)</b>	<b>(215)</b>	<b>(1,679)</b>

Investments in the period, equal to Euro 314 thousand, mainly relate to industrial and commercial equipment.

No guarantees were issued on non-current assets held as at 31 December 2022.

## 2.c - Rights of use assets

This item is broken down below:

(in euro/000)	Building Licenses - book value	Vehicle Licenses - book value	Other assets Licenses - book value	Total
<b>Book value:</b>				
as at 1st January 2021	4,265	471	0	4,736
Investments	41	117		158
Disposals	(68)	(79)		(147)
Reclassifications	(51)	2		(49)
Write-downs				-
Other changes	(539)	(48)		(587)
as at 31 December 2021	3,648	463	-	4,111
<b>Provision for amortisation:</b>				
as at 1st January 2021	(906)	(166)	-	(1,072)
Reclassifications				-
Amortisation	(315)	(165)		(480)
Utilisations	68	79		147
Other changes	109	23		132
as at 31 December 2021	(1,044)	(229)	-	(1,273)



AUTOSTRADA DEI FIORI S.P.A. - Autostrada Dei Fiori Tunnel Lighting

(in euro/000)	Building Licenses - book value	Vehicle Licenses - book value	Other assets Licenses - book value	Total
<b>Book value:</b>				
<b>as at 1st January 2022</b>	<b>3,648</b>	<b>463</b>	<b>-</b>	<b>4,111</b>
Investments	463	164	-	627
Disposals	(78)	(72)	-	(150)
Reclassifications	8	13	-	21
Write-downs	-	-	-	-
Other changes	1	(20)	-	(19)
<b>as at 31 December 2022</b>	<b>4,042</b>	<b>548</b>	<b>-</b>	<b>4,590</b>
<b>Provision for amortisation:</b>				
<b>as at 1st January 2022</b>	<b>(1,044)</b>	<b>(229)</b>	<b>-</b>	<b>(1,273)</b>
Reclassifications	-	-	-	-
Amortisation	(293)	(148)	-	(441)
Utilisations	78	72	-	150
Other changes	-	16	-	16
<b>as at 31 December 2022</b>	<b>(1,259)</b>	<b>(289)</b>	<b>-</b>	<b>(1,548)</b>

In accordance with IFRS 16, the "rights of use" item includes passive leasing contracts which do not constitute the provision of services.

Investments in the period amounted to 627 thousand Euro.

## NOTE 3 - NON-CURRENT FINANCIAL ASSETS

### 3.a.b.c - Equity investments

Changes in equity investments during the period and the list of equity investments are shown in Annexes 1 and 2. The details of the investments are summarised below:

(in euro/000)	31/12/22	31/12/21
a) Subsidiaries	6	6
b) Jointly controlled and associated companies	71	71
c.1) Companies controlled by parent companies	3	5
c.2) Other companies	1	1
<i>Total c. other companies</i>	<i>68</i>	<i>70</i>
<b>Total Other Shareholdings</b>	<b>81</b>	<b>83</b>

The Company holds equity investments in eight consortium companies; these companies are non-profit as they act as an operational tool for the consortium companies, which cover all the costs incurred pro-quota, directly achieving the result of the activity carried out.

### 3.a - Subsidiaries

- **CERVIT IMPIANTI TECNOLOGICI - C.I.T. SCARL** - nominal stake held equal to € 6,179 Euro of the share capital of 10,000 Euro, equivalent to 61.79%.

The business purpose of the consortium company, established on July 5, 2018, is represented by the construction of works relating to mechanical, electrical and special railway systems for the construction of the connection of the Turin-Ceres line with the RFI network along Corso Grosseto, including the construction of the Grosseto stop and the completion of the Rebaudengo stop.

- **ECS MEP CONTRACTOR JV I/S** - 99.99% shareholding.

### 3.b - Jointly controlled and associated companies

- **A.C.I. ARGO COSTRUZIONI INFRASTRUTTURE S.C.P.A. - PERMANENT CONSORTIUM** share capital of 130,000.00 Euro (49.13% stake held).

A.C.I., a stable consortium wholly owned by companies belonging to Aurelia group, operates in name and on behalf of the consortium companies to participate in large public works market initiatives, having an S.O.A. certificate, with qualifications in 9 general categories (of which 4 for an unlimited amount) and in 8 specialist categories (of which 4 for an unlimited amount).

- **IGEA ROMAGNA SCARL** - nominal stake held equal to € 4,066 of the share capital of 20,000 Euro, equivalent to 20.33%.

On October 10, 2018 Euroimpianti S.p.A. participated in the establishment of the consortium company, Igea Romagna Scarl, whose corporate purpose is "the execution of the contract, which the Local Health Authority of Romagna, with registered office in Ravenna, has entrusted to the temporary business partnership consisting of Consortium of Production and Labour Cooperatives "Ciro Menotti" Scpa, Euroimpianti S.p.A. and Adriatica Costruzioni Cervese Cooperative



company, whose purpose is “the conclusion of a three-year framework agreement with a single economic operator for works to be carried out in the properties owned or used by the Local Health Authority of Romagna”.

- **GALEAZZI SCARL** - nominal stake held equal to € 3,400.00 Euro of the share capital of 10,000.00 Euro, equivalent to 34.00%.

The company’s purpose is “engineering services, construction of plant engineering works II section and completion and management and maintenance services of the New Galeazzi Hospital in Milan”.

### 3.c.1 - Companies controlled by parent companies

- **GRUGLIASCO SCARL** - nominal stake held equal to € 1,070 Euro of the share capital of 10,000 Euro, equivalent to 10.7%.

The corporate purpose of the consortium, established on 2 September 2019, is represented by the execution of the public-private partnership contract, through the financial leasing of public works for the design, financing and construction of the new university centre of Grugliasco (TO).

- **SAFE ROADS SCARL** - nominal stake held equal to Euro 1,417 of the share capital of Euro 10,000, equivalent to 14.17%.

The business purpose of the consortium, established on 25 March 2019, consists of

the execution of the contract awarded by ANAS S.p.A. called the “Four-year Framework Agreement for the supply and installation of “Smart Road” technological systems along the A/90 and A/91 motorway sections.

### 3.c.2 - Other companies

- **ARGENTEA GESTIONE S.C.P.A.** share capital of Euro 120,000 (0.01% stake held).

The company has as its main business purpose the implementation, on behalf and in the exclusive interest of the consortium member companies, of all the activities and services of the “global service” contract of the Brescia-Milan motorway link awarded to it by the concession holder Bre.Be.Mi..

- **BRESCIA MILANO MANUTENZIONI SCARL** - nominal stake held equal to € 1,300 of the share capital of 10,000 Euro, equivalent to 13.00%.

The business purpose of the consortium, established on 7 October 2014, is the execution of the works and maintenance of the technological, electrical, thermal and hydraulic, collection and tolling systems of the Brescia - Bergamo - Milano (Bre-Be-Mi) motorway awarded by Consorzio Argentea Gestioni S.c.p.A., holder of the maintenance and operations contract of said motorway.

### 3.d - Other non-current financial assets

These are represented by:

(in euro/000)	31/12/22	31/12/21
Loans to subsidiaries	8,690	2,390
Other loans to affiliated companies	168	135
Security deposits	82	66
Financial receivables from assignor IFRIC 12 - long-term share	1,863	1,935
Other receivables	29	29
<b>Total other non-current financial assets</b>	<b>10,832</b>	<b>4,555</b>

The item "Other non-current financial assets" is broken down as follows:

- **Loans to subsidiaries:** this refers to a non-interest bearing loan disbursed to ECS Mep Contractor JV I/S;
- **Amounts receivable from associated companies:** refer to non-interest bearing loans disbursed to Safe Roads Scarl of 107 thousand Euro and Igea Romagna Scarl of 61 thousand Euro;
- **Guarantee deposits** amounting to 82 thousand Euro.
- The item "**financial receivables from grantor IFRIC 12**" refers to the long-term portion of the Project Financing Giaveno-Piossasco financial receivables of 1,863 thousand Euro.
- **Other receivables** 29 thousand Euro;

## NOTE 4 - DEFERRED TAX ASSETS

This item amounts to Euro 235 thousand (Euro 324 thousand as at 31 December 2021) and assimilates deferred tax assets calculated on tax deductible negative income elements in years following the posting to the statutory income statement. Deferred tax assets are posted in the financial statements assuming their recovery through economic results in future years.

The items that during the year have given rise to such assets are represented by the amounts of taxable provisions and IRES tax loss.

Please see the following table for changes during the year:

(in euro/000)	31/12/22
Prepaid taxes as at 01/01/2022	324
Prepaid severance taxes (Actuary)	(58)
Deferred tax assets for the previous years	53
Deferred tax assets for the year	(84)
<b>Total deferred tax assets</b>	<b>235</b>

## NOTE 5 - INVENTORIES AND CONTRACTUAL ASSETS

These are represented by:

(in euro/000)	31/12/22	31/12/21
Raw materials, subsidiary materials and consumables	1,145	932
Work in progress on order/Contractual assets	31,942	22,564
Advances	104	80
<b>Inventory</b>	<b>33,191</b>	<b>23,576</b>

The **adjustment provisions** are against the possible risks of certain asset items due to disputes in progress with purchasers and losses that are expected to occur in the continuing work on a number of contracts in progress; their amount is considered adequate to risks and potential liabilities that could arise in relation to the value of inventories. Changes in "adjustment provisions" are provided in the following statement:

### Adjusting provisions

(in euro/000)	31/12/22	31/12/21
<b>Opening balance</b>	(50)	(165)
Provision for the year	-	-
Utilisation during the year	21	115
<b>Adjusting provisions</b>	<b>(29)</b>	<b>(50)</b>

### Contract work in progress net of advances

(in euro/000)	31/12/22	31/12/21
Net job order balance	31,942	22,564
Customer advances	(15,360)	(6,111)
<b>Total</b>	<b>16,582</b>	<b>16,453</b>

## NOTE 6 - TRADE RECEIVABLES

The details as at 31 December 2022 are summarised below:

(in euro/000)	31/12/22	31/12/21
Invoiced receivables	36,336	34,268
Receivables to be invoiced	6,806	6,482
Provision for bad debts	(181)	(181)
<b>Total trade receivables</b>	<b>42,961</b>	<b>40,569</b>

Trade receivables due to normal business operations essentially refer to work, material supplies, technical and administrative services and other services, etc. With regard to transactions with related parties, reference is made to the annex of relations with related parties. The doubtful debt reserves allocated in the financial statements are thus deemed consistent to the expected receivable collectability. The bad debt provision did not undergo any changes during the year.

## NOTE 7 - CURRENT TAX ASSETS

Tax receivables as at 31.12.2022 are broken down as follows:

(in euro/000)	31/12/22	31/12/21
Other tax receivables	48	32
Receivables from tax authorities for VAT	154	-
<b>Current tax assets</b>	<b>202</b>	<b>32</b>

## NOTE 8 - OTHER RECEIVABLES

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21
Receivables from suppliers (others)	9	30
Receivables from others	2,374	2,044
Accrued income and deferred expenses	553	507
Receivables from employees	11	-
Tax consolidation receivables	-	13
<b>Total other receivables</b>	<b>2,947</b>	<b>2,594</b>

The item "Accrued income and prepaid expenses" mainly refers to prepaid expenses on insurance.

## NOTE 9 - CURRENT FINANCIAL ASSETS

(in euro/000)	31/12/22	31/12/21
Financial receivables from assignor IFRIC 12 - current share	72	66
<b>Total Current financial assets</b>	<b>72</b>	<b>66</b>

The item refers to the short-term portion of the IFRIC 12 financial receivable (Giaveno-Piosasco).

## NOTE 10 - CASH AND CASH EQUIVALENTS

These are represented by:

(in euro/000)	31/12/22	31/12/21
Bank and post office deposits	16,179	13,160
Cash and valuables on hand	39	34
<b>Cash and cash equivalents</b>	<b>16,218</b>	<b>13,194</b>

Interest rates on bank and postal current accounts are market rates.

## NOTE 11 - NET EQUITY

(in euro/000)	31/12/22	31/12/21
<b>Share capital</b>	<b>5,000</b>	<b>5,000</b>
<b>Legal reserve</b>	<b>492</b>	<b>293</b>
<i>Fair value reserves</i>	-	(1)
<i>Extraordinary reserve</i>	11,799	11,014
<i>FTA reserve</i>	1,192	1,192
<i>Exchange rate reserves</i>	2	1
<i>Severance actualisation reserve</i>	43	(139)
<b>Other reserves</b>	<b>13,036</b>	<b>12,067</b>
<b>Retained earnings</b>	<b>402</b>	<b>402</b>
<b>Profits /(Loss)</b>	<b>1,300</b>	<b>3,985</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>20,230</b>	<b>21,747</b>

### 11.1 - Share capital

The share capital as at 31 December 2022, fully subscribed and paid-in, comprises 5,000,000 ordinary shares with a par value of Euro 1 each totalling Euro 5,000 thousand.

## 11.2 - Reserves

Changes are summarised in the following table (values in thousands of Euro):

(in euro/000) Share Reserve	31/12/21	Increases	Decreases	31/12/22
Legal reserve	293	199	-	492
<b>Other reserves</b>	<b>12,067</b>	<b>969</b>	-	<b>13,036</b>
"Fair value" revaluation reserves	-	-	-	-
Extraordinary reserve	11,014	785	-	11,799
Foreign exchange reserves	-	2	-	2
Severance actualisation reserve	(139)	182	-	43
FTA reserve	1,192	-	-	1,192
Retained earnings	402	-	-	402
<b>Profit for the year</b>	<b>3,985</b>	<b>1,300</b>	<b>(3,985)</b>	<b>1,300</b>
<b>Total reserves</b>	<b>16,747</b>	<b>2,468</b>	<b>(3,985)</b>	<b>15,230</b>

### 11.2.2 - Legal reserves

The increase is attributable to the resolution of the Ordinary Shareholders' Meeting of April 14, 2022 with which the statutory profit for the 2021 financial year, equal to 3,985 thousand Euro, was allocated to a legal reserve for 199 thousand Euro, to an extraordinary reserve for 786 thousand Euro and to a dividend for 3,000 thousand Euro to the shareholders at the rate of € 0.60 for each of the 5,000,000 ordinary shares.

### 11.2.3 - Other reserves

The total amount is Euro 13,036 thousand and the detail is as follows:

#### Extraordinary reserve

The value of the reserve is Euro 11,799 thousand.

#### Foreign exchange reserves

It is positive for Euro 2 thousand and relates solely to the adjustment to foreign branch exchange rates at the end of the period.

#### Severance actualisation reserve

This item amounts to Euro (43) thousand and includes unrealised gains and losses related to severance indemnities posted under other components of the "comprehensive income statement".

#### FTA reserve

This reserve amounts to Euro 1,192 thousand and refers exclusively to the adjustments deriving from the transition from the ITA GAAP national accounting principles to the IAS - IFRS accounting principles.

### 11.2.4 - Retained earning reserve

This reserve, which amounts to Euro 402 thousand, refers to the transition from the ITA GAAP national accounting principles to the IAS - IFRS accounting principles, which took place in 2020.



### 11.2.5 - Year's results

This item includes profits for the year for 1,300 thousand Euro (3,985 thousand Euro in 2021).

The following table shows the analysis of the "nature, possibility of use and distribution" of the shareholders' equity items" as at 31 December 2022, as well as their possible use in the last three financial years (values in thousands of Euro).

(in euro/000)	Balances as at 31/12/2022	Possibility of utilisation	Distributable amount	Uses made in the last three financial years
<b>Share capital</b>	<b>5,000</b>			
<b>Net income reserves</b>				
Legal reserve	492	B		
Extraordinary reserve	11,799	A,B,C	11,799	
FTA reserve	1,192	A,B,C	1,192	
Retained earnings	402		402	
"Fair value" revaluation reserves	-		-	
Severance actualisation reserves	43		43	
Exchange gains reserves	2		2	
<b>Total distributable amount</b>			<b>13,438</b>	
Non-distributable amount				
<b>Residual distributable amount</b>			<b>13,438</b>	

#### Legend

- A: for share capital increase
- B: for loss coverage
- C: for distribution to shareholders

## NOTE 12 - PROVISIONS FOR RISKS AND CHARGES AND EMPLOYEE BENEFITS (SEVERANCE)

### 12.1 - Provision for risks and charges

This item totalled Euro 14,080 thousand (Euro 3,825 thousand as of 31 December 2021).

(in euro/000)	
<b>as at 01 January 2022</b>	<b>3,825</b>
Use of managerial incentives provision	(70)
Allocation for managerial incentives provision	214
Allocation for / utilisation of Provision for future expenses	(84)
Provision for risks on subsidiaries	10,195
<b>as at 31 December 2022</b>	<b>14,080</b>

Following is a brief description of the nature of the commitments associated with provisions and any prudentially foreseen compensation.

The item includes the following accounts:

- **“Managerial incentives provisions”**; This reserve refers solely to bonuses relating to the management incentive scheme. During the year, the reserve set aside in the previous year was fully utilised in an amount of 70 thousand Euro and a new provision of 214 thousand Euro was set aside.
- **“Provision for future charges”**; during the year, 84 thousand Euro was used from the provision previously set aside in connection with the work performed at Linate airport.
- **“Subsidiary risk reserves”**; refers to the loss posted by the subsidiary ECS Mep Contractor JV I/S.



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## 12.2 - Employee benefits (Severance)

This item totalled Euro 2,193 thousand (Euro 2,124 thousand as at 31 December 2021).

The following changes occurred during the year:

(in euro/000)	
as at 1st January 2022	2,124
Adjustment of the period	126
Indemnity liquidated in the period	(57)
as at 31 December 2022	2,193

The following tables illustrate the economic-financial and demographic hypotheses adopted for the actuarial measurement of the liabilities, respectively.

### Economic-financial hypothesis

Economic-financial hypothesis	
Annual discount rate	4.17%
Annual inflation rate	2.30%
Annual severance growth rate	3.225%

### Demographic hypothesis

Demographic hypothesis	
Mortality	Tab RG48 from State Jan. Status
Disability	INPS tables by age and gender
Retirement age	Achievement of AGO requirements
Advance frequency %	3.00%
Turnover	8.00%

## NOTE 13 - OTHER FINANCIAL LIABILITIES (NON-CURRENT)

This item, totalling 1,533 thousand Euro (1,436 thousand Euro as at 31 December 2021) is represented by the medium long term share of loans for leased assets as per IFRS 16. With the application of the new accounting standard IFRS 16, the accounting representation of passive lease contracts (which do not constitute the provision of services) takes place through the recognition in the Statement of Financial Position of a liability of a financial nature, represented by the present value of the future rents, against the inclusion in the asset of the right of use of the leased business.

(in euro/000)	31/12/22	31/12/21
Financial lease contract payables	1,533	1,436
<b>Total</b>	<b>1,533</b>	<b>1,436</b>

These liabilities, based on their maturity, are broken down as follows:

(in euro/000)	tra 1 e 5 anni	> 5 anni
Debiti per contratti di leasing finanziario	1.180	353
<b>Totale</b>	<b>1.180</b>	<b>353</b>

## NOTE 14 - DEFERRED TAX LIABILITIES

This item refers to deferred tax liabilities allocated in previous years on the basis of the different valuation criteria for "interim" inventories. For IFRS purposes, the valuation at cost of work in progress on orders with interim periods is therefore not permitted, therefore in line with the assessment of the duration works multi-year the value was recalculated based on the percentage of completion determined using the physical measurement method. The change in the provision during the year represents the restatement of deferred tax liabilities to works closed during the year. For the breakdown of this item, please see Note 27 - Income tax.

(in euro/000)	
<b>as at 1st January 2022</b>	<b>46</b>
Deferred tax liabilities reversal (multi-year work)	(1)
<b>as at 31 December 2022</b>	<b>45</b>

## NOTE 15 - TRADE PAYABLES (CURRENT)

Trade payables totalled Euro 41,745 thousand (Euro 36,200 thousand as of 31 December 2021).

(in euro/000)	31/12/22	31/12/21
Invoiced payables	29,961	26,007
Invoices receivable	11,784	10,193
<b>Total trade payables</b>	<b>41,745</b>	<b>36,200</b>

## NOTE 16 - OTHER PAYABLES AND CONTRACTUAL LIABILITIES (CURRENT)

These are represented by:

(in euro/000)	31/12/22	31/12/21
Advances	15,360	6,111
Payables due to social security and welfare institutions	391	315
Payables for cost reversals to consortium companies	8,867	12,770
Accrued charges and deferred income	16	89
Other current payables	1,234	168
Payables to employees	1,258	1,252
<b>Total other payables</b>	<b>27,126</b>	<b>20,705</b>

**"Advances"** includes advances received from customers according to law and intended to be recovered based on the issue of the work progress report.

**"Payables due to social security and welfare institutions"** includes item refers to payables due as at 31 December to these institutes for the amount due by the company and employees.

**"Payables for cost reversals to consortium companies"** refer to cost reversals by consortium companies posted net of invoiced advances.

(in euro/000)	31/12/22	31/12/21
Payables for cost reversals to consortium companies	134,889	107,065
Advances paid for cost reversals	(126,022)	(94,295)
<b>Payables due to consortium companies</b>	<b>8,867</b>	<b>12,770</b>

“Payables due to employees” includes the amounts to be paid to employees for December salaries, holidays and leave not taken.

## NOTE 17 - OTHER FINANCIAL PAYABLES (CURRENT)

These are represented by:

(in euro/000)	31/12/22	31/12/21
Financial lease contract payables	439	305
<b>Total Other current financial payables</b>	<b>439</b>	<b>305</b>

The item “Other current financial payables” is represented by the short term share of loans for leased assets recognised as per IFRS 16.

## NOTE 18 - CURRENT TAX LIABILITIES

The item is broken down as follows:

(in euro/000)	31/12/22	31/12/21
IRES payable	2,475	891
IRAP payable	421	259
IRPEF payable as withholding agent	456	381
VAT payables	-	866
Other current tax liabilities	8	53
<b>Total Other current financial payables</b>	<b>3,360</b>	<b>2,450</b>

The item “IRES payable” corresponds to the difference between the amount of the tax calculated on the taxable income for the year and the sum of the IRES advances paid during the year and the withholding taxes suffered on bank interest income.

“IRAP Payables” are net of advances paid during the year.





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# NOTES TO THE FINANCIAL STATEMENTS - INFORMATION ON THE INCOME STATEMENT

## NOTE 19 - REVENUES

Revenues are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Variazione
Work and design revenue	38,773	55,091	(16,318)
Changes in work in progress on order	73,033	91,301	(18,268)
Hire	9	-	9
Other revenue	6,759	7,122	(363)
<b>Total</b>	<b>118,574</b>	<b>153,514</b>	<b>(34,940)</b>

The turnover from works and services, performed on the Italian and European territory, is the following:

(in euro/000)	31/12/22	31/12/21	Variazione
Revenues for completed job orders	38,773	55,091	(16,318)
Changes in work in progress on order	73,012	91,186	(18,174)
<b>Total</b>	<b>111,785</b>	<b>146,277</b>	<b>(34,492)</b>

The above figure refers to the volume of work performed and does not include the provisions and utilisation of the guarantee fund, which amounted to income of 21 thousand Euro as at 31 December 2022 (income of 115 thousand Euro in 2021).

### 19.1 - Other revenues

Revenues are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Variazione
Compensation of damages	65	75	(10)
Operating grants	28	19	9
Out-of-period income	1,124	290	834
Other revenue	977	4,685	(3,708)
Gains on disposals	48	14	34
<b>Total</b>	<b>2,242</b>	<b>5,083</b>	<b>(2,841)</b>

Operating grants: this item refers to grants related to the urgent support measures in the energy sector and public finance of Decree-Law No. 176 of 18 November 2022 - *Aiuti Quater*.

## NOTE 20 - PAYROLL EXPENSES

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Variazione
Wages and salaries	(7,836)	(7,476)	(360)
Social security contributions	(2,523)	(2,334)	(189)
Post-Employment provision adjustment	(546)	(432)	(114)
Pensions and similar commitments	(30)	(19)	(11)
Other costs	(307)	(131)	(176)
<b>Total personnel costs</b>	<b>(11,242)</b>	<b>(10,392)</b>	<b>(850)</b>

Employee breakdown by category at year end:

Current number of employees	31/12/22	31/12/21
Executives	5	4
Managers	3	3
White-collar workers	76	63
Blue-collar workers	87	93
<b>TOTAL</b>	<b>171</b>	<b>163</b>

The average breakdown for employees by category is the following:

Average number of employees	31/12/22	31/12/21
Executives	4	2
Managers	3	6
White-collar workers	69	64
Blue-collar workers	89	86
<b>TOTAL</b>	<b>165</b>	<b>158</b>

The workforce includes a blue-collar worker and a white-collar worker with fixed-term contracts. Employees with permanent contracts also include a blue-collar worker and two white-collar workers with part-time contracts.

To date there are no litigation situations for dismissals, salary levels, etc. relating to employees.

## NOTE 21 - COSTS FOR SERVICES

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Mechanical processing	(282)	(468)	186
Non recoverable asset maintenance	(485)	(400)	(85)
Consulting	(1,906)	(2,184)	278
Technical design activities	(1,217)	(1,131)	(86)
Security services	(101)	(67)	(34)
Transportation	(337)	(760)	423
Insurance	(1,805)	(553)	(1,252)
Legal and notary consultancy expenses	(65)	(133)	68
Corporate body fees and reimbursements	(40)	(40)	-
Auditors' fees	(42)	(34)	(8)
Seconded personnel and contract workers	(684)	(1,153)	469
Other payroll and related costs	(929)	(1,025)	96
Utilities	(458)	(411)	(47)
Subcontracting	(11,293)	(14,327)	3,034
Subcontracts	(22,509)	(18,311)	(4,198)
Reversals from consortium companies	(28,076)	(60,904)	32,828
Others	(1,677)	(2,200)	523
<b>Total costs for services</b>	<b>(71,906)</b>	<b>(104,101)</b>	<b>32,195</b>

The decrease in production was followed by a reduction in operating costs; these include, in particular, the decrease in costs incurred for the provision of services mainly due to the reduction in the items relating to the charge-backs of the consortia in which the company has equity investments and services from third parties.



## NOTE 22 - COSTS FOR RAW MATERIALS

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Raw materials	(2,765)	(4,323)	1,558
Consumables	(16,984)	(27,170)	10,186
Changes in inventories of raw, consumable materials and goods	213	(318)	531
<b>Costs for raw materials</b>	<b>(19,536)</b>	<b>(31,811)</b>	<b>12,275</b>

## NOTE 23 - OTHER OPERATING COSTS

This item is broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
Costs for the use of third party assets (Rentals and leasing)	(749)	(1,532)	783
Out-of-period expense	(280)	(213)	(67)
Other sundry operating expenses	(101)	(69)	(32)
Losses on the disposal of assets	(21)	(5)	(16)
<b>Total</b>	<b>(1,151)</b>	<b>(1,819)</b>	<b>668</b>



OLON S.P.A - New electrical cabin, Settimo Torinese

## NOTE 24 - AMORTISATION, DEPRECIATION AND WRITE-DOWNS

These are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
<i>Intangible assets</i>			
Intangible assets - Other intangible assets	(3)	(5)	2
<b>Total intangible assets depreciation (A)</b>	<b>(3)</b>	<b>(5)</b>	<b>2</b>
<i>Tangible assets:</i>			
Tangible assets - Buildings	(5)	(5)	-
Tangible assets - Plants and machinery	(22)	(24)	2
Tangible assets - Industrial and commercial equipment	(222)	(208)	(14)
Tangible assets - Other assets	(28)	(24)	(4)
Building licenses - Depreciation	(293)	(315)	22
Vehicle licenses - Depreciation	(148)	(165)	17
<b>Total tangible assets depreciation (B)</b>	<b>(718)</b>	<b>(741)</b>	<b>23</b>
<b>Total depreciation (A+B)</b>	<b>(721)</b>	<b>(746)</b>	<b>25</b>

## NOTE 25 - PROVISIONS FOR RISKS AND CHARGES

(in euro/000)	31/12/22	31/12/21	Change
Other provisions for risks and charges	-	(84)	84
<b>TOTAL</b>	<b>-</b>	<b>(84)</b>	<b>84</b>



## NOTE 26 - FINANCIAL INCOME AND CHARGES

### 26.1 - Financial income

These are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
<i>Other financial income</i>			
Other minor interest from receivables included in non-current assets	2	-	2
Other financial income	56	91	(35)
Exchange differences	5	1	4
<b>Total other financial income (b)</b>	<b>63</b>	<b>92</b>	<b>(29)</b>

The item mainly includes discounts on financial receivables for 56 thousand Euro.

### 26.2 - Financial charges

These are broken down as follows:

(in euro/000)	31/12/22	31/12/21	Change
<i>Interest due to credit institutes</i>			
Interest due to credit institutes: on current accounts	-	(1)	1
<i>Other interest payable</i>			
Interest payable other than financial lease contracts	(36)	(41)	5
<i>Other financial charges</i>			
Writedowns of equity investments	(10,195)	(2,569)	(7,626)
Capital losses on share sales	-	(2)	2
Other financial charges	(44)	(11)	(33)
Exchange differences	-	(7)	7
<b>Total Financial charges</b>	<b>(10,275)</b>	<b>(2,631)</b>	<b>(7,644)</b>

“Other financial charges” include the *interest cost* calculated on employees (IAS 19).

## NOTE 27 - INCOME TAXES

This item is broken down as follows:

(in euro/000)		31/12/22	31/12/21	Change
Current taxes	IRES	(4,032)	(2,557)	(1,475)
Current taxes	IRAP	(708)	(540)	(168)
<b>Current taxes</b>		<b>(4,740)</b>	<b>(3,097)</b>	<b>(1,643)</b>
Deferred tax liabilities	IRES	(83)	(77)	(6)
Deferred tax liabilities	IRAP	53	10	43
<b>Deferred tax liabilities</b>		<b>(30)</b>	<b>(67)</b>	<b>37</b>
Taxation relating to previous years	IRES	(15)	(4)	(11)
Taxation relating to previous years	IRAP	37	48	(11)
<b>Taxation relating to previous years</b>		<b>22</b>	<b>44</b>	<b>(22)</b>
	<b>TOTAL</b>	<b>(4,748)</b>	<b>(3,120)</b>	<b>(1,628)</b>

**Income taxes** amounted to 4,748 thousand Euro against 3,120 thousand Euro in 2021, resulting from the algebraic sum of current taxes for a total of 4,740 thousand Euro - of which 4,032 thousand Euro for IRES and 708 thousand Euro for IRAP -, of deferred tax liabilities, which show a negative balance of 30 thousand Euro, and taxes for previous years with a positive balance of 22 thousand Euro.

In accordance with paragraph 81, letter c) of IAS 12, the reconciliation of income taxes posted in the financial statements as at 31 December 2022 and 2021 ("actual") and those "theoretic" at the same dates is provided below.

### Reconciliation between the "theoretic" and "actual" tax rate - IRES

(in euro/000)	31/12/2022			31/12/2021		
Earnings before income taxes		6,048			7,105	
Actual income tax (IRES)	17,146	4,115	68.04%	10,975	2,634	37.07%
<b>Lesser taxes (compared to theoretic rate)</b>						
Other decreases (IRES)	350	84	1.39%	404	97	1.37%
<b>Greater taxes (compared to theoretic rate)</b>						
Other increases (IRES)	(11,448)	(2,747)	-45.43%	(4,274)	(1,026)	-14.44%
<b>Theoretic income tax (IRES)</b>	<b>6,048</b>	<b>1,452</b>	<b>24.00%</b>	<b>7,105</b>	<b>1,705</b>	<b>24.00%</b>

**Reconciliation between the “theoretic” and “actual” tax rate - IRAP**

(in euro/000)	31/12/2022			31/12/2021		
Added value (IRAP taxable income)	17,072			11,741		
Actual income tax (IRAP)	16,795	655	3.84%	13,590	530	4.51%
<b>Lesser taxes (compared to theoretic rate)</b>						
Other decreases (IRAP)	26	1	0.01%	26	1	0.01%
<b>Greater taxes (compared to theoretic rate)</b>						
Other increases (IRAP)	251	10	0.06%	(1,874)	(73)	-0.62%
<b>Theoretic income tax</b>	<b>17,072</b>	<b>666</b>	<b>3.90%</b>	<b>11,741</b>	<b>458</b>	<b>3.90%</b>

The following tables illustrate, for the year in question and 2021, the **deferred tax income and charges** posted in the income statement and **deferred tax assets and liabilities** posted in the Statement of Financial Position.

**Deferred tax income and charges**

(in euro/000)	31/12/22	31/12/21
<b>Deferred tax income for:</b>		
Effects from work in progress as per IAS	2	
Effects of severance recalculation as per IAS 19	-	70
Maintenance expenses over the tax deductible rate	-	17
Other changes	51	107
<b>Total income (A)</b>	<b>53</b>	<b>194</b>
<b>Deferred tax charges for:</b>		
Deferred taxes on extended capital gains	(9)	
Maintenance expenses over the deductible rate reversal	(12)	(9)
Other changes	(62)	(252)
<b>Total costs (B)</b>	<b>(83)</b>	<b>(261)</b>
<b>Total (B) - (A)</b>	<b>(30)</b>	<b>(67)</b>

**Deferred tax income and charges** were calculated based on tax rates in effect at their expected “reversal”.

## NOTE 28 - EARNINGS PER SHARE

Share profits are calculated, according to IAS 33, dividing the net results by the average number of shares in circulation during the year.

(in euro/000)	31/12/22	31/12/21
Net result	1,300	3,985
<b>Earnings per share (Euro unit)</b>	<b>0.260</b>	<b>0.797</b>
Number of ordinary shares	5,000,000	5,000,000

Options, warrants or equivalent financial instruments on "potential" ordinary shares with diluting effects were not posted in 2022 and 2021.

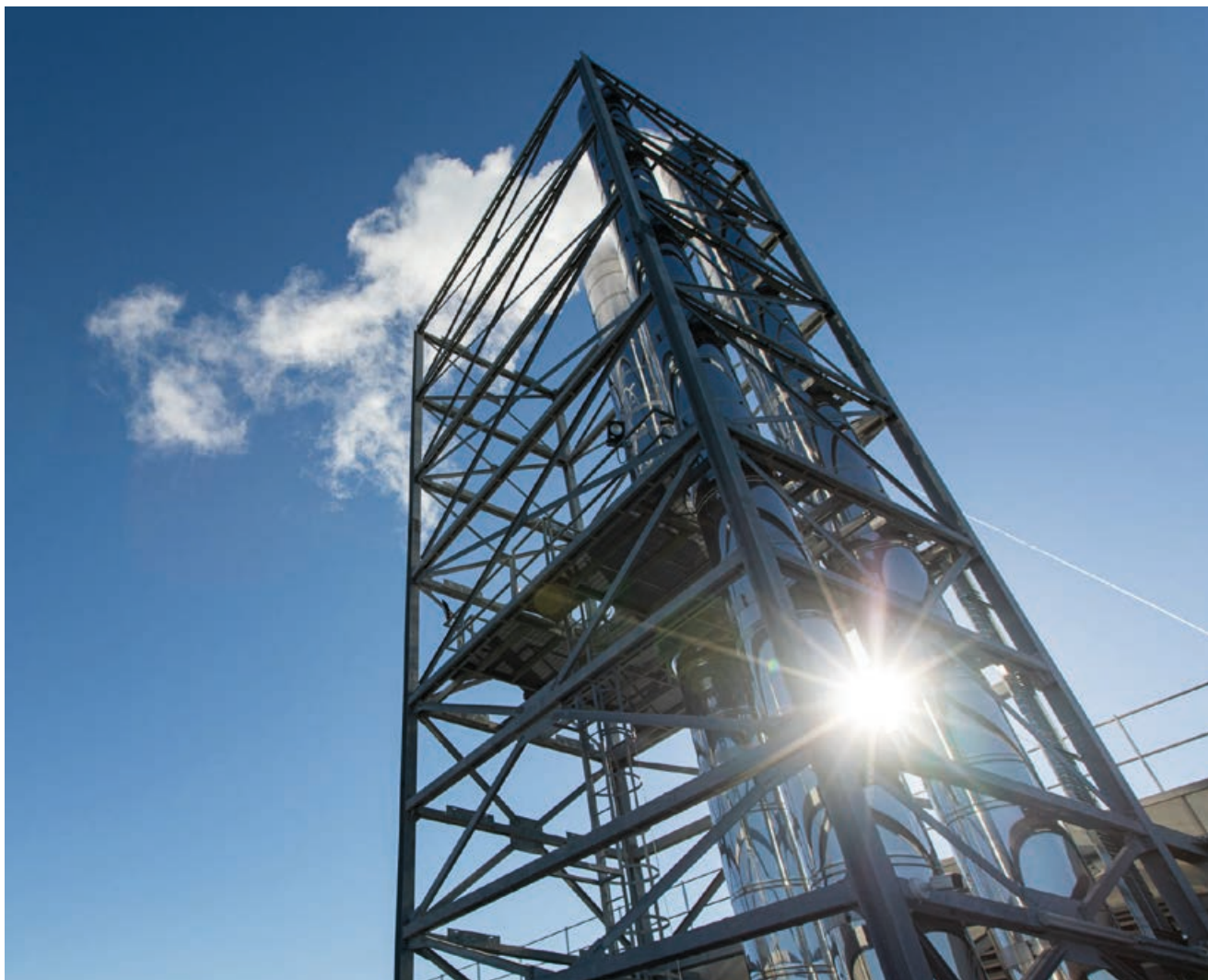
## NOTE 29 - INFORMATION ON THE STATEMENT OF CASH FLOWS

### 29.1 - Changes to net working capital

(in euro/000)	31/12/22	31/12/21
Inventory	(9,615)	(5,610)
Trade receivables	(2,392)	(41)
Current tax assets	(170)	1
Receivables from others	(353)	(1,525)
Trade payables	5,545	4,274
Other payables	6,420	2,720
Current tax liabilities	910	440
<b>Total</b>	<b>345</b>	<b>259</b>

### 29.2 - Other general operating activities changes

(in euro/000)	31/12/22	31/12/21
Severance reserve use	(57)	(269)
Other fund use	(70)	(70)
<b>Total</b>	<b>(127)</b>	<b>(339)</b>



ALESSANDRIA CALORE S.R.L. - District heating Alessandria

## OTHER INFORMATION

Following is information on the determination of “fair value”; as for information on the company, on **events after year end** and **foreseeable business outlook**, please see the “Report on Operations”.

## INFORMATION ON THE DETERMINATION OF FAIR VALUE

Fair value is used to measure financial assets and liabilities if their amount is not reliably determinable.

For financial assets and liabilities listed in an active market, the fair value is determined with reference to market prices at the date of posting and/or subsequent measurement. Should an official market price not be available, the fair value is determined with reference to prices applied in the most recent financial asset or liability purchase, sale or extinction operations.

The fair value of receivables and payables of trade nature is identified with their book value, even in consideration of the fact that their maturity is generally short term and does not require, among others, the use of actualisation techniques.

## Company's commitments

### Performance bonds

Details are as follows:

- Guarantee policies for a total of 16,482 thousand Euro issued by insurance companies by way of definitive security deposits on contracts executed.
- Guarantee policies for a total of 995 thousand Euro issued by banks (Intesa Sanpaolo for 668 thousand Euro and Banco BPM for 327 thousand Euro) by way of definitive security deposits on contracts executed.
- Guarantee policies for a total of 645 thousand Euro issued by banks (Banco BPM) by way of withholding guarantees.
- Guarantee policies for a total of 176 thousand Euro issued by banks (Unicredit Banca), by way of temporary security deposits.

- Guarantee policies for a total of 176 thousand Euro issued by insurance companies, by way of temporary security deposits, for participation in tenders.
- Guarantee policies for a total of 7,068 thousand Euro issued by insurance companies for advances.
- Guarantee policies for a total of 2,924 thousand Euro issued by insurance companies to guarantee special obligations.

### Leased assets

This item, for a total of Euro 969 thousand, is the sum of residual lease instalments and the redemption price to be paid on outstanding lease contracts as at 31 December 2022.

### Corporate body fees

The fees due to corporate bodies are provided in the following table:

(in euro/000)	31/12/22	31/12/21
<b>Corporate body fees</b>		
Board of Directors	(8)	(8)
Board of Statutory Auditors	(18)	(18)
<b>Total</b>	<b>(26)</b>	<b>(26)</b>

The company did not pay advances or issue collateral to directors and auditors.



## External auditors fees

As per legal decree no.39 dated 27 January 2010, fees recognised to PricewaterhouseCoopers S.p.A. are broken down below:

(in euro/000)	31/12/22	31/12/21
<b>Auditing services</b>		
Financial statement audit	(34)	(25)
Consolidated financial statement audit	(5)	(5)
Mid-year report audit	(3)	(3)
Quarterly report audit	-	(1)
<b>Total</b>	<b>(42)</b>	<b>(34)</b>

## Disclosure regarding the corporate management and coordination activities

The parent company Sinelec S.p.A. exercises management and coordination of the company pursuant to Article 2497 of the Civil Code.

As per Civil Code article 2497-bis, paragraph 4, annex 3 is enclosed with these Notes to the financial statements including a statement that summarises the key data from the last approved financial statements of the parent company (as at 31 December 2021);

Key figures from parent company Sinelec S.p.A. indicated in the above mentioned summary statement were taken from the relevant financial statements for the year ended 31 December 2021. For the adequate and complete comprehension of Sinelec S.p.A.'s equity and financial situation as at 31 December 2021 as well as the economic results for the same year, please see the financial statements which, including the auditors' report, are available in the format and modes foreseen by law.

## Intra-group transactions and with related parties

The balance sheet and economic transactions with subsidiaries, associated companies, parent companies and companies under their control of the year, are summarised in the illustrative tables enclosed with this report (see annexes 3 and 4). Please note

that these transactions were completed at normal market conditions and based on rules that ensure accountability as well as substantial and procedural correctness.

## Agreements not resulting from the Statement of Financial Position

The company did not sign any agreements not posted in the Statement of Financial Position that could have a significant impact on the company's equity and financial situation, as well as on their economic results.

## Information on the company preparing the consolidated financial statements

Please note that, due to that set forth in point 22 - quinquies of art. 2427 of the Civil Code, the consolidated financial statements of the largest group of companies in which the company is a subsidiary, is prepared by Aurelia S.r.l. with headquarters in Tortona (AL). A copy of the consolidated financial statements is available at the Chamber of Commerce of Alessandria.

Please note that, due to that set forth in point 22 - sexes of art. 2427 of the Civil Code, the consolidated financial statements of the smallest group of companies in which the company is a subsidiary, is prepared by ASTM S.p.A. with headquarters in Turin (TO). A copy of the consolidated financial state-

ments is available at the Chamber of Commerce of Turin.

### **Disclosure on the transparency of public payments**

Pursuant to article 1 paragraphs 125-129 of law no. 124/2017, subsequently supplemented by the "Security" Law Decree (No. 113/2018) and the "Simplification" Law Decree (No. 135/2018) it should be noted that in the 2022 financial year, "subsidies, contributions, paid assignments and in any case economic advantages of any kind" were not granted to the company by public administrations and by a series of similar entities with which the Company does business.

It should be noted that during the financial year, the Company benefited from contributions under the title of "Tax Credit" in the amount of 23 thousand Euro related to the urgent support measures in the energy sector and public finance of Decree-Law No. 176 of 18 November 2022 - *Aiuti Quater*.

### **Revenue or cost elements of exceptional amount or incidence**

Pursuant to Article 2427, point 13 of the Italian Civil Code, it should be noted that no revenue or cost items of an exceptional amount or incidence have been recorded.

### **Contingent liabilities**

The Company has no contingent liabilities that have not been recognised in the financial statements.

### **Significant events after the end of the year**

No significant events occurred after the end of the year for the Company as the development of the business continued without any facts or events worthy of mention.

### **Annexes**

- Statement no. 1 on changes in Equity Investments.
- Statement no. 2 containing the list of Shares held as at 31 December 2022.
- Statement no. 3 on key data from Sinelec S.p.A.'s last approved financial statements (as at 31 December 2021), company who provides "direction and coordination" activities.
- Statement no. 4 relating to equity transactions with related parties.
- Statement no. 5 related to economic transactions with related parties.

# PROPOSALS TO THE SHAREHOLDERS' MEETING - ALLOCATION OF PROFIT FOR THE YEAR

Dear Shareholders, in consideration of that stated, we request the Assembly approves the financial statements as submitted.

The financial statements that we submit for your approval closed with 1,300,426.37 Euro in profits (rounded in the financial statements to 1,300,426 Euro).

We propose to allocate the profit as follows:

- € 65,021.32, equal to 5% of the profit for the year, under item A) IV "Legal reserve";
- € 1,200,000.00 to shareholders as dividends to the extent of 0.24 Euro for each of the 5,000,000 ordinary shares;
- € 35,405.05, equal to the remaining profit for the year, under item A) VII "Other Reserves - Extraordinary reserve".

We therefore request you to take suitable measures on that occasion.

Tortona, 02 March 2023

For the Board of Directors

**The Managing Director**

(Mr. Michele Blandino)

# **ANNEX TO NOTES TO THE FINANCIAL STATEMENTS**

**EUROIMPIANTI S.p.A.****Statement of changes in Shareholding accounts - Financial statements as at 31.12.2022** (Values expressed in Euro units)**Annex no.1**

Description	Opening balance			Movements during the year				Closing balance		
	Book value	Revaluations and (write-downs)	Opening balance	Acquisitions	Increases	(Decreases) (Write-downs)/ Reversals	Revaluations	Book value	Revaluations and (write-downs)	Closing balance
C.I.T. S.c.a.r.l.	6,179		6,179					6,179		6,179
ECS MEP CONTRACTOR J.V.I/S										
<b>Total subsidiaries</b>	<b>6,179</b>		<b>6,179</b>					<b>6,179</b>		<b>6,179</b>
Galeazzi Impianti S.c.a r.l.	3,400		3,400					3,400		3,400
Igea Romagna S.c.a r.l.	4,066		4,066					4,066		4,066
A.C.I. S.c.p.A.	63,870		63,870					63,870		63,870
<b>Total associated companies</b>	<b>71,336</b>		<b>71,336</b>					<b>71,336</b>		<b>71,336</b>
Grugliasco S.c.a r.l.	1,070		1,070					1,070		1,070
Safe Roads S.c.a r.l.	1,417		1,417					1,417		1,417
Sistemi e Servizi S.c.a r.l.	3,000	(900)	2,100			(2,100)				
<b>Total companies controlled by parent companies</b>	<b>5,487</b>	<b>(900)</b>	<b>4,587</b>			<b>(2,100)</b>		<b>2,487</b>		<b>2,487</b>
Argentea Gestioni S.C.P.A.	12		12					12		12
B.M.I. S.c.a r.l.	1,300		1,300					1,300		1,300
<b>Total Other</b>	<b>1,312</b>		<b>1,312</b>					<b>1,312</b>		<b>1,312</b>
<b>Overall total</b>	<b>84,314</b>	<b>(900)</b>	<b>83,414</b>			<b>(2,100)</b>		<b>81,314</b>		<b>81,314</b>

**EUROIMPIANTI S.p.A.****List of shareholdings held as at 31/12/2022** (Values expressed in thousands of Euro)**Annex no.2**

<b>Investee</b>	<b>Type</b>	<b>Registered office</b>	<b>Share capital</b>	<b>Number of shares</b>	<b>Shareholders' Equity</b>	<b>Last year's result</b>	<b>Treasury shares</b>	<b>Treasury shares par value</b>	<b>Shareholders' equity Share</b>	<b>Posted value</b>	<b>Notes</b>
C.I.T.S.c.a r.l.	Subsidiary	Tortona (AL) - Strada Statale per Alessandria 6/A	10,000		10,000		61.790%	6,179	6,179	6,179	
ECS MEP CONTRACTOR JV I/S	Subsidiary	27050 Ballerup (Denmark) - Industriparken 44/A			(5,069,785)	(4,250,441)	99.990%		(5,069,278)		
<b>Total subsidiaries</b>								<b>6,179</b>	<b>(5,063,099)</b>	<b>6,179</b>	
Galeazzi Impianti S.c.a r.l.	Associated company	Tortona (AL) - Strada Statale per Alessandria 6/A	10,000		10,000		34.000%	3,400	3,400	3,400	
Igea Romagna S.c.a r.l.	Associated company	Ravenna (RA) - Via Pier Traversari 63	20,000		20,000		20.330%	4,066	4,066	4,066	
A.C.I. S.c.p.A.	Associated company	Tortona (AL) - Strada Statale per Alessandria 6/A	130,000		130,000		49.131%	63,870	63,870	63,870	
<b>Total associated companies</b>								<b>71,336</b>	<b>71,336</b>	<b>71,336</b>	
Grugliasco S.c.a r.l.	Others	Tortona (AL) - Strada Statale per Alessandria 6/A	10,000		10,000		10.700%	1,070	1,070	1,070	
Safe Roads S.c.a r.l.	Others	Tortona (AL) - Strada Statale per Alessandria 6/A	10,000		10,000		14.170%	1,417	1,417	1,417	
Sistemi e Servizi S.c.a r.l.	Controlled by parent companies	Tortona (AL) - Strada provinciale 211 della Lomellina 3/13	100,000		100,000		3.000%	3,000	3,000	(0)	
<b>Total companies controlled by parent companies</b>								<b>5,487</b>	<b>5,487</b>	<b>2,487</b>	
Argentea Gestioni S.C.P.A.	Others	Brescia (BS) - Via Somalia 2/4	120,000		120,000		0.010%	12	12	12	
B.M.M. S.c.a r.l.	Others	Torino (TO) - Località Bandone 1/G	10,000		10,000		13.000%	1,300	1,300	1,300	
<b>Total Other</b>								<b>1,312</b>	<b>1,312</b>	<b>1,312</b>	
<b>Overall total</b>								<b>84,314</b>	<b>(4,984,964)</b>	<b>81,314</b>	



**EUROIMPIANTI S.p.A.****Annex 3 to the Notes to the Financial Statements as at December 31, 2022**

Financial statements as at 31 December 2021 of Sinelec S.p.A., parent company exercising "direction and coordination"

(in thousands of Euro)

<b>STATEMENT OF FINANCIAL POSITION ATTIVO (in euro/000)</b>	<b>31.12.2021</b>
A. Amounts due from shareholders for payments due	
B. Non-current assets	13,541
C. Current assets	66,372
D. Accruals and deferrals	2,710
<b>TOTAL ASSETS</b>	<b>82,623</b>

<b>STATEMENT OF FINANCIAL POSITION LIABILITIES (in euro/000)</b>	<b>31.12.2021</b>
A. Shareholders' Equity	47,891
Share capital	7,383
Reserves	28,754
Net income (loss) for the year	11,754
B. Provisions for risks and charges	
C. Provision for employee severance	
D. Payables	
E. Accruals and deferrals	
<b>TOTAL LIABILITIES</b>	<b>82,623</b>

<b>INCOME STATEMENT (in euro/000)</b>	<b>2021</b>
A. Value of production	76,620
B. Cost of production	(63,719)
C. Financial income and expenses	2,502
D. Value adjustments of financial assets	(1)
Income tax for the year	(3,648)
<b>Profit (loss) for the year</b>	<b>11,754</b>

**Note:** these financial statements were prepared according to national accounting policies

**EUROIMPIANTI S.p.A.****Summary statement of balance sheet transactions with related parties - 31/12/2022** (Values expressed in thousands of Euro)**Annex no.4**

Company	Receivables					Payables					Total liabilities	
	Financial receivables	Inventory works	Work advances	Other receivables	Trade receivables	Total assets	Financial debts	Other payables	net of advances to consortium companies	Customer advances		Trade payables
C.I.T. S.c.a r.l.	5,185	(4,758)		297	724				(58)		(399)	(457)
ECS MEP CONTRACTOR JV I/S	8,690			7,043	15,733		(936)					(936)
<b>Total subsidiaries</b>	<b>8,690</b>	<b>(4,758)</b>		<b>7,340</b>	<b>16,457</b>		<b>(936)</b>		<b>(58)</b>		<b>(399)</b>	<b>(1,393)</b>
Galeazzi Scarl	1,230	(1,215)		1,997	3,296				(2,851)		(519)	(3,370)
Igea Romagna Scarl	61	4,412	(3,612)		404	1,265			(119)		(22)	(141)
<b>Total associated companies</b>	<b>61</b>	<b>5,642</b>	<b>(4,827)</b>	<b>1,997</b>	<b>1,688</b>	<b>4,561</b>			<b>(2,970)</b>		<b>(541)</b>	<b>(3,511)</b>
A.S.T.M. S.p.A.											(34)	(34)
Sinelec S.p.A.	47	(45)		47	49		(54)				(1,272)	(1,326)
<b>Total subsidiaries</b>	<b>47</b>	<b>(45)</b>		<b>47</b>	<b>49</b>		<b>(54)</b>				<b>(1,306)</b>	<b>(1,360)</b>
A.C.I. S.c.p.A. - Consorzio Stabile	130,854	(121,507)		2,968	12,315				(4,757)	(782)	(79)	(5,618)
Appia S.r.l.											1	1
A.T.I.V.A. S.p.A.	154	(154)		113	113							
Aurea Scarl				14	14							
Autostrada Asti-Cuneo S.p.A.	45	(6)		652	691						(6)	(6)
Autostrada dei Fiori S.p.A.	3,339	(194)		1,976	5,121		(886)			(8,963)	(42)	(9,891)
Azeta S.p.A. con Socio Unico				49	48		(2)					(2)
Codelfa S.p.A.	2,079	(1,847)		1,296	1,528							
Derthona Basket Srl											(575)	(575)
Grugliasco Scarl	2,612	(1,487)		63	1,188				(845)		(100)	(945)
Itinera S.p.A.	20,960	(17,920)		1,608	4,648		(13)				(1,288)	(1,301)

Company	Receivables				Payables				Total liabilities			
	Financial receivables	Inventory works advances	Work advances	Other receivables	Trade receivables	Total assets	Financial debts	Other payables		Payables for cost reversals net of advances to consortium companies	Customer advances	Trade payables
Musinet Engineering S.p.A.					5,587	5,987				(178)	(457)	(457)
S.A.I.T. p.A.	1,233	(833)			3,371	6,579	(6)			(2,910)	(12)	(2,928)
S.A.I.A.P. S.p.A.	5,772	(2,564)			720	872			(195)	(176)	(1)	(177)
S.A.V. S.p.A.	928	(776)				107						(195)
Safe Roads Scarl	107											(195)
S.E.A. Segnaletica Stradale S.p.A.					737	772					(55)	(55)
Project company Autovia Padana S.p.A.	35											
SITAF S.p.A.	27,130	(24,427)			4,253	6,956						
Smart Mobility Systems s.c. a r.l. (SMS S.c. a r.l.)					128	128						
R.o.s.s. Srl												(20)
Tecnosistaf S.p.A. Bussoleno					1,654	1,654					(54)	(54)
TruCK Rail Container S.p.A.											(9)	(9)
Tomato Farm S.r.l.					12	12					(8)	(8)
Torre Di Isola Scarl					68	68						
<b>Total companies subject to parent companies' control</b>	<b>107</b>	<b>195,141</b>	<b>(171,715)</b>	<b>49</b>	<b>25,219</b>	<b>48,801</b>	<b>(907)</b>	<b>(907)</b>	<b>(5,797)</b>	<b>(13,009)</b>	<b>(2,705)</b>	<b>(22,418)</b>
Argentea Gestioni S.c.p.A.	51	(16)			189	224			(42)		(12)	(54)
B.M.M. Scarl					1	1						
Cevit Scarl	5,461	(5,334)			434	561					(1)	(1)
Sitalia S.p.A.					237	237					(1,040)	(1,040)
Tunnel Frejus Scarl44					4	4					(125)	(125)
FZA S.r.l.(											(12)	(12)
<b>Total other Group subsidiaries</b>	<b>5,512</b>	<b>(5,350)</b>		<b>2,046</b>	<b>865</b>	<b>1,027</b>	<b>(1,897)</b>	<b>(1,897)</b>	<b>(42)</b>	<b>(1,190)</b>	<b>(6,141)</b>	<b>(1,232)</b>
<b>Total</b>	<b>8,858</b>	<b>211,527</b>	<b>(186,695)</b>	<b>2,046</b>	<b>35,159</b>	<b>70,895</b>	<b>(1,897)</b>	<b>(1,897)</b>	<b>(8,867)</b>	<b>(13,009)</b>	<b>(6,141)</b>	<b>(29,914)</b>

**EUROIMPIANTI S.p.A.****Summary statement of economic transactions with related parties - 31/12/2022**

(values expressed in thousands of Euro)

**Annex no.5**

<b>Company</b>	<b>Operating costs</b>	<b>Cost reversals</b>	<b>Work revenue</b>	<b>Other revenue</b>
C.I.T. Scarl	4	794	(686)	(11)
ECS MEP CONTRACTOR JV I/S	20			(1,359)
<b>Total subsidiaries</b>	<b>24</b>	<b>794</b>	<b>(686)</b>	<b>(1,370)</b>
Galeazzi Scarl		7,708	(921)	(668)
Igea Romagna Scarl		666	(1,434)	
<b>Total associated companies</b>		<b>8,374</b>	<b>(2,355)</b>	<b>(668)</b>
A.S.T.M. S.p.A.	110			
Sinelec S.p.A.	468		(47)	(78)
<b>Total subsidiaries</b>	<b>578</b>		<b>(47)</b>	<b>(78)</b>
A.C.I. S.c.p.A. - Consorzio Stabile	246	16,613	(33,071)	(24)
A.T.I.V.A. S.p.A.			(357)	
Aurea Scarl				(15)
Autostrada Asti-Cuneo S.p.A.	6		(1,405)	(83)
Autostrada dei Fiori S.p.A.	926		(6,653)	(107)
Codelfa S.p.A.			(2,079)	
Derthona Basket Ssrl	599			
Grugliasco Scarl		1,633	(2,437)	(98)
Itinera S.p.A.	2,185		(4,717)	
Musinet Engineering S.p.A.	374			
Safe Roads Scarl		438		
S.A.T.A.P. S.p.A.	17		(9,123)	(30)
S.A.L.T.p.A.			(5,690)	(2,106)
S.A.V. S.p.A.	1		(2,047)	
Project company Autovia Padana S.p.A.			(1,113)	(52)
SITAF S.p.A.			(17,756)	
Smart Mobility Systems Scarl				(105)
Tecnositaf S.p.A. Bussoleno				(1,316)
TrucK Rail Container S.p.A.	11			
Tomato Farm S.r.l.	8			
<b>Total companies subject to parent companies' control</b>	<b>4,373</b>	<b>18,684</b>	<b>(86,448)</b>	<b>(3,936)</b>
Argentea Gestioni S.c.p.A.			(447)	(36)
B.M.M. Scarl	23	225		(8)
Cervit Scarl	3		(787)	
Sitalfa S.p.A.	949			(155)
Tunnel Frejus Scarl	30			
F2A S.r.l.	11			
<b>Total other Group subsidiaries</b>	<b>1,016</b>	<b>225</b>	<b>(1,234)</b>	<b>(199)</b>
<b>Total</b>	<b>5,991</b>	<b>28,077</b>	<b>(90,770)</b>	<b>(6,251)</b>

# REPORT OF THE BOARD OF STATUTORY AUDITORS

To the EUROIMPIANTI S.P.A. Shareholders' Meeting

During the financial year ended on 31/12/2022, in agreement with the auditing firm in charge of the audit, we carried out the supervisory activity required by Italian Civil Code art. 2403 et seq., according to the principles of conduct of the Board of Statutory Auditors recommended by the National Council of Chartered Accountants and Accounting Experts.

The statutory audit assignment pursuant to Legislative Decree 39/2010 and article 165 of Legislative Decree 58/1998, is performed by the company PricewaterhouseCoopers S.p.A. as confirmed by resolution of the the Shareholders' Meeting of 27 April 2020 for the duration of three financial years (2020-21-22). The company prepares its financial statements according to the IAS/FRS international accounting standards - based on the provisions of Legislative Decree no. 38, art. 3, paragraph 2, dated 28/02/2005 - in accordance with the International Financial Reporting Standards (IFRS) international accounting criteria issued by the International Accounting Standards Board (IASB) and approved by the European Commission.

## SUPERVISORY ACTIVITIES

### Knowledge of the company, risk assessment and reports on the tasks assigned

Acknowledging the now established knowledge the Board of Statutory Auditors claims to have of the company and regarding:

- I. the nature of the business carried out;
- II. its financial and organisational structure;

also taking account of the company's size and problems, it is reaffirmed that the phase for "planning" supervisory activity - which is necessary to assess the inherent risks and critical elements regarding the two parameters mentioned above - was implemented via positive feedback compared to what was already known based on the information acquired over time.

Therefore it has been possible to confirm that:

- the typical activities carried out by the com-

pany have not changed during the year under review, and are consistent with the provisions of the company purpose;

- the organisational structure and the provision of IT structures remained largely unchanged and have been implemented;
- the human resources comprising the "workforce" have not changed substantially;
- the finding above is indirectly confirmed by comparing the results of the amounts recorded in the Income Statement for the last two financial years, namely the one being considered (2022) and the previous one (2021).

It is also possible to trace how the company operated in 2022 in comparison with the previous year and, consequently, our checks have been carried out on these assumptions after verifying the comparability of the figures and results with those from the previous year.

This report thus summarises the activities concerning the information envisaged by Art. 2429, paragraph 2, of the Italian Civil Code, namely:

- on the financial year's results;
- on activities undertaken in performance of duties pursuant to law;
- on comments and proposals regarding the financial statements, with particular reference to the board of directors' possible use of the exemption outlined in art. 2423, clause 4, of the Italian Civil Code;
- on the possible receipt of complaints from members under art. 2408 of the Italian Civil Code.

In any case, we will always be at your disposal to investigate any further aspects in discussions at shareholders' meetings.

In temporal terms, the board's activities covered the whole financial year and regular meetings were held during the financial year itself pursuant to art. 2404 of the Italian Civil Code and minutes of said meetings were prepared and unanimously approved.



## Activity performed

During periodic inspections, the board traced the development of business activities undertaken by the company, paying particular attention to the contingent and/or extraordinary issues to assess the economic and financial impact on the yearly results and equity structure, as well as possible risks such as those arising from credit losses, monitored with constant frequency.

The board has therefore regularly assessed the adequacy of the company's organisational and functional structure and its possible changes compared to the minimal requirements postulated by the management.

Relationships with people operating in the aforementioned structure - directors, employees and consultants - were based on mutual cooperation while respecting the roles entrusted to each one, having clarified the role of the Board of Statutory Auditors.

During the entire duration of the year, the board noted that:

- internal administrative staff in charge of reporting company affairs has remained unchanged from the previous year;
- the level of technical preparation remains appropriate compared to the type of ordinary business to record and can boast sufficient knowledge of business issues;
- the consultants and external professionals appointed for accounting, tax, corporate and labour advice have not changed and therefore possess historical knowledge on the business activities and management issues, even the extraordinary ones, which effected the financial statement results.

Given the relative simplicity of the management organisation chart, the information required by art. 2381, paragraph 5, of the Italian Civil Code, has been provided by the CEO periodically and even more often than the defined minimum frequency of six months and this occurred during the planned meetings, and on occasion of access of members of the Board of Statutory Auditors to the company's headquarters and also by contacts/

telephone and IT information flows with the members of the Board of Directors: from all of the above it results that the Executive Directors have, in substance and in form, met their obligations under that provision.

In conclusion, as far as we could observe during the activities carried out, the Board of Statutory Auditors can confirm that:

- the decisions taken by the shareholders and board of directors complied with the law and articles of association and are not manifestly imprudent or such as to compromise the integrity of corporate assets;
- sufficient information on the general operating performance of management and its business outlook was acquired, as well as on the most significant transactions in terms of size or characteristics, carried out by the company;
- the operations carried out also complied with the law and the articles of association and were not in potential conflict with the resolutions passed by the shareholders' assembly or otherwise prejudicial to the integrity of corporate assets;
- no specific observations arise as to the suitability of the company's organisational structure, nor on the suitability of the administrative and accounting system and its reliability in properly representing business events;
- during the supervisory activities as described above, no other significant events emerged such as to be worthy of note in this Report;
- no interventions were needed due to omissions from the supervisory body under article 2406 of the Italian Civil Code;
- no complaints were received pursuant to Art. 2408 of the Italian Civil Code;
- no complaints were filed pursuant to Art. 2409, par. 7 of the Civil Code.
- during the financial year, the Board of Statutory Auditors issued no opinions established by the law.

## REMARKS ON THE FINANCIAL STATEMENTS

The board of statutory auditors noted that the board of directors had taken into account the obligation to prepare the notes to the financial statements using the so-called 'XBRL taxonomy', which is necessary to standardise this document and make it available for digital processing: this is, in fact, a requirement of the Register of Companies managed by the Chambers of Commerce in execution of Article 5, paragraph 4, of Presidential Decree No. 304 of 10 December 2008.

The trial financial statements as at 31/12/2022 were approved by the Board of Directors and consist of the Statement of Financial Position, the Income Statement and Notes to the Financial Statements.

Furthermore:

- the Board of Directors has also prepared the annual report on operations pursuant to Art. 2428 of the Italian Civil Code;
- such documents have been delivered to the Board of Statutory Auditors in good time to be filed at the company's registered office accompanied by this report, regardless of the deadline provided in art. 2429, paragraph 1 of the Italian Civil Code.

Therefore, the trial financial statements were examined, for which the following additional information is provided:

- the valuation criteria of the asset and liability items subject to this mandatory requirement were checked and did not substantially differ from those adopted in previous years, in compliance with Article 2426 of the Italian Civil Code;
- attention was paid to the layout given to the draft financial statements, on its general compliance with the law as regards its formation and structure and in this regard there are no observations which should be mentioned in this report;
- we have verified compliance with the provisions of law concerning the report on oper-

ations. On this regard, we have no particular comments worthy of note in this report;

- in drafting the financial statements, the board of directors made no exception to the provisions of law, in accordance with art. 2423, paragraph 4 of the Italian Civil Code;
- we verified the correspondence of the financial statements with the facts and information of which we became aware, following the fulfilment of the typical duties of the Board of Statutory Auditors and in this regard we have no further remarks to make;
- pursuant to Article 2426, No. 6, of the Italian Civil Code, the Board of Statutory Auditors acknowledges the existence of items of intangible assets that are amortised according to a systematic criterion deemed appropriate and prudent by the Board;
- the system of commitments and guarantees, contingent liabilities not disclosed in the balance sheet and other information required by the Civil Code is exhaustively illustrated;
- we have acquired information from the Supervisory body and no criticism has emerged from the organisational model adopted that should be mentioned in this report;
- regarding the Board of Director's proposal on how to allocate the net profit of the financial year shown at the end of the notes to the financial statements, the Board has no observations to make, pointing out that this decision is to be made by the shareholders.

As we are not entrusted with the legal auditing of the accounts, we have monitored their general layout and their general compliance with the law with regards to their preparation and structure. On this regard, we confirm that the company prepares its financial statements according to IAS/FRS international accounting standards.

Therefore, the financial statements were prepared - based on that defined by Legislative Decree no. 38, art. 3, paragraph 2, dated 28/02/2005 - in accordance with the International Financial Reporting

Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Commission.

For the adoption of international accounting standards, the company has applied the provisions of IFRS 1 "First-time adoption of International Financial Reporting Standards".

In particular, the notes to the financial statements, in addition to the specific indications provided for by the regulations on the preparation of the financial statements, provide the information deemed appropriate to represent the equity, financial and economic situation of the Company.

We have verified the fulfilment of the information obligation relating to the subsidies and contributions received from Public Administration Bodies of the Italian State and / or from public associated Companies, pursuant to art. 1, par. 125, L. 124/17. PricewaterhouseCoopers SpA. auditing firm, assigned to legally audit the accounts, issued on 17 March 2023 the report as per Art. 14 of the Legislative Decree 27/01/2010, no. 39 on financial statements; the same does not include findings and contains the following informative note: Without changing our opinion, we draw attention to the comments made by the directors in the notes to the financial statements to the paragraph "Accounting criteria" which illustrates the effects on shareholders' equity at 1 January 2022 resulting from the application of the new international accounting standard IFRS 15 "Revenues from contracts with customers".

## FINANCIAL YEAR'S RESULT

The net result ascertained by the Board of Directors for the year ended 31/12/2022, as also evident from reading the financial statements, is positive for 1,300 thousand Euro.

## REMARKS AND PROPOSALS REGARDING THE APPROVAL OF THE FINANCIAL STATEMENTS

Considering also the results of the activity carried out by the entity in charge of the legal audit of the accounts, the Board of Auditors believes that the financial statements for the year ended 31 December 2022, as prepared by the Directors, are subject to your approval, together with the proposal contained therein concerning the allocation of the operating result.

Tortona, 18 March 2023

### The Board of Auditors

(Mr. Pietro Ratti)

(Mr. Stefano Ferrari)

(Mr. Gabriele Toso)

# **REPORT OF THE INDEPENDENT AUDITORS**



**REPORT OF THE INDEPENDENT AUDITING  
FIRM PURSUANT TO ARTICLE 14 OF  
LEGISLATIVE DECREE 27 JANUARY 2010, NO. 39**

**EUROIMPIANTI SPA**

**CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 December 2022**



**Report of the independent auditing firm**  
pursuant to article 14 of Legislative Decree 27 January 2010, no. 39

To the Shareholders of  
Euroimpianti SpA

**Report on the audit of the annual financial statements**

**Opinion**

We audited the separate financial statements of Euroimpianti SpA (the “Company”), comprising the statement of financial position as at 31 December 2022, the income statement, the statement of comprehensive income, the statement of changes in shareholders’ equity, the cash flow statement for the year ended at that date and the notes to the financial statements which also include the summary of the most significant accounting standards applied.

In our opinion, the financial statements provide a true and fair representation of the Company’s equity and financial situation as at 31 December 2022, of the economic results and cash flows for the year closed on that date according to the International Financial Reporting Standards adopted by the European Union.

**Elements underlying the opinion**

We carried out the accounts audit in compliance with the international audit standards (ISA Italy). Our responsibilities in accordance with these standards are more fully described in the section “*Responsibility of the independent auditing firm for the audit of the separate financial statements*” in this report. We are independent with respect to the Company in compliance with the provisions and standards regarding ethics and independence applicable in the Italian legal system to the audit of financial statements. We believe we have acquired sufficient and appropriate probative elements on which we can base our opinion.

**Responsibility of the directors and the Board of Statutory Auditors for the separate financial statements**

The directors are responsible for drafting the annual financial statements which provide a true and fair view in compliance with the International Financial Reporting Standards adopted by the European Union and, under the terms set forth by the law, for the internal control they deem necessary for permitting the drafting of financial statements which do not contain significant errors due to fraud or unintentional events or conduct.

PricewaterhouseCoopers SpA

Registered offices: **Milan** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Share Capital Euro 6,890,000.00 fully paid-in Tax code and VAT number and Business Registry of Milan Monza Brianza Lodi No. 12979880155 Enrolled under No. 119644 of the Register of Official Accounts Auditors - Other offices: Ancona 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d’Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Florence** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genoa** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Naples** 80121 Via dei Mille 16 Tel. 081 361S1 - **Padua** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Rome** 00154 Largo Focchetti 29 Tel. 06 570251 - **Turin** 10122 Corso Palestro 10 Tel. 011556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

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The directors are responsible for the assessment of the ability of the Company to continue to operate as a going concern and, in the drafting of financial statements, for the appropriateness of the assumption of the Company continuing to operate as a going-concern, as well as for suitable related disclosures. The Directors use the supposition of going-concern in the drafting of the annual financial statements unless they have assessed that conditions exist for the winding up of the Company or for the interruption of the activities or they have no realistic alternatives to said choices.

The Board of Statutory Auditors is responsible for overseeing, under the terms envisaged by the law, the process for the preparation of the Company's financial disclosure.

***Responsibilities of the independent auditor for the audit of the annual financial statements***

*Our* objectives are to acquire reasonable certainty that the annual financial statements as a whole do not contain significant errors, due to fraud or unintentional events or conduct, and the issue of an audit report which includes our opinion. Reasonable certainty is understood to be a high level of certainty which, nevertheless, does not provide the guarantee that an accounts audit carried out in compliance with the international audit standard (ISA Italy) always identifies a significant error, if existing. The errors may derive from fraud or unintentional events or conduct and are considered significant if it can reasonably be expected that they, individually or together, are able to influence the economic decisions of the users adopted on the basis of the annual financial statements.

Within the sphere of the accounts audit carried out in compliance with the international audit standard (ISA Italy), we have exercised our professional opinion and we have maintained professional scepticism for the entire duration of the accounts audit. Furthermore:

- we have identified and assessed the risks of significant errors in the annual financial statements, due to fraud or unintentional conduct or events; we have defined and carried out audit procedures in response to these risks; we have acquired sufficient and appropriate evidence on which to base our opinion. The risk of not identifying a significant error due to fraud is higher than the risk of not identifying a significant error deriving from unintentional conduct or events, since fraud may imply the existence of collusion, falsifications, intentional omissions, misleading representations or manipulations of the internal audit;
- we have acquired an understanding of the internal control relevant for the purposes of the accounts audit with the purpose of defining audit procedures in keeping with the circumstances and not so as to express an opinion on the effectiveness of the internal control of the Company;
- we have assessed the appropriateness of the accounting standards used as well as the reasonableness of the accounting estimates made by the directors, including the related disclosure;
- we have reached a conclusion on the appropriateness of the use by the directors of the assumption of the Company continuing to operate as a going concern and, on the basis of the evidence we acquired, on the possible existence of significant uncertainty with regard to events or circumstances which may give rise to significant doubts on the ability of the Company to continue to operate as a going concern. In the event of significant uncertainty, we are required to highlight the related financial statement disclosure in our audit report, or, if said disclosure is inadequate, we must reflect this when formulating our opinion.



Our conclusions are based on the evidence acquired up until the date of this report. Nevertheless, subsequent events or circumstances may mean that the Company ceases to operate as a going-concern;

- we have assessed the presentation, structure and content of the annual financial statements in their entirety, including the disclosure, and whether the annual financial statements represent the underlying transactions and events so as to provide a correct representation.

We have informed those responsible for *the governance* activities identified at an appropriate level as required by the ISA Italy, amongst other aspects, of the extent and timescale planned for the accounts audit and the significant results emerging, including any significant shortfalls in the internal control identified during the accounts audit.

#### ***Report on other legal and regulatory provisions***

#### ***Opinion as per Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10***

The directors of Euroimpianti SpA are responsible for preparing the report on operations of the Company as at 31 December 2022, and for its consistency with the respective financial statements and compliance with the law.

We carried out the procedures detailed in audit standard No. 720B (SA Italy) for the purpose of expressing an opinion on the consistency of the directors' report with the financial statements of Euroimpianti SpA as at 31 December 2022 and on the compliance of the same with the legal provisions as well as for issuing a declaration on any significant errors.

In our opinion, the report on operations is consistent with the financial statements of Euroimpianti SpA as at 31 December 2022, and has been drafted in compliance with the law.

With reference to the declaration as per Article 14.2, letter e) of Italian Legislative Decree No. 39/10, issued on the basis of the knowledge and understanding of the company and the related context acquired during the audit activities, we have nothing to report.

Turin, 17 March 2023  
PricewaterhouseCoopers SpA  
[Signature]

Piero De Lorenzi  
(Statutory audit)





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