



1H 2022 Results Presentation



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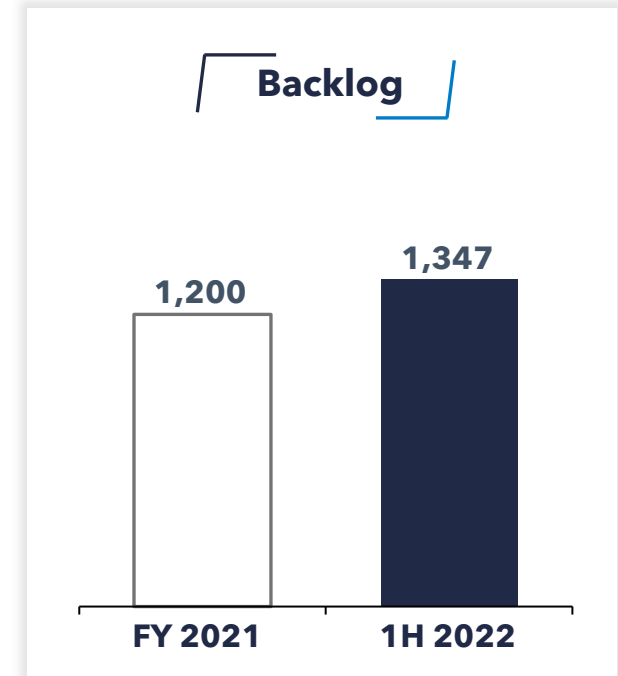
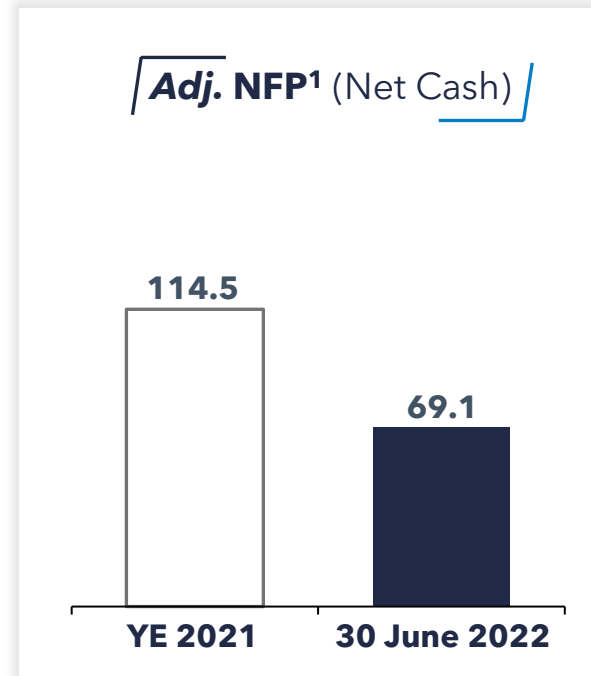
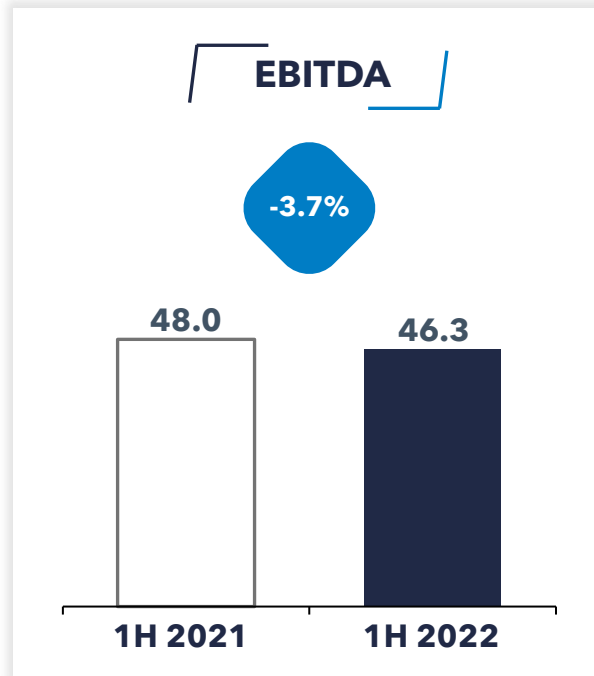
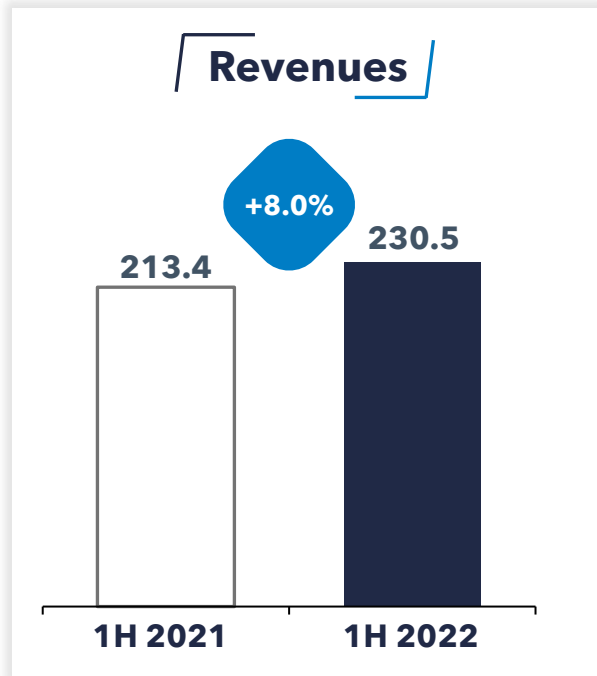
Key messages

- **Outstanding commercial** performance, with book-to-bill in 2Q at 2.2x, further pushing the **Backlog at above € 1.3 Bn**
- **Revenues** in line with expectations, with ramp-up of big projects to boost production in second half
- Business unit acquired from PSC Group up and running
- **Profitability** flat QoQ at **above 20%**
- Commitment to the implementation of the NRRP and future spending in maintenance activities reinforced by the new **Ferrovie dello Stato's 2022-2031 Industrial Plan** (€ 110 Bn dedicated to the railway infrastructure) and the new **2022-2026 Programme Contract** between the Ministry of Infrastructure and Sustainable Mobility and RFI
- FY 2022 guidance for top-line and EBITDA margin confirmed



1H 2022 Highlights

€ Mln



1. 2022 figure does not consider the fair value change on financial investments

Revenues

€ Mln

- Consolidated **Revenues** at **€ 230.5 Mln**, up 8.0% YoY mainly due to:
 - **Organic growth at 2.8%**, supported by **Track & Light Civil Works (6.8%)** and **Energy, Signalling & Telecom (9.1%)**, whose contribution was offset by lower production at **Heavy Civil Works** and **Railway Materials**
 - **Contribution** of **Bahnbau Nord** (€ 8.5 Mln¹) in Track & Light Civil Works and of the recently acquired business unit of the PSC Group (€ 2.5 mln) in Energy, Signalling & Telecom

	1H 2022	1H 2021	Δ (%)
Track and Light Civil Works	162.9	144.6	12.6%
Energy, Signalling & Telecom	33.3	28.2	18.1%
Heavy Civil Works	9.8	12.1	(19.0%)
Railway Materials	17.8	19.3	(7.6%)
Railway Machines	6.7	9.2	(27.3%)
Total	230.5	213.4	8.0%

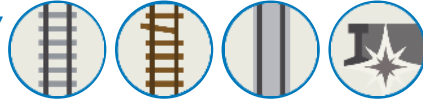


- 70.6% Track & Light Civil Works** (67.8% in 1H 2021)
- 14.5% Energy, Sign. & Telecom** (13.2% in 1H 2021)
- 4.3% Heavy Civil Works** (5.7% in 1H 2021)
- 7.7% Railway Materials** (9.0% in 1H 2021)
- 2.9% Railway Machines** (4.3% in 1H 2021)

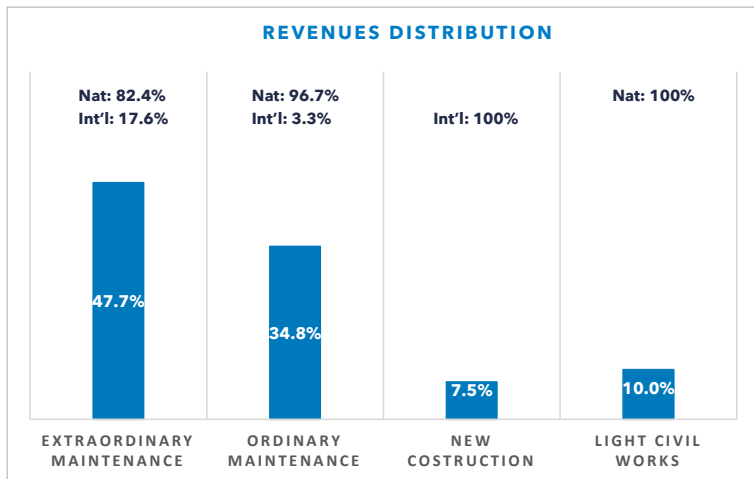
1. Net of € 1.6 mln already recorded in 1H 2021

Focus on Business Units (1/2)

Track & Light Civil Works



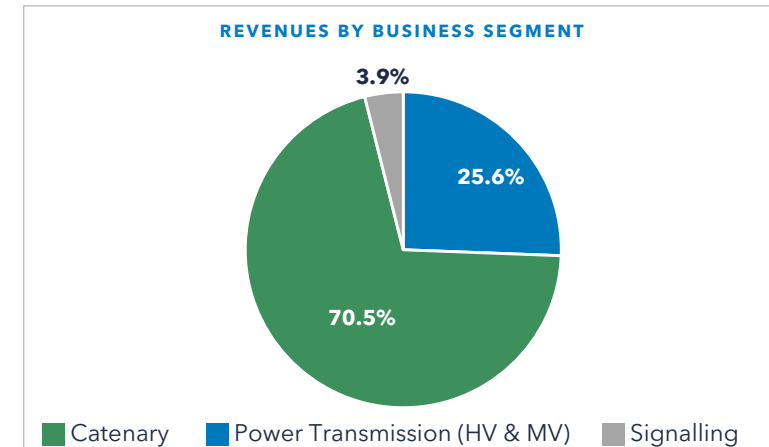
- 1H 2022 Revenues at **€ 162.9 Mln, up 12.6% YoY** mainly due to:
 - Activities within the new 3-year framework agreements with RFI
 - Track renewal activities in Egypt on the Cairo - Alexandria line
 - Activities in Abu Dhabi at regime
 - Higher contribution from light civil works in Italy
- 2H production to benefit from recently signed contracts in Italy and US



Energy, Signalling & Telecommunication



- 1H 2022 Revenues at **€ 33.3 Mln, up 18.1% YoY** mainly due to:
 - Consolidation of the railway business unit acquired by PSC Group
 - Growing contribution from Germany and from the new contracts acquired in 2021
- Going forward, activities will be focused on executing current agreements in both segments and on integrating the recently acquired business
- Backlog approx. € 180 mln higher thanks to M&A and new contracts
- Signalling activities now accounting for approx. 4% of the business



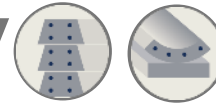
Focus on Business Units (2/2)

Heavy Civil Works



- 1H 2022 Revenues at **€ 9.8 Mln, down 19.0% YoY**
- 2H production volumes mainly driven by the activities on the Italian Verona-Padua High-Speed line just started

Railway Materials



- 1H 2022 Revenues at **€ 17.8 Mln, down 7.6% YoY** with lower production volumes mainly due to the maintenance activities on one production line
- New production line for FAST System completed
- First test installation of FAST System ongoing
- Going forward, activities at Overall focused on reaching operational excellence and enlarging the range of products

Railway Machines



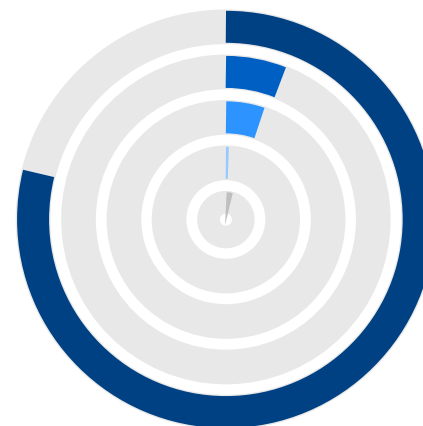
- 1H 2022 Revenues at **€ 6.7 Mln, down 27.3% YoY**
- Combined impact of temporary lower production in the US and another quarter of increasing activities for Group companies accounted for as intercompany
- Going forward, activities will be focused on supporting Group companies

Revenues by Geography

€ Mln

- **Domestic** revenues solidly growing **14.4%** (12.9% organic)
- **Revenues** from our **strategic markets** up 15.8%, with contribution from Germany up 7.1% organically. North America lower YoY as expected and already recovering vs. 1Q 2022
- **Activities in Middle East / North Africa** down 48.5%, with the lower production in Abu Dhabi partially offset by increasing activities in Egypt

	1H 2022	1H 2021	Δ (%)
Italy	185.9	162.4	14.4%
Europe [Excluding Italy]	20.0	14.9	33.8%
North America	17.0	21.3	(20.2%)
Middle East	3.5	13.2	(73.5%)
North Africa	4.1	1.5	165.9%
Total	230.5	213.4	8.0%



- 80.7% Italy** (76.1% in 1H 2021)
- 8.7% Europe (excl. Italy)** (7.0% in 1H 2021)
- 7.4% North America** (10.0% in 1H 2021)
- 1.5% Middle East** (6.2% in 1H 2021)
- 1.8% North Africa** (0.7% in 1H 2021)

Economic and Financial KPI

€ Mln

	1H 2022	1H 2021	Δ (%)
Revenues	230.5	213.4	8.0%
EBITDA	46.3	48.0	(3.7%)
<i>EBITDA Margin</i>	<i>20.1%</i>	<i>22.5%</i>	-
D&A	(16.7)	(13.6)	23.3%
EBIT	29.5	34.5	(14.4%)
<i>EBIT Margin</i>	<i>12.8%</i>	<i>16.1%</i>	-
<i>Adjusted Net Financial Income (Expenses)*</i>	<i>1.6</i>	<i>1.8</i>	-
Adjusted EBT	31.1	36.2	(14.2%)
<i>Adjusted Income Taxes**</i>	<i>(8.7)</i>	<i>(9.8)</i>	(11.7%)
Adjusted Net Profit	22.4	26.4	(15.2%)
<i>* Fair value change of warrant and financial investments</i>	<i>(8.2)</i>	<i>(9.6)</i>	-
<i>** DTA reversal related to revaluations and non-recurring tax expenses</i>	<i>(0.5)</i>	<i>(1.6)</i>	-
Net Profit	13.8	15.3	(9.9%)
Adjusted Net Financial Position¹	69.1	114.5 ²	(39.7%)

- **EBITDA Margin** down 2.4 p.p. vs. 1H 2021. Flat vs. 1Q 2022 confirming resilience in the current context of higher production costs
- **Higher D&A** on the back of higher Capex made both in 2021 and in 1H 2022 in line with the Group's CAPEX plan
- **P&L adjustments** related to:
 - Change in fair value of financial investments and, only for 2021, of the warrant
 - DTA reversal
- **Adjusted NFP** at **€ 69.1 Mln** (Net Cash) include the approx. € 25 mln paid to the PSC Group for the acquisition of the railway business unit and dividend paid for € 28,5 mln

1. 2022 figure does not consider the fair value change on financial investments
2. Figure at 31 December 2021

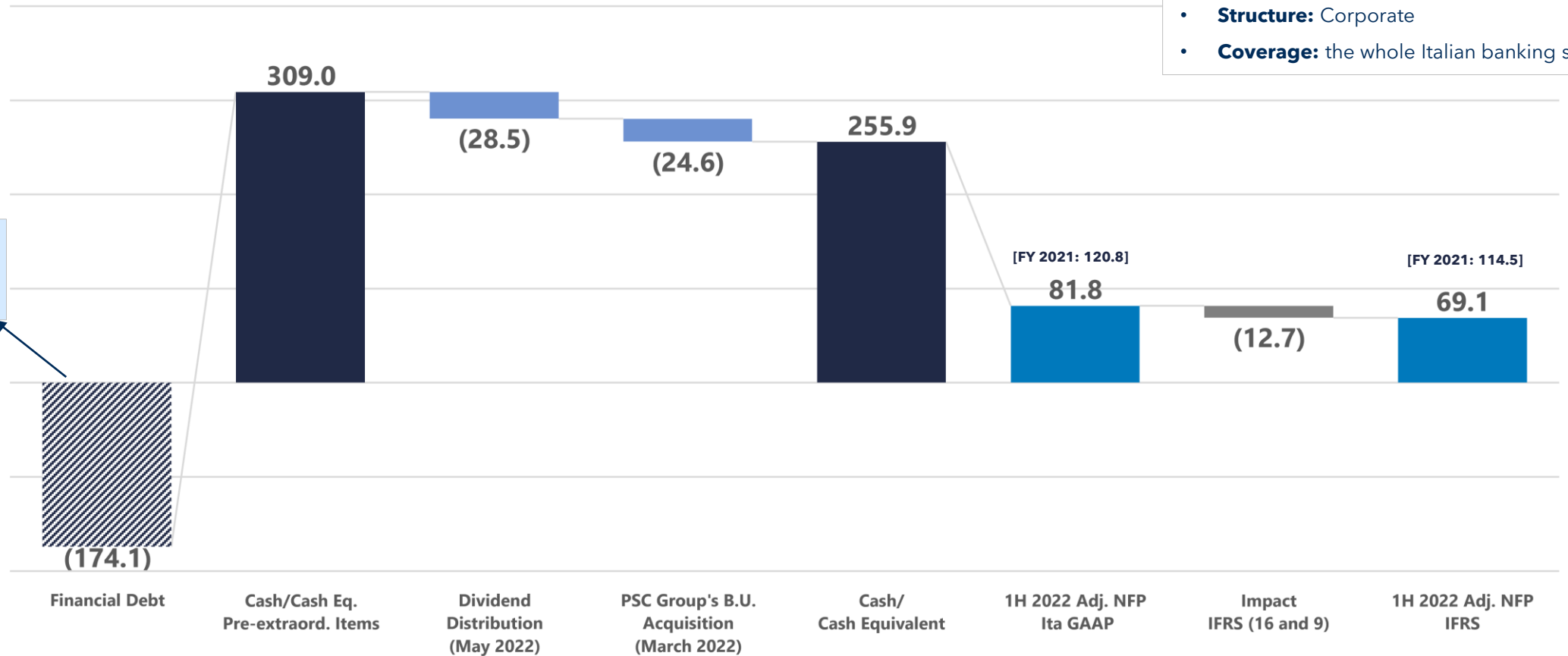
Adjusted NFP at 30 June 2022

€ Mln

Features of financial debt:

- **Duration:** approx. 36 months
- **Average of replacement:** rolling
- **Structure:** Corporate
- **Coverage:** the whole Italian banking system

Includes **2 S-Loans** agreed in 2021 with ESG KPIs

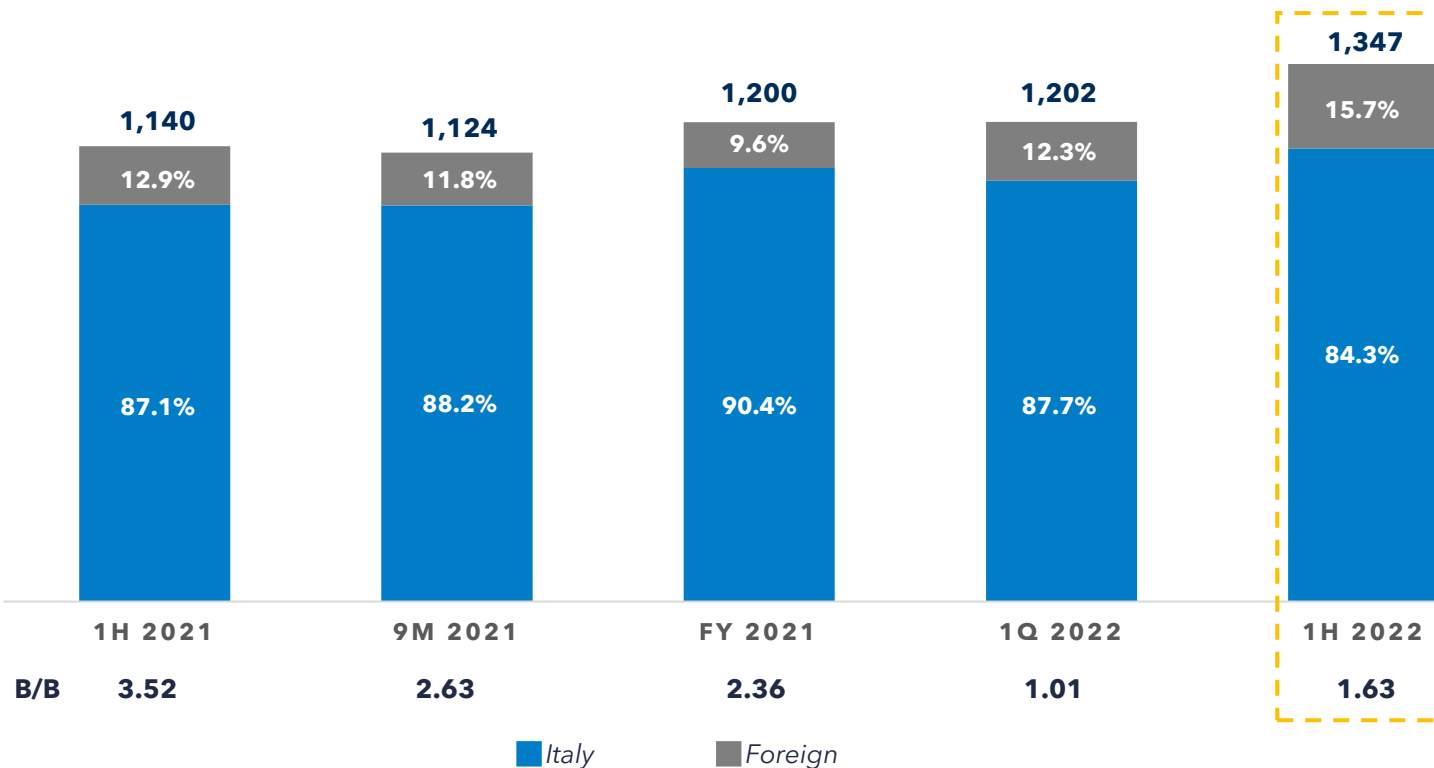




1. Does not consider € 19.3 Mln negative impact caused by Warrant Fair Value at 31 December 2020

Backlog

€ Mln

- **Backlog¹ up further at record € 1.35 Bn**, of which **€ 1,135 mln (84.3%)** from **Italian market** and **€ 212 mln (15.7%)** from **foreign markets**
- Overall weight of domestic backlog still impacted by the **different time frame** of Italian contracts, typically longer than foreign ones. Compared to FY 2021, **slight increase of the international component** due to the contracts signed in the US
- **Track & Light and Civil Works** and **Energy Signalling & Telecommunication** confirmed as the core Business Units, with **85.3%** of the total backlog
- **Book-to-bill ratio at 1.63x**



Business Unit	Amount	%
Track and Light Civil Works	838.9	62.3%
<i>of which Foreign</i>	201.3	14.9%
Energy, Signalling & Telecom	309.2	23.0%
<i>of which Foreign</i>	3.9	0.3%
Heavy Civil Works	150.0	11.1%
<i>of which Foreign</i>	4.7	0.3%
Railway Machines	5.9	0.4%
<i>of which Foreign</i>	1.9	0.1%
Railway Materials	42.7	3.2%
Total	1,346.6	100.0%
 Italy	1,135.0	84.3%
 Foreign	211.7	15.7%

1. Does not include agreements between Group companies, to be considered intercompany

- **Business volumes** expected to solidly **continue in the growth trend** (around 10% organic), mainly driven by:
 - Execution of the contracts for the Verona-Padua high-speed line
 - Consolidation within the Energy, Signalling & Telecommunication BU of the recently acquired business starting from May 2022
 - Further growth of the core business in Italy
 - No exposure to Russia or other countries involved in EU sanctions

- In the current scenario and excluding any further deterioration, EBITDA margins for 2022 expected to remain broadly in line with 1H level, with higher EBITDA in absolute terms

- **2022 Capex expected at € 48 mln** (€ 27 mln at 1H stage) with a strong focus on strengthening the production capacity and developing new businesses.



A vertical blue line is positioned to the left of the word 'Appendix'.

Appendix

Active in the railway sector for more than 70 years

Establishment of **Cosfer**, operating in Italy in railway maintenance sector

1949

Salciccia family acquires the business and launches an important development plan

1975

Growth phase through **3 strategic streams:**

1. Capacity building
2. Sector consolidation in Italy
3. Business development in Eastern Europe and Middle East

1975-2017

First international acquisition (German company H&M Bau now Salcef Bau)

2018

2022

- **Acquisition of PSC Group's business unit operating in the railway sector** (signaling, electrification, Telco, electrical substations and safety systems)

2021

- **Second acquisition in the Germany** (Bahnba Nord)
- Admission to the **STAR Segment**

2020

- Debut on the **Euronext Milan** market
- **Acquisition of Delta Railroad Construction in the US**

2019

- **Listing on the Euronext Growth Milan** market
- **Acquisition of Coget Impianti** to enter in the **electricity transmission** business

Market scouting for additional M&A opportunities

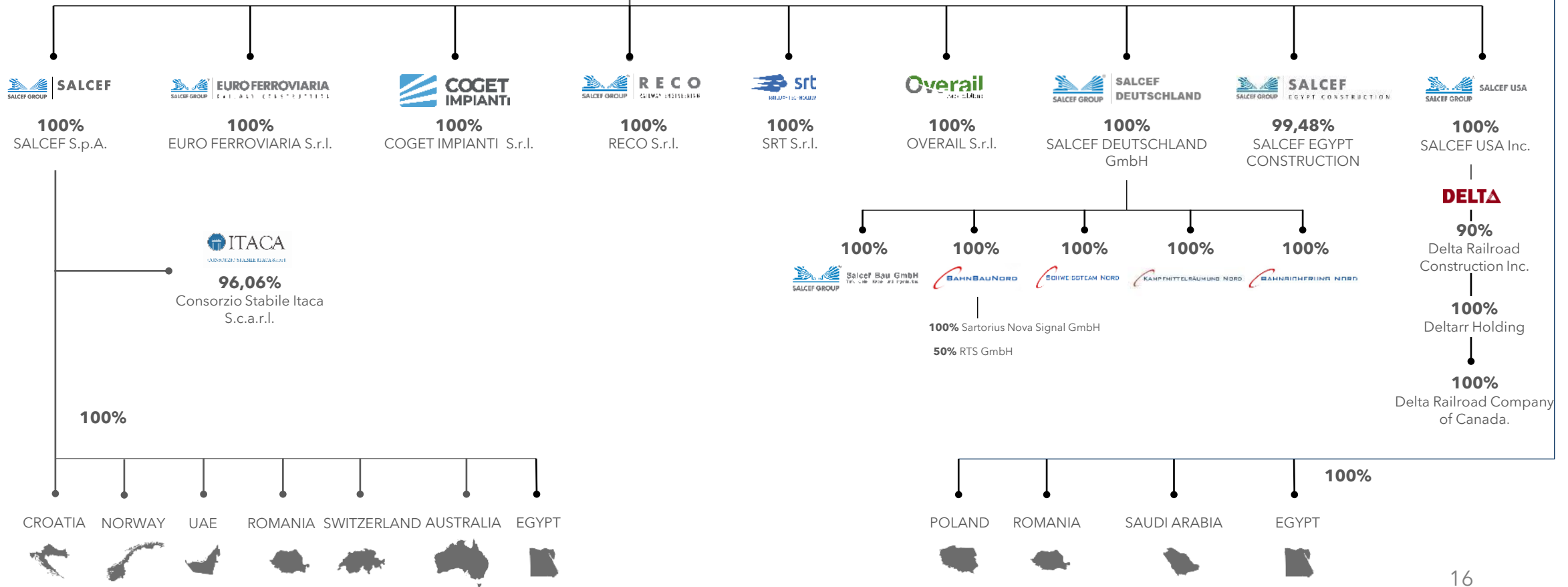
Group Structure



- Listed **Euronext Milan** Market, **STAR** segment
- **64.77%** controlled by Finhold S.r.l. - **35.23%** Floating & Treasury shares
- **BofD** : **7** members, of which **4 independent** and **4 women**
- **Headcount**: > **1,400**

HOLDING

OPERATING COMPANIES



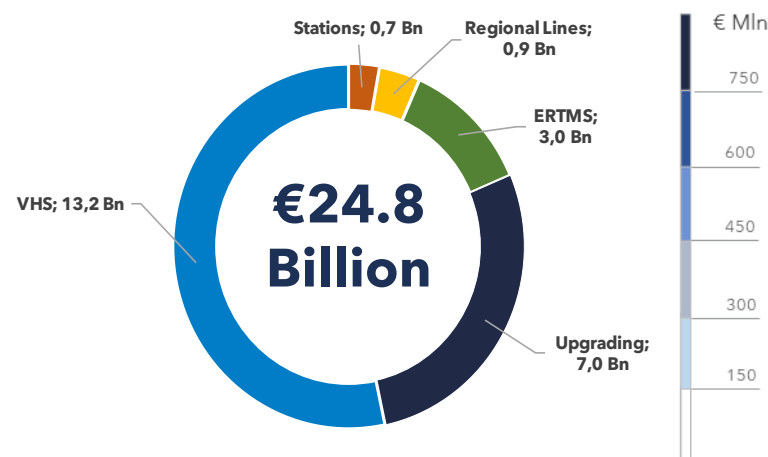
BRANCHES

Focus on Italian National Recovery and Resilience Plan (1/3)



Mission 3 Infrastructure for a sustainable mobility	EU Recovery and Resilience Facility (RRF)	Complementary Fund	TOTAL	€ 31.5 Bn
Component 1: Investments on railway network	€ 24.8 Bn	€ 3.2 Bn	€ 28 Bn	
Component 2: Integrated Logistics	€ 0.6 Bn	€ 2.9 Bn	€ 3.5 Bn	

2020-2021 overall expenditure at **€ 2.5 Bn**, higher than the **€ 2.3 Bn** budget



	TOTAL	2020	2021	2022	2023	2024	2025	2026	TARGET
1.1 High-speed railway connections to the South for passengers and freight	4,640	52	125	359	748	919	1,125	1,313	TARGET: 274 km of new HS lines
Napoli - Bari	1,400	30	80	143	180	271	352	344	
Palermo - Catania - Messina	1,440	22	25	100	199	283	439	372	
Salerno - Reggio Calabria	1,800	0	20	116	369	365	334	596	
1.2 High-speed lines	8,570	550	881	904	758	2,030	1,935	1,512	TARGET: 274 km of new HS lines
Brescia - Verona - Padova	3,670	152	341	440	76	900	1,096	665	
Liguria - Alpi	3,970	398	532	454	636	886	559	505	
Verona - Brennero	930	0	8	10	46	244	280	342	
1.3 Cross-country connections	1,580	2	9	52	175	301	427	614	TARGET: 87 km of new lines
Orte - Falconara	510	0	1	27	61	92	125	204	
Roma - Pescara	620	0	2	16	57	125	186	234	
Taranto - Metaponto - Potenza - Battipaglia	450	2	6	9	57	84	116	176	
1.4 ERTMS	2,970	0	50	299	425	563	705	928	TARGET: 3,400 km of lines equipped with ERTMS
1.5 Upgrading metropolitan railway junctions and key national rail networks	2,970	172	189	280	320	616	715	680	TARGET: 1,280 km of lines upgraded
1.6 Upgrading regional railways	936	41	116	30	158	254	152	185	TARGET: 680 km of lines enhanced
1.7 Improvement, electrification and more resilience for Southern railways	2,400	0	53	187	217	506	700	737	TARGET: 573 km of lines enhanced
1.8 Enhancement of Southern Italian train stations	700	0	21	64	103	195	192	125	TARGET: 54 stations upgraded
	24,766	817	1,443	2,175	2,903	5,384	5,951	6,094	

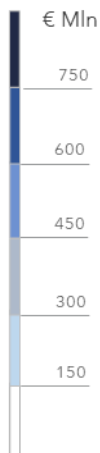
Focus on Italian National Recovery and Resilience Plan (2/3)



Mission 3 Infrastructure for a sustainable mobility		EU Recovery and Resilience Facility (RRF)	Complementary Fund	TOTAL	€ 31.5 Bn
Component 1: Investments on railway network		€ 24.8 Bn	€ 3.2 Bn	€ 28 Bn	
Component 2: Integrated Logistics		€ 0.6 Bn	€ 2.9 Bn	€ 3.5 Bn	

	TOTAL	2020	2021	2022	2023	2024	2025	2026
Upgrading regional railways (which are not owned/operated by RFI)	1,550	0	150	360	405	377	248	10
Securing of regional railways	454							
Upgrade and renewal of rolling stock fleet	278							
Enhancement of regional rail network with simultaneous upgrade and/or renewal of rolling stock fleet	140							
Enhancement of regional railways	677							
Renewal of rolling stock	200	0	60	50	40	30	20	0
Safe roads - Implementation of a dynamic monitoring system for remotely controlling bridges, viaducts and tunnels (A24-A25)	1,000	0	150	150	90	337	223	50
Safe roads - Implementation of a dynamic monitoring system for remotely controlling bridges, viaducts and tunnels (ANAS)	450	0	25	50	100	100	100	75
	3,200	0	385	610	635	844	591	135

- **Already allocated** through a decree of the Ministry of sustainable infrastructures and mobility, to **29 projects**, with the overall amount allocated 81% to the South and 19% to the Centre-North
- With the only exceptions of the upgrade and renewal of the rolling stock fleet and some technological works in the signalling field, all the other projects are **potentially in the scope of Group's core business**



Focus on Italian National Recovery and Resilience Plan (3/3)



FOCUS ON AREA # 4 - DEVELOP MORE SUSTAINABLE LOCAL PUBLIC TRANSPORTATION

€ Mln	TOTAL	2020	2021	2022	2023	2024	2025	2026	
750	4.1 Encouraging cycling	600	0	0	130	225	100	80	65
600	4.2 Rapid mass transportation development	3,600	0	180	476	709	967	738	530
450	4.3 Installation of electric charging infrastructure	741	0	0	0	400	150	141	50
300	4.4 Renovation of bus fleets and green trains	3,639	0	0	440	594	931	979	695
150		8,580	0	180	1,045	1,928	2,148	1,939	1,340

SUBWAYS

€ 0.7 Bn for 11 km of new subways, rolling stock and technical/civil works

TRAMWAYS

€ 2 Bn for 85 km of new tramways, rolling stock and technical/civil works

TROLLEY WAYS and FUNICULARS

€ 0.9 Bn for 120 km of new trolley ways and 15 km of new funiculars

- Projects will be mainly focused on the metropolitan areas of the major Italian cities.
- Expenditures have been already agreed between the Ministry of sustainable infrastructures and mobility and the Local Authorities. Final Decree expected soon

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