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Testo del comunicato

Vedi allegato.

TREVI - FINANZIARIA INDUSTRIALE S.p.A.: THE BOARD OF DIRECTORS APPROVES THE DRAFT OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2021. REVENUE AND RECURRING EBITDA IN LINE WITH THE PREVIOUS YEAR FIGURES. IMPROVEMENT OF THE NET FINANCIAL DEBT. SIGNIFICANT INCREASE IN ORDERS ACQUIRED (+41%) AND IN THE ORDER BACKLOG (+43%). POSITIVE DEVELOPMENTS IN THE DEFINITION OF THE FINANCIAL MANOEUVRE.

- **REVENUE OF EURO 494.6 MILLION (EURO 491.3 MILLION IN 2020)**
- **RECURRING EBITDA OF EURO 49.6 MILLION (EURO 50.2 MILLION IN 2020)**
- **OPERATING LOSS (EBIT) OF EURO 5.6 MILLION (OPERATING PROFIT OF EURO 0.6 MILLION IN 2020)**
- **NET LOSS ATTRIBUTABLE TO THE OWNERS OF THE PARENT EQUAL TO EURO 52.9 MILLION (NET PROFIT OF EURO 241.5 MILLION IN 2020)**
- **NET FINANCIAL DEBT OF EURO 251.8 MILLION (EURO 269.4 MILLION AT 31 DECEMBER 2020)**
- **ORDER INTAKE AMOUNTED TO EURO 600 MILLION, UP BY 41% COMPARED TO 31 DECEMBER 2020**
- **ORDER BACKLOG AMOUNTED TO EURO 454.5 MILLION, UP BY 43% COMPARED TO 31 DECEMBER 2020**

Cesena, 29 June 2022 – The Board of Directors of Trevi– Finanziaria Industriale S.p.A. (**"Trevifin"** or the **"Company"**), chaired by Luca d'Agnese, has today examined and approved the draft separate and consolidated financial statements as at and for the year ended 31 December 2021.

Group financial highlights

(in thousands of Euro)

	2021	2020	Change	% change
Total revenue	494,616	491,315	3,301	1%
Recurring EBITDA	49,580	50,174	(594)	-1%
EBITDA	42,484	45,387	(2,903)	-6%
Operating Profit/(Loss) (EBIT)	(5,631)	553	(6,184)	n/a
Profit/(loss) from continuing operations	(51,296)	249,576	(300,872)	n/a
Loss from discontinued operations	0	(12,840)	12,840	n/a
Profit/(loss) for the year	(51,296)	236,736	(288,032)	n/a
Profit/(loss) for the year attributable to the Owners of the Parent	(52,977)	241,468	(294,445)	n/a

Total revenue

(in thousands of Euro)

Activity	2021	%	2020	%	Change	% change
Special foundation works	358,778	72%	377,627	76%	(18,849)	-5%
Manufacturing of special machinery for foundations	141,050	28%	118,458	24%	22,592	19%
Intradivisional eliminations and adjustments	(5,235)		(6,446)		1,211	
Sub-Total of Foundations Segment (Core Business)	**494,593**	**100%**	**489,639**	**100%**	**4,954**	
Parent	**12,624**		**15,601**		**(2,977)**	**-19%**
Intradivisional and Parent eliminations	(12,602)		(13,925)		1,323	
TREVI GROUP	**494,616**	**100%**	**491,315**	**100%**	**3,300**	**1%**

The breakdown of revenue from sales and services and other revenue per geographic area is as follows:

(in thousands of Euro)

Geographical segment	31/12/2021	%	31/12/2020	%	Change	% change
Italy	65,311	13%	48,676	10%	16,635	34%
Europe	84,055	17%	115,810	24%	(31,756)	-27%
U.S.A. and Canada	114,136	23%	109,542	22%	4,595	4%
Latin America	16,258	3%	31,371	6%	(15,114)	-48%
Africa	69,781	14%	36,710	7%	33,071	90%
Middle East and Asia	59,999	12%	53,816	11%	6,184	11%
Far East and Rest of the World	85,076	17%	95,390	19%	(10,314)	-11%
Total revenue	**494,616**	**100%**	**491,315**	**100%**	**3,301**	**1%**

Order backlog and order intake

(in thousands of Euro)

	31/12/2021	31/12/2020	Change	% change
Order backlog	454,593	317,458	137,135	43%
	2021	**2020**	**Change**	**% change**
Order intake	600,197	425,443	174,754	41%

Net financial debt

(in thousands of Euro)

	31/12/2021	31/12/2020	Change	% change
Total net financial debt (*)	(251,805)	(269,447)	17,642	7%

(*) see the table below on the breakdown of the Net Financial Debt on page 13 of this document

Group's workforce

	31/12/2021	31/12/2020	Change	% change
Number of employees	3,218	3,704	(486)	-13%

Group performance

Total revenue for the year 2021 amounted to approximately Euro 494.6 million, compared to Euro 491.3 million for the year 2020, marking an increase of approximately Euro 3.3 million (1%).

Recurring EBITDA and EBITDA for the year 2021 were approximately Euro 49.6 million and Euro 42.5 million, respectively.

EBIT for the year 2021 was negative for Euro 5.6 million, marking a decrease of Euro 6.2 million compared to the previous year (positive for Euro 0.5 million).

The net loss attributable to the Owners of the Parent for the year ended 31 December 2021 was Euro 52.9 million (net profit of Euro 241.5 million in 2020). The net profit recognised in the 2020 financial year was positively impacted by the effects of the implementation of the recapitalisation and debt restructuring transaction completed on 29 May 2020, which had generated an overall positive net effect of approximately Euro 280.3 million, affecting the Group's financial income and expense.

The Net Financial Debt amounted to Euro 251.8 million at 31 December 2021, marking an improvement of Euro 17.6 million compared to Euro 269.4 million recognised at 31 December 2020.

The order backlog at 31 December 2021 amounted to Euro 454.6 million (Euro 317.5 million at 31 December 2020). The order intake in the 2021 financial year amounted to approximately Euro 600.2 million, up by approximately Euro 174.7 million compared to the previous year (+41%).

During 2021, the Trevi Group continued its activities and efforts to address the Covid-19 pandemic and its evolving variants, which kept characterising the operating and market environment. The gradual unfolding of the effects of the vaccination campaigns made it possible to eliminate the uncertainties that were hindering the acquisition of new orders, and this made it possible, particularly from the second quarter of the year, to start taking advantage of the opportunities on which the Group had developed its business activities. The aforementioned significant increase in the order intake made it possible to increase the order backlog compared to the end of the previous year, reconstituting it at a level that allowed the Group to continue its economic and financial recovery phase.

"*The 2021 financial year saw the Trevi Group still tenaciously committed on various fronts,* - remarks Giuseppe Caselli, the Chief Executive Officer of the Trevi Group - *both internally, to complete the process of capital strengthening, and externally, to deal with the continuous turbulence of an international market strongly marked by the Covid-19 pandemic and by the pressures aimed at changing the global assets on the international scenario. It is in this highly complex context that the Group continues to strive with dedication and passion to regain the role it deserves in terms of experience, ability to innovate and to manage and solve complex problems. The Group's resilience demonstrated in previous years was not acquired by chance: it* *derives from the trust that clients, shareholders, banks and suppliers have placed in the people of our organisation that for over 65 years has operated with professionalism and commitment in the underground engineering market. These characteristics have enabled the Group to acquire orders in 2021 of approximately Euro 600 million, an increase of 41% compared to the previous year, and thus to increase the order backlog at 31 December 2021 by 43% compared to the end of 2020."*

The market context

Albeit with varying degrees of intensity and geographical distribution, the persistence of the Covid-19 pandemic globally continued to negatively influence the global macroeconomic scenario throughout 2021.

The progress of vaccinations, together with the greater knowledge acquired in this regard, in many geographical areas has led to substantial improvements in the movement of people, the gradual reactivation of production facilities and related activities; unfortunately, there are still countries where severe restrictions on entry are still in force (Far East, Australia) following the succession of new waves of infections that prevent a return to normality.

Unlike in 2020, the price of oil products has seen a gradual increase since January in anticipation of a global increase in demand. As an immediate consequence, there were price increases in the production sectors of the main commodities, also driven by a sharp rise in global demand in the wake of the first signs of recovery. For example, the significant increase in the price of iron negatively affected the construction sector on a global level.

Another sector strongly impacted by the price increase was logistics, which saw an exponential increase in both transport costs and the cost of many materials with immediate effects on inflation.

To cope with the economic crisis, several governments of the affected countries and various supranational entities have taken extraordinary measures from late 2020 - early 2021 to support household incomes, business liquidity and ensure access to credit. Unfortunately, there is a very uneven situation in the various markets, which is fundamentally linked to the ability or otherwise of individual governments to implement targeted actions to contain this inflationary drive.

Also with a view to contrasting the economic crisis, many governments, especially those of the more advanced economies (Europe and North America in the first place), have planned impressive infrastructural investments as recovery drivers for the economies brought to their knees by the pandemic, since this type of intervention has a direct return in terms of GDP of the investing countries and creates both direct and induced jobs through the entire production chain. Unfortunately, we are observing widespread difficulties in the rapid implementation of these infrastructure plans, both because of bureaucratic problems and because of increases in the prices of raw materials, which not only hinder ongoing projects but also slow down the implementation of new initiatives.

Order intake and order backlog

The order backlog at 31 December 2021 amounted to Euro 454.6 million, an increase of 43% or Euro 137.1 million compared the previous year (Euro 317.5 million at 31 December 2020). The order intake in the financial year 2021 at Group level amounted to approximately Euro 600.2 million, an increase of 41%, or approximately Euro 175 million compared to the same period last year (approximately Euro 425.4 million in 2020).

Significant events after the reporting period

During the first three months of the year, the Group acquired orders for approximately Euro 237 million, compared to Euro 110.7 million acquired in the same period of 2021. The Trevi Division, in particular, acquired orders for Euro 180.4 million (Euro 74.7 million in the same period of 2021), while the Soilmec Division acquired orders for Euro 61.1 million (Euro 37.7 million in the first quarter of 2021). The Group's order backlog at 31 March 2022 amounted to Euro 585 million, a significant increase compared to Euro 329 million at 31 March 2021 (Euro 317 million at 31 December 2020 and Euro 455 million at 31 December 2021).

The Trevi Group's performance trend in the first few months of the year in terms of order intake, production revenue and backlog was substantially in line with the forecasts for the first year of the Business Plan 2022-2026, as examined by the Board of Directors in its meeting of 29 June 2022, which was updated considering the period 2022-2026 as the timeframe, as well as with the incorporation of the accounting data at 31 December 2021 and certain prudential elements in the plan years.

The Group's net financial debt at 31 March 2022 was approximately Euro 266 million, an increase compared to Euro 251.8 million recognised at the end of 2021 due both to the seasonality of the Group's performance and to certain delays in the granting of guarantees by banks, which led to slippage in collections from customers.

During the first quarter, discussions continued with the Lending Banks of the Group (the "**Lending Banks**") that are parties to the Restructuring Agreement pursuant to Art. 182-*bis* of the Italian Bankruptcy Law signed on 5 August 2019 (the "**Restructuring Agreement**"), which began in February 2021 following the failure, due to the impact of Covid-19, to meet the financial covenants at 31 December 2020 therein established (see the press releases of 24 February 2021 available on the Company website www.trevifin.com, under the "Investor Relations/Press Releases" section). In the context of discussions with the Lending Banks, in order to manage the current phase and to allow, in the interests of all parties involved and in general of the stakeholders of the Trevi Group, the continued management of the business while the banks' investigation and decision-making processes are pending, on 5 August 2021 a moratorium and standstill agreement (the "**Standstill Agreement**") was signed with the Lending Banks (see the press releases of 14 July 2021 and 5 August 2021, available on the Company's website www.trevifin.com, under the "Investor Relations/Press Releases" section). Following the presentation to the Lending Banks, on 22 December 2021, of the guidelines of a possible financial manoeuvre and the simultaneous request to extend to 30 April 2022 the duration of the Standstill Agreement, said Agreement expired on 31 December 2021 and was not formally renewed. However, the parties have continued the relevant negotiations in relation to the new financial manoeuvre, and are operating under a "*de facto*" standstill regime, as evidenced by the fact that the Lending Banks not only have not to date exercised (nor expressed their intention to exercise) the remedies provided for in the Restructuring Agreement, but in addition to pursuing the aforementioned negotiations on the new manoeuvre hypothesis, they continued to support the Group by not reducing the utilisation of the self-liquidating lines and by allowing the issuance of certain guarantees identified as urgent by the Company in the context of the projects to which the Group companies are party, and by continuing to make cash lines of credit available.

Concurrently, with the support of advisors, Management continued negotiations both with the Lending Banks and controlling shareholders aimed at defining the new financial manoeuvre. The latest version of the financial manoeuvre is the one sent to the Lending Banks on 9 June 2022 (the "**New Financial Manoeuvre**"), which provides, in a nutshell:

a) its implementation in accordance with an agreement based on a certified recovery plan pursuant to Article 67, paragraph III, lett.(d) of the Italian Bankruptcy Law (the "**New Agreement**");
b) a cash capital increase with right of first refusal to be offered to shareholders for a total of Euro 25 million (but in no case exceeding the amount of debt subject to conversion), fully guaranteed pro rata by CDPE Investimenti S.p.A. ("**CDPE**") and Polaris Capital Management LLC ("**Polaris**" and, together with CDPE the "**Institutional Shareholders**");
c) a capital increase reserved to the Lending Banks, to be subscribed by converting bank loans into ordinary shares of the Parent, for a minimum equivalent amount of loans of Euro 20 million, with the option for the Lending Banks to convert an amount higher than this minimum amount;
d) the subordination and deferment of a portion of the bank debt up to a maximum of Euro 40 million, leaving the Lending Banks the choice between conversion and subordination of the related receivables;
e) the extension of the final maturity date of the medium/long-term debt up to 31 December 2026, with the introduction of an amortisation plan starting from 2023;
f) the granting/confirmation of unsecured lines of credit for the execution of the Business plan 2022-2026;
g) the extension to 2026 of the maturity date of the Bond Issue called «*Trevi-Finanziaria Industriale S.p.A. 2014 – 2024*" issued by Trevifin in 2014 for Euro 50 million.

Furthermore, on 11 January 2022, the Trevi Group suffered an IT attack that affected the data centres in Cesena (FC) and Asolo (TV), causing temporary inaccessibility to operational IT functions (see press release of 14 January 2022).

The functionality of the entire IT infrastructure was promptly restored and, in less than twenty-four hours, the main IT services were available again.

To date, there has been no loss of data and/or information and there are no consequences for the activities of the Group companies.

The prompt and effective response with which the Group managed the incident was made possible through the adoption of a specific Disaster Recovery and Business Continuity Plan and infrastructures with Hybrid Cloud technologies, which made it possible to safeguard services and backups.

Impact of the Russia -Ukraine conflict

In relation to the very recent international political events involving Russia and Ukraine, the main elements with reference to the Group's operations are reported below.

The Group has no production activities in Russia or Ukraine, nor has it outsourced the development or use of software and data centres in the areas affected by the conflict. Furthermore, it is not believed that the sanction laws implemented by many countries against Russia could have an impact on the Company's business and could expose the Group's people or production activities to legal risk. However, as far as the supply chain of Group companies is concerned, the sanctions could lead, given the characteristics of Russian exports, to inflationary pressures on the cost of raw materials and possible difficulties in their procurement (ferroalloys, steel, microchips, etc.), with an impact on normal production flows.

The Group has management control tools to monitor the impact of inflationary pressure on raw material costs and, since it is currently impossible to make forecasts on the evolution of the conflict, it may be necessary to increase the frequency and depth of controls and risk analyses.

With reference to the execution of financial transactions through the banking system, at the reporting date there are no problems related to the inhibition of certain international payment systems for Russia. The Group has only one supply - denominated in Euro - in progress with a Russian customer in a third country, the amount of which is less than 1% of the Group's total revenue; moreover, the aforesaid supply was covered by advances and backed by guarantees issued by an Italian bank. At the reporting date the portion of the supply performed has been fully collected and, therefore, the guarantees released; a further portion of the supply of approximately Euro 2.0 million is in progress, and the backlog does not include further orders from the areas mentioned above. The Group Business Plan does not envisage any developments in these areas.

No financing difficulties are expected since there are no exposures to Russia and Ukraine. In addition, the Group's cost of financing is at a fixed rate, as it is crystallised in accordance with the Restructuring Agreement.

At the moment, it is not believed that the risks indicated above - in light of the factors and considerations made regarding the ongoing conflict, and in general the Russian-Ukrainian geographic segment- represent a residual risk relevant to the going concern.

Outlook

In 2022, the Trevi Group revenue is expected to increase compared to 2021 at a rate of between 6% and 10%. The evolution of the global scenario influenced by the war between Russia and Ukraine could affect the Group's operations, which, however, since it is not present in the countries in conflict and operates with a wide geographical diversification, at the time of approval of these draft financial statements do not appear to be significantly affected.

The acquisition of new orders in 2022 is expected to be in line with that of 2021, also in light of the good performance of acquisitions in the first half of the year.

Over the next few months, work will continue to reach the New Agreement with the Lending Banks, which it is hoped will take place by August 2022.

Call of the Ordinary and Extraordinary Shareholders' Meeting

The Board of Directors has resolved to convene the Ordinary and Extraordinary Shareholders' Meeting for the day 11 August 2022 at 11:00 a.m., on first call and, if necessary, on 12 August 2022, same time, on second call, to discuss and resolve on the following agenda:

Ordinary session

1. Separate financial statements at 31 December 2021, accompanied by the Directors' Report, the Report of the Board of Statutory Auditors and the Report of the Independent Auditors. Presentation of the Consolidated Financial Statements at 31 December 2021 and the Consolidated Non-Financial Statement prepared in accordance with the Italian Legislative Decree 254/2016. Resolutions thereon.
2. Coverage of the loss for the year 2021. Resolutions thereon.
3. Report on the remuneration policy and the remuneration paid:
    - 3.1 approval of the first section of the report pursuant to Art. 123-*ter*, paragraphs 3-*bis* and 3-*ter* of the Italian Legislative Decree No. 58 of 24 February 1998;
    - 3.2 resolutions relating to the second section of the report pursuant to Art. 123-*ter*, paragraph 6 of the Italian Legislative Decree No. 58 of 24 February 1998;
4. Appointment of the Board of Directors:
    - 4.1 determination of the term of office of the Board of Directors;
    - 4.2 appointment of the members of the Board of Directors;
    - 4.3 establishment of the remuneration of the members of the Board of Directors.
5. Appointment of the Board of Statutory Auditors for the years 2022 - 2024:
    - 5.1 appointment of three Standing Auditors and two Alternate Auditors;
    - 5.2 appointment of the Chairman of the Board of Statutory Auditors;
    - 5.3 establishment of the remuneration of the members of the Board of Statutory Auditors.
6. Integration of the fees of the auditing firm KPMG S.p.A. for the statutory audit assignment. Resolutions thereon.

Extraordinary session

1. Assignment to the Board of Directors of the power to increase the share capital, as per Article 2443 of the Civil Code. Amendment of Article 6 of the Articles of Association;

2. Amendment of the Articles of association.

The documentation relating to the items on the agenda of the Shareholders' Meeting, as envisaged by the relevant legislation, is made available to the public within the terms of the law and on the Company's website www.trevifin.com. Regarding the appointment of Corporate Bodies, the guidelines of the Board of Directors and the Board of Statutory Auditors on the composition of their respective corporate bodies are already available on the Company's website www.trevifin.com under the Governance/Shareholders' Meetings section.

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The C.F.O., Massimo Sala, as manager in charge of financial reporting and pursuant to Art. 154-*bis*, paragraph 2 of the Italian Consolidated Law on Finance, hereby declares that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

DISCLAIMER:
This press release contains forward-looking statements. These statements are based on the Group's current estimates and projections for future events and, by their nature, are subject to an intrinsic component of risk and uncertainty. Actual results may differ materially from those contained in such statements due to a variety of factors, including continued volatility and further deterioration of capital and financial markets, changes in macroeconomic conditions and economic growth and other changes in business conditions, in addition to other factors, the majority of which is beyond the control of the Group.

The Trevi Group uses some **alternative performance indicators**, in order to allow a better assessment of the performance of the economic management and of the equity and financial situation. In accordance with the provisions of the ESMA/2015/1415 guidelines, the meaning and content of the indicators used in this release are reported below.
- EBITDA: is an indicator of operating performance calculated by adding the "Amortisation, depreciation, impairment losses and allowances" to the "Operating profit/(loss)";
Net Financial Position: is an indicator of the financial structure whose breakdown is shown on page 14.

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About Trevi Group:

The Trevi Group is a world leader in all-round underground engineering (special foundations, soil consolidation and reclamation of polluted sites), in the design and marketing of specialised technologies in the sector and in the construction of automated underground multi-storey car parks. Born in Cesena in 1957, the Group has about 65 companies and is present in 90 countries with dealers and distributors. Among the reasons for the success of the Trevi Group are the internationalisation, integration and continuous interchange between its two divisions: Trevi, which carries out special foundation and soil consolidation works for large infrastructure projects (subways, dams, ports and docks, bridges, *railway and motorway lines, industrial and civil buildings) and Soilmec, which designs, manufactures and markets machinery, plant and services for the foundation engineering.*

The Parent Company Trevi -Finanziaria Industriale S.p.A. (Trevifin) has been listed on the Milan stock exchange since July 1999. Trevifin is listed on Euronext Milan that supersedes the old term MTA, as a result of the market rebranding activities that followed the acquisition of Borsa Italiana by Euronext N.V.

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The accounting statements of the consolidated and separate financial statements are hereby attached; their examination will show further elements of assessment of financial position and financial performance of the Company and the entire Group. The draft of the financial statements is being examined, to the extent of their competence, by the Board of Statutory Auditors and the Independent Auditors.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)

ASSETS	31/12/2021	31/12/2020
Non-current assets		
Property, plant and equipment		
Land and buildings	47,430	52,254
Plant and machinery	95,065	102,202
Industrial and commercial equipment	14,173	24,401
Other assets	14,027	10,329
Assets under construction and payments on account	2,449	1,894
Total property, plant and equipment	**173,144**	**191,080**
Intangible assets		
Development costs	7,452	6,646
Industrial patents and intellectual property rights	532	182
Concessions, licences and trademarks	187	177
Goodwill	6	0
Assets under development and payments on account	7,432	3,392
Other intangible assets	390	450
Total intangible assets	**15,999**	**10,847**
Equity investments	647	3,628
- Equity-accounted investments in associates and joint ventures	*80*	*2,978*
- Other equity investments	*567*	*650*
Deferred tax assets	28,455	29,465
Non-current derivatives		0
Other non-current financial assets	11,735	11,052
- of which from related parties		*0*
Trade receivables and other non-current assets	1,728	1,010
Total non-current assets	**231,708**	**247,082**
Assets held for sale	**0**	**0**
Current assets		
Inventories	114,609	122,712
Trade receivables and other current assets	272,602	240,695
- of which from related parties	*7,084*	*10,888*
Current tax assets	5,637	6,700
Current derivatives		0
Current financial assets	10,847	3,675
- of which from related parties	1,319	1,297
Cash and cash equivalents	77,647	69,810
Total current assets	**481,341**	**443,591**
TOTAL ASSETS	**713,049**	**690,673**

TREVI GROUP CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)

EQUITY	31/12/2021	31/12/2020
Share capital and reserves		
Share capital	97,374	97,374
Other reserves	34,960	247,974
Losses carried forward	12,200	(463,457)
Profit/(loss) for the year	(52,977)	241,468
Equity attributable to the owners of the Parent	**91,557**	**123,359**
Share capital and reserves attributable non-controlling interests	(3,313)	1,415
Profit/(Loss) attributable to non-controlling interests	1,682	(4,733)
Deficit attributable to non-controlling interests	**(1,631)**	**(3,318)**
Total Equity	**89,926**	**120,041**
LIABILITIES	**31/12/2021**	**31/12/2020**
Non-current liabilities		
Long-term loans and borrowings	12,697	8,234
Long-term loans and borrowings from other financial backers	72,699	79,237
Non-current derivatives	(0)	(0)
Deferred tax liabilities	26,209	20,748
Post-employment benefits	11,109	11,508
Non-current provisions	26,736	15,632
Other non-current liabilities	6,964	4,913
Total non-current liabilities	**156,414**	**140,272**
Liabilities associated with assets held for sale	**0**	**0**
Current liabilities		
Trade payables and other current liabilities	186,936	148,506
- of which to related parties	*1,115*	*878*
Current tax liabilities	9,863	11,677
Short-term loans and borrowings	201,135	194,176
Short-term loans and borrowings from other financial backers	63,786	71,483
Current derivatives	0	0
Current provisions	4,989	4,518
Total current liabilities	**466,709**	**430,360**
TOTAL LIABILITIES	**623,123**	**570,632**
TOTAL EQUITY AND LIABILITIES	**713,049**	**690,673**

Following the failure to meet the covenants relating to the loans and borrowings under the Restructuring Agreement, in accordance with IFRS 9, these have been presented in the financial statements with a short-term maturity, although the original maturity date of 2024 remains unchanged.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(in thousands of Euro)

	2021	2020	Change
TOTAL REVENUE	**494,616**	**491,315**	**3,301**
Change in finished goods and work in progress	(6,525)	5,901	(12,426)
Internal work capitalised	12,850	13,478	(628)
PRODUCTION REVENUE[1]	**500,941**	**510,694**	**(9,753)**
Consumption of raw materials and external services[2]	(325,242)	(324,644)	(598)
VALUE ADDED[3]	**175,699**	**186,050**	**(10,351)**
Personnel expense	(126,119)	(135,876)	9,757
RECURRING EBITDA[4]	**49,580**	**50,174**	**(594)**
Non-recurring expenses	(7,096)	(4,787)	(2,309)
EBITDA[5]	**42,484**	**45,387**	**(2,903)**
Depreciation and amortisation	(33,937)	(41,220)	7,283
Provisions and impairment losses	(14,178)	(3,614)	(10,564)
OPERATING PROFIT/(LOSS) (EBIT) [6]	**(5,631)**	**553**	**(6,184)**
Net financial income/(expense)[7]	(19,382)	259,341	(278,723)
Net exchange Gains/(Losses)	(8,282)	2,840	(11,122)
Adjustments to financial assets	(460)	(693)	233
PROFIT/(LOSS) BEFORE TAXES	**(33,755)**	**262,041**	**(295,796)**
Loss from assets held for sale	0	(12,840)	12,840
Income taxes	(17,541)	(12,465)	(5,076)
PROFIT/(LOSS) FOR THE YEAR	**(51,296)**	**236,736**	**(288,032)**
Attributable to:			
Owners of the Parent	(52,977)	241,468	(294,445)
Non-controlling interests	1,682	(4,733)	(6,415)
PROFIT/(LOSS) FOR THE YEAR	**(51,296)**	**236,736**	**(288,032)**

[1] *"Production revenue" includes the following items: revenue from sales and services, internal work capitalised, other operating revenue and change in finished goods and work in progress.*

[2] *"Consumption of raw materials and external services" includes the following items: raw materials and consumables, change in raw materials, consumables, supplies and goods, and other operating expenses not including other operating costs. This item is shown net of non-recurring expenses.*

[3] *The "value added" is the sum of production revenue, consumption of raw materials and external services and other operating expenses.*

[4] *"Recurring EBITDA" represents the normalised EBITDA by eliminating extraordinary and/or non-recurring operating income and expense from the EBITDA calculation.*

[5] *"EBITDA" (Gross Operating Profit) is a financial indicator not defined in the IFRS, adopted by the Trevi Group starting from the consolidated Financial Statements at 31 December 2005. EBITDA is a measure used by TREVI's Management to monitor and measure the operating performance of the Group. Management believes that EBITDA is an important measurement of the Group performance insofar as it is not affected by the various factors used in determining taxable income, by the amount and nature of capital employed and by amortisation and depreciation policies. To date (subject to a subsequent in-depth analysis connected with the development of alternative corporate performance measurement criteria), EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) is defined by Trevi as Profit/Loss for the year, gross of depreciation of property, plant and equipment, amortisation of intangible assets, provisions, impairment losses, financial income and expense and income taxes.*

[6] *"EBIT" (Operating Profit/Loss) is a financial indicator not defined in the IFRS, adopted by the Trevi Group starting from the consolidated Financial Statements at 31 December 2005. EBIT is a measure used by TREVI's Management to monitor and measure the operating performance of the Group. Management believes that EBIT is an important measurement of the Group performance insofar as it is not affected by the various factors used in determining taxable income, by the amount and nature of capital employed and by amortisation and depreciation policies. EBIT (Earnings before interest and taxes) is defined by the Trevi Group as Profit/Loss for the year, gross of financial income and expense and income taxes.*

[7] *"Net financial income/(expense)" is the sum of the following Statement of Profit or Loss items: financial income and (financial expense).*

Consolidated Net Financial Debt

(in thousands of Euro)

	31/12/2021	31/12/2020	Change
Short-term loans and borrowings	(201,135)	(194,176)	(6,959)
Short-term loans and borrowings from other financial backers	(63,786)	(71,483)	7,697
Current derivatives	0	0	0
Current financial assets	10,847	3,675	7,172
Short-term cash and cash equivalents	77,647	69,810	7,837
Total short-term	**(176,427)**	**(192,174)**	**15,747**
Long-term loans and borrowings	(12,697)	(8,234)	(4,463)
Long-term loans and borrowings from other financial backers	(72,699)	(79,237)	6,538
Non-current derivatives	0	0	0
Trade payables and other non-current liabilities	0	0	0
Total long-term	**(85,396)**	**(87,471)**	**2,075**
Net financial debt (Consob No.5/21 of 29 April 2021)	**(261,823)**	**(279,645)**	**17,822**
Non-current financial assets	10,017	10,198	(181)
Total net financial debt	**(251,806)**	**(269,447)**	**17,641**

Following the failure to meet the covenants relating to the loans and borrowings under the Restructuring Agreement, in accordance with IFRS 9, these have been presented in the financial statements with a short-term maturity, although the original maturity date of 2024 remains unchanged.

TREVI – FINANZIARIA INDUSTRIALE S.P.A.

STATEMENT OF FINANCIAL POSITION

(in unit of Euro)

ASSETS	31/12/2021	31/12/2020
Non-current assets		
Property, plant and equipment		
Land and buildings	6,392,853	6,496,405
Plant, machinery and industrial and commercial equipment	13,320,574	15540247
Other assets	507,750	62,527
Total property, plant and equipment	**20,221,176**	**22,099,179**
Intangible assets		
Concessions, licences and trademarks	45,830	72,400
Assets under development and payments on account	7,432,440	3,391,625
Total intangible assets	**7,478,271**	**3,464,025**
Equity investments in other companies	175,594	175,594
Equity investments in subsidiaries	192,989,567	193,588,542
Deferred tax assets	-	-
Other non-current financial assets	26,806	21,959
Other non-current financial assets from subsidiaries and other companies	9,851,219	10,000,000
- of which from related parties	-	-
Trade receivables and other non-current assets		
Total financial assets	**203,043,185**	**203,786,095**
Total non-current assets	**230,742,632**	**229,349,299**
Assets held for sale		
Current assets		
Trade receivables and other current assets	4,788,830	7,325,211
- of which from related parties	-	*49,975*
Trade receivables and other current assets from subsidiaries	49,877,510	54,145,863
- of which from related parties	*49,877,510*	*54,145,863*
Current tax assets	265,235	1,498,779
Current financial assets	57,785,660	57620969
Cash and cash equivalents	1,551,657	2,813,477
Total current assets	**114,268,892**	**123,404,299**
TOTAL ASSETS	**345,011,524**	**352,753,599**

STATEMENT OF FINANCIAL POSITION

(in unit of Euro)

EQUITY	31/12/2021	31/12/2020
Share capital and reserves		
Share capital	97,373,554	97,373,554
Other reserves	31,126,859	270,076,969
Losses carried forward including net profit/(loss) for the year	(23,293,569)	(238,918,800)
Total Equity	**105,206,844**	**128,531,723**
LIABILITIES		
Non-current liabilities		
Long-term loans and borrowings	4,634,431	4,660,235
Long-term loans and borrowings from other financial backers	61,218,743	63,717,581
Non-current derivatives	-	-
Deferred tax liabilities	649,624	980,710
Post-employment benefits	635,652	695,344
Provisions for risks and charges	14,575,582	10,963,781
Other non-current liabilities	6,038,963	5,229,370
Total non-current liabilities	**87,752,995**	**86,247,021**
Current liabilities		
Trade payables and other current liabilities	11,518,310	7,860,993
Trade payables and other current liabilities to subsidiaries	21,607,964	19,083,957
- of which to related parties	*21,607,964*	*19,083,957*
Current tax liabilities	367,808	1,533,664
Short-term loans and borrowings	73,040,878	64,513,548
Short-term loans and borrowings from other financial backers	45,516,725	44,982,693
- of which from related parties	*4,242,379*	*3,911,662*
Current derivates	-	-
Total current liabilities	**152,051,685**	**137,974,855**
TOTAL LIABILITIES	**239,804,680**	**224,221,876**
Liabilities associated with assets held for sale		**-**
TOTAL EQUITY AND LIABILITIES	**345,011,524**	**352,753,599**

Following the failure to meet the covenants relating to the loans and borrowings under the Restructuring Agreement, in accordance with IFRS 9, these have been presented in the financial statements with a short-term maturity, although the original maturity date of 2024 remains unchanged.

TREVI – FINANZIARIA INDUSTRIALE S.P.A.
STATEMENT OF PROFIT OR LOSS

(in unit of Euro)

	2021	**2020**
Revenue from sales and services	11,266,767	13,906,209
- of which from related parties	*11,111,831*	*13,256,967*
Other operating revenue	1,357,110	1,694,623
- of which from related parties	*7,434*	*819,635*
Raw materials and consumables	(79,825)	(73,838)
- of which with related parties		-
Personnel expense	(6,196,710)	(5,578,978)
Other operating expenses	(14,424,048)	(11,140,205)
- of which to related parties	*(513,081)*	*(673,868)*
Depreciation and amortisation	(2,430,275)	(2,735,164)
Provisions and impairment losses	(9,211,130)	1,793,626
Internal work capitalised	-	1,490,971
Operating loss	**(19,718,111)**	**(642,756)**
Financial income	4,339,499	281,994,460
- of which from related parties	*1,341,877*	*2,439,154*
Financial expense	(13,490,229)	(25,979,932)
Exchange gains/(losses)	(555,818)	735,451
Sub-total for financial income/(expense) and exchange gains/(losses)	**(9,706,548)**	**256,749,979**
Adjustments to financial assets	**5,421,818**	**(2,538,133)**
- of which with related parties	*5,421,818*	*(2,538,133)*
Profit/(loss) before taxes	**(24,002,841)**	**253,569,091**
Income taxes	709,272	(4,311,307)
Profit/(loss) from continuing operations	**(23,293,569)**	**249,257,784**
Profit/(loss) from assets held for sale	**-**	**(3,221,817)**
Profit/(loss) for the year	**(23,293,569)**	**246,035,967**

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