EMARKET SDIR CERTIFIED

SALCEF GROUP

Company Presentation

Italian Excellences MidCap conference

2023 ENR TOP 250 INTERNATIONAL CONTRACTORS

Paris, 11 October 2023

Speakers

Fabio De Masi
Chief Financial Officer

Alessio Crosa
IR & Sustainability Manager

Agenda

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Salcef Group Overview

Salcef Group in a nutshell

SALCEF GROUP

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Global leader in the railway infrastructure

Business Unit	7
Operating Companies[1]	15
Foreign Branches[1]	8 countries
Employees[1]	>1,900

Sound performance and solid financial structure

	FY 2021	FY 2022	
Revenues	440 € mln	565 € mln	+28% YoY
EBITDA	97 € mln	114 € mln	+17% YoY
NFP	115 € mln	26[2] € mln	Net Cash
Backlog	1.2 € Bn	1.7 € Bn	+42% YoY

Well positioned for sustainable growth

- **Investments** in railway industry increase globally
- **Unique business model** to maximize synergies and provide opportunities for diversification
- **Best-in-class technologies** and capabilities, continuously updated and innovated
- **Financial flexibility** to implement organic CAPEX Plan and catch external growth opportunities, with proven track record in M&A

1. Figures at 31 December 2022
2. Does not consider the fair value change on financial investments and the down payment on the Verona-Padua HS line contracts

Group Structure

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HOLDING

- Listed **Euronext Milan** Market, **STAR** segment
- **64.77%** controlled by Finhold S.r.l. – **35.23%** Floating & Treasury shares

OPERATING COMPANIES

- **100%** SALCEF S.p.A.
  - **96%** Consorzio Stabile Itaca S.c.a.r.l.
- **100%** EURO FERROVIARIA S.r.l.
  - **55%** Consorzio Stabile Contese
- **100%** FRANCESCO VENTURA COSTRUZIONI FERROVIARIE S.r.l.
  - **25%** Consorzio Armatori Ferroviari S.c.p.A.
- **100%** COGET IMPIANTI S.r.l.
- **100%** RECO S.r.l.
- **100%** SRT S.r.l.
- **100%** Colmar Technik S.p.A.
- **100%** OVERAIL S.r.l.
- **100%** SALCEF DEUTSCHLAND GmbH
  - **100%** Salcef Bau GmbH
  - **100%** BahnBauNord
  - **100%** Schweisstechnik Nord
  - **100%** Bahnsicherung Nord
- **100%** SALCEF USA Inc.
  - **100%** Salcef Railroad Services Inc.
  - **90%** Delta Railroad Construction Inc.
- **99.48%** SALCEF EGYPT CONSTRUCTION
- **60%** Salcef Nordic AS

COMMERCIAL BRANCHES

SALCEF S.p.A. – **100%**: CROATIA, NORWAY, UAE, ROMANIA, SWITZERLAND, AUSTRALIA, EGYPT

100%: ROMANIA, SAUDI ARABIA, EGYPT

Active in the railway sector for more than 70 years

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1949

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

1975

Salciccia family acquires the business and launches an important development plan

1975-2017

Growth phase through:

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

2018

First international acquisition in Germany

2019

Listing on the Euronext Growth Milan market

2020

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

2021

Second acquisition in Germany

2022

- **Acquisition of PSC Group's business unit operating in the railway sector** (signaling, electrification, Telco, electrical substations and safety systems)
- Acquisition of **Francesco Ventura Costruzioni Ferroviarie** (track maintenance and construction)

2023

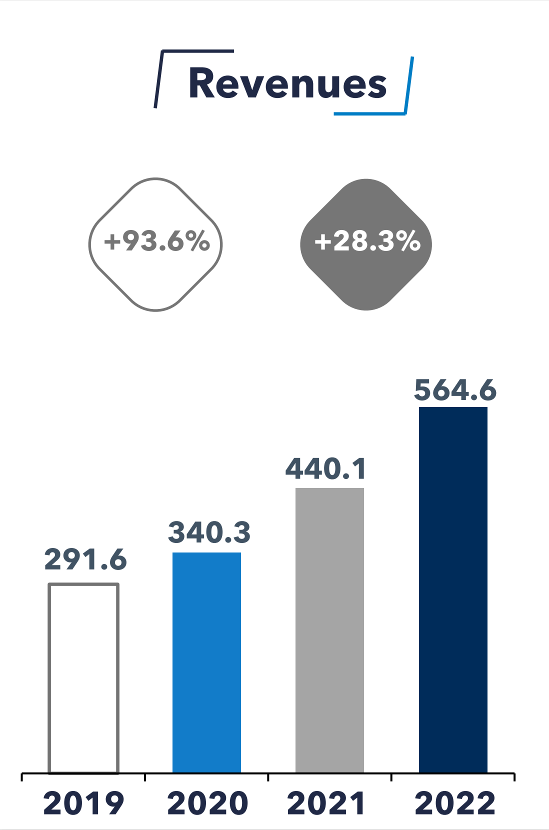
Acquisition of Colmar Technik

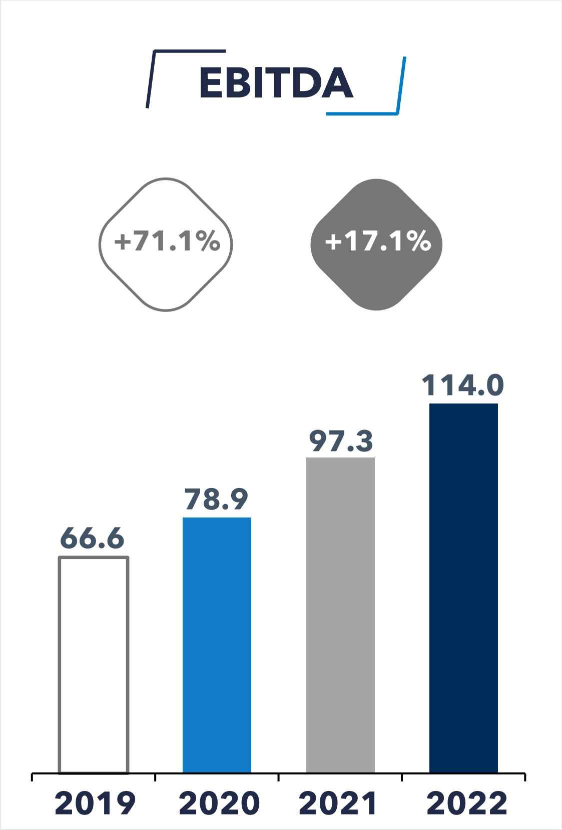
3 years afer the IPO: A different shape with the same goal…

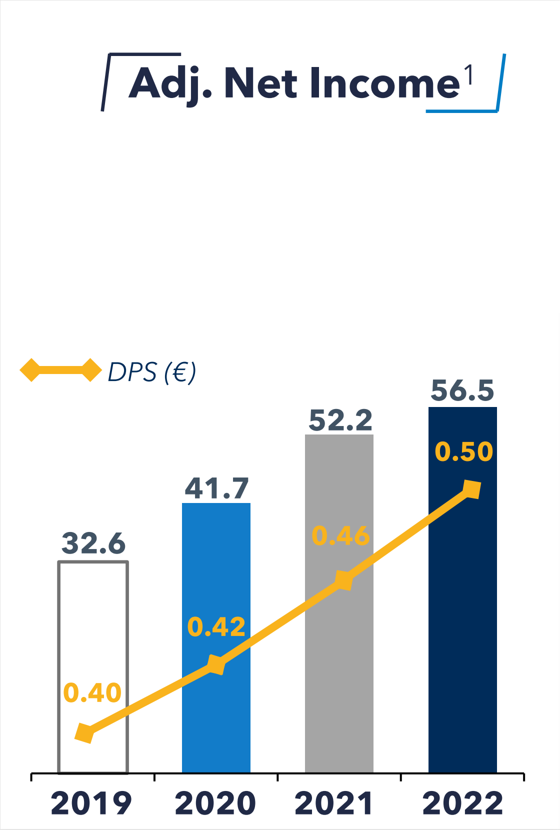
€ Mln

2022 vs. 2019

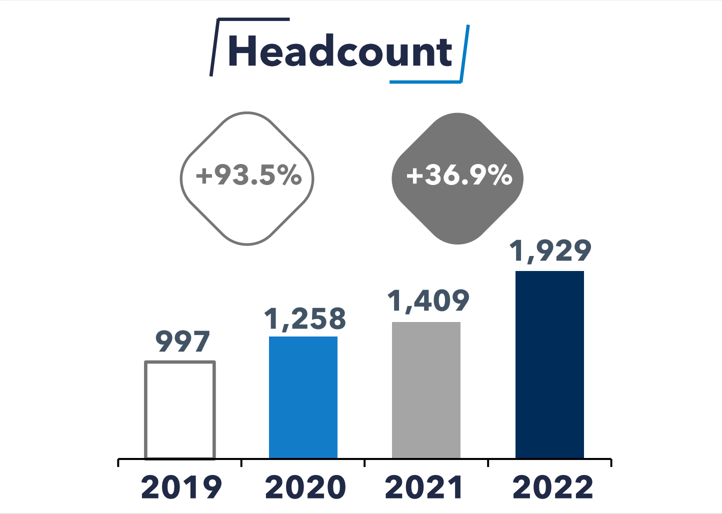
2022 vs. 2021







- **4 Acquisitions post-IPO**, 2 in Italy, 1 in the US and 1 in Germany for total EV **> € 130 mln**
- **> € 120 mln** invested in organic CAPEX
- **> € 66 mln** distributed to shareholders
- Cash positive for **€ 26 mln** at the end of 2022



…continue growing with financial and operative discipline to deliver return to our shareholders

1. 2020 and 2021 adjusted to exclude the impact on financial expenses of the fair value gains and losses on the "warrant in compendio e integrativi" and the tax impact of the reversal of deferred tax assets on revaluations. 2022 adjusted to exclude the tax impact of the reversal of deferred tax assets on revaluations and to exclude the impact on financial expenses of the fair value change on financial investments

1 Strategic BU and 7 vertically integrated Operative BUs

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FY 2022 Revenues

Industrial presence

1. 100% intercompany

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A unique business model to provide 360° solutions to the industry

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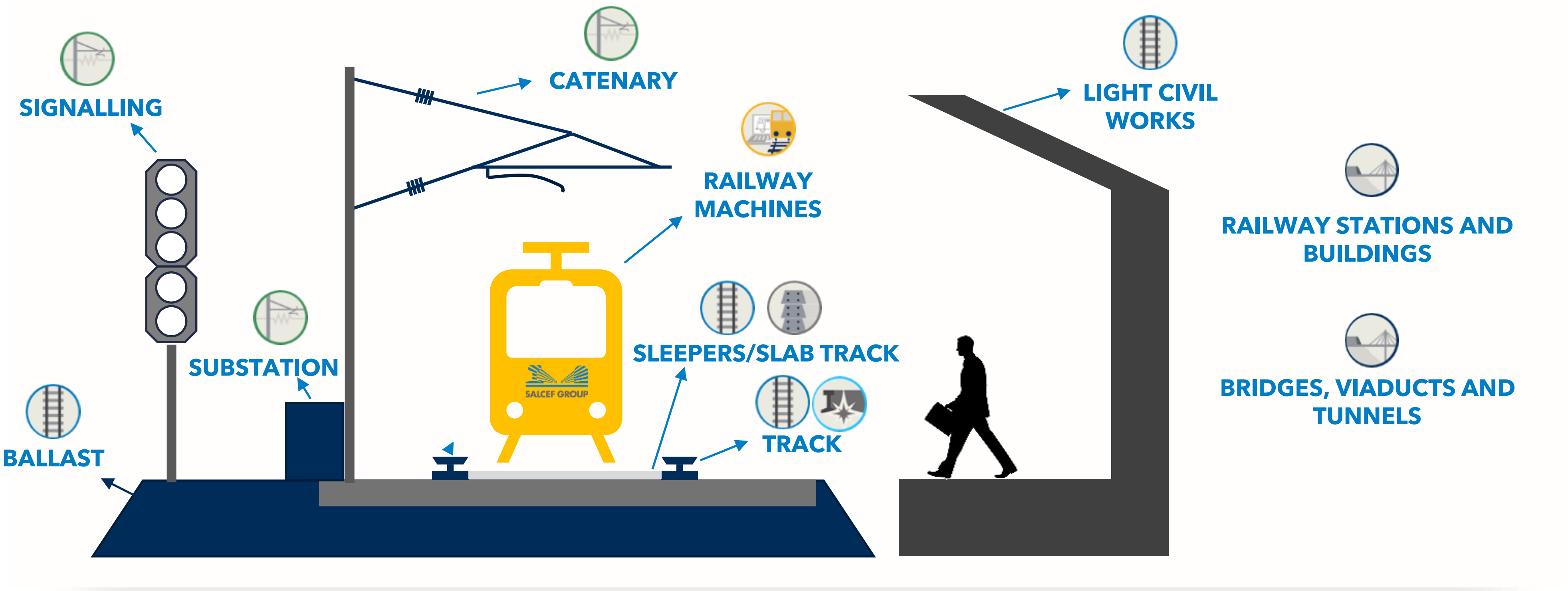
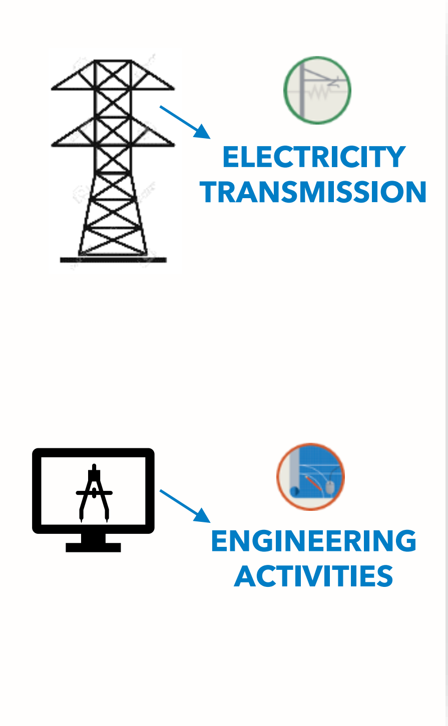
7 OPERATIVE BUSINESS UNITS

- Track & Light Civil Works
- Energy, Signalling & Telecommunication
- Heavy Civil Works
- Rail Grinding & Diagnostics
- Railway Machines
- Railway Materials
- Engineering

Railway Infrastructures



Other activities



Overview of our strategic markets

	ITALY	GERMANY	UNITED STATES
RAILWAY NETWORK	~ 24,500 km	~ 50,000 km	~ 221,000 km *Almost entirely owned and managed by Class I railroads[1]*
COMPETITIVE SCENARIO	*Few competitors with domestic operations mainly focused on specific areas*	*Very fragmented, with few big players and a number of small/micro local companies*	*Very fragmented, with big players and smaller companies with state-wide focus*
MAIN CUSTOMERS	RFI RETE FERROVIARIA ITALIANA GRUPPO FERROVIE DELLO STATO ITALIANE *(100% state-owned)*	DB *(100% state-owned)*	AMTRAK *(100% state-owned)*; *Class I railroads*; *Local Transit Authorities*
TYPE OF CONTRACTS	*Mainly long-term contracts with framework agreement approach*	*Significant number of single-activity contracts of relatively small size*	*Mainly significant number of single-activity contracts of relatively small size. Type may depend on the customer*
TENDER PROCESS	*Public Tenders only*	*Public Tenders only*	*Public Tenders and private negotiations*
CURRENT INVESTMENT PLANS	• *FS Investment Plan 2022-2031 (€ 110 Bn to the railway infrastructure). New PCO forecasting +80% in maintenance spending (€ 5,1 Bn extraordinary in 2022-2024 and € 1 Bn ordinary per year)* • *NRPP 2020-2026 (€ 28 Bn)* *See dedicated slides*	*DB Investment Plan 2020-2030 (€ 86 Bn)*	*$ 1.2 Tn US Bipartisan Infrastructure Deal ($ 66 Bn for passenger rail and $ 39 Bn for public transit)*

1. 7 freight operators with revenues higher than $ 500 mln

Strategy highlights

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Strengthening of the competitive positioning

- Non-organic growth in the key strategic countries for the Group (Italy, Deutschland, US)

Diversification of the business

- Widen Group presence mainly in the railway industry and also in adjacent sectors characterized by same technological background but different customer bases and markets

Investments in new high technology products and on efficiency of current fleet

- **Ordinary Business**: maintenance of existing production capacity
- **Business upgrade**: new plants, machinery or equipment to increase production capacity
- **New business line**: design and production of new products to open new strategic business lines

ESG priorities

- **Environmental**: Invest in more efficient operations to reduce emissions, also using more energy from renewable sources
- **Social**: Assure best-in-class working conditions within and outside the organization, providing employees and collaborators with growth opportunities and implementing organizational and control systems to make operations safer
- **Governance**: Adopt industry-leading management systems and promote a sustainability culture among all the stakeholders

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Business Units

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Track & Light Civil Works

Track & Light Civil Works

Track Maintenance

Extraordinary Maintenance

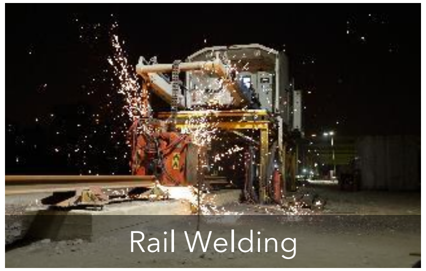

Track Renewal


Ballast Cleaning


Turnout Renewal

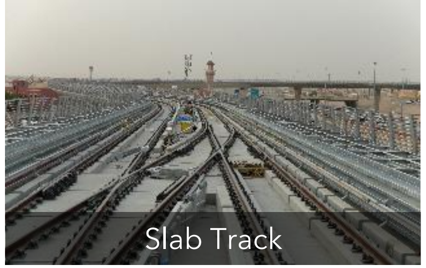
Ordinary Maintenance


Track Tamping & Levelling


Rail Welding

Track Construction


Ballasted Track


Slab Track

Light Civil Works


Railway Infrastructure


Minor Civil Works

Track & Light Civil Works

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Strenghts

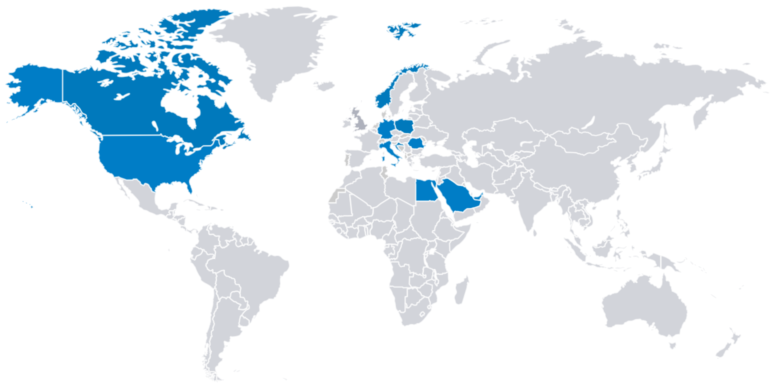
- High barriers to entry
- Huge equipment investments

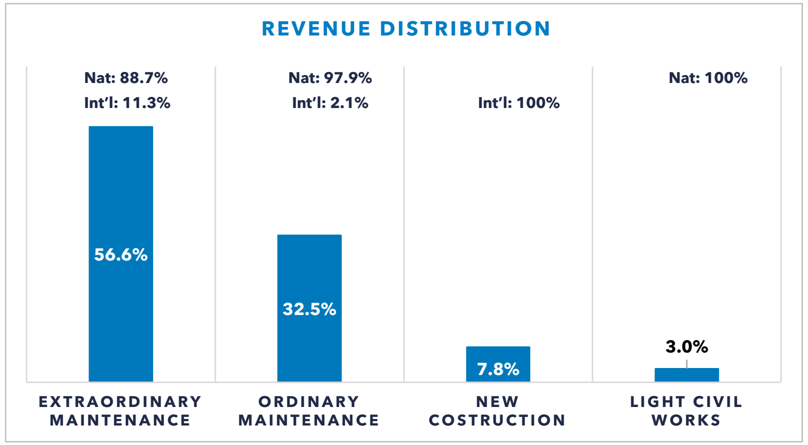
  (Salcef fleet substitution value over than **€ 500 mln**)
- Manpower specialization
- Clients' PQ and certifications
- Highly demanding working conditions

1H 2023 operational update

- 1H 2023 Revenues at **€ 219.0 Mln, up 38.4% YoY** mainly due to:
  - Stronger execution of the Framework Agreements in Italy
  - Consolidation of FVCF
  - Material growth in the US (+65.8%) at € 25.0 Mln
- New Orders in 1H at € 344.2 Mln (including FVCF contribution), of which more than 50% outside Italy

Served Markets





Energy, Signalling & Telecommunication

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Energy, Signalling & Telecommunication

Activities

- **Railway catenary**, signalling, substations, telecommunication construction, ordinary & extraordinary maintenance (renewal activities)
- Construction and maintenance of **infrastructure for high and medium voltage electricity transmission** (aerial and underground)

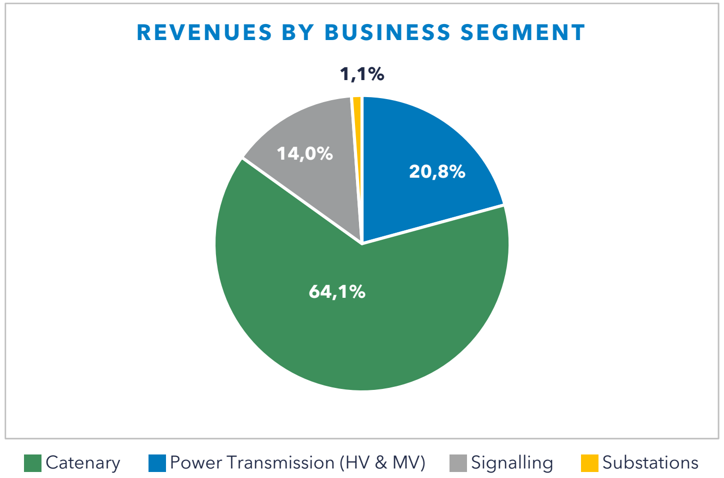
Strenghts

- High barriers to entry
- Clients' PQ and certifications
- Highly demanding working conditions
- Huge Italian and European investment plan (Terna 2023 Plan with € 21.0 Bn investments, + 17% vs. previous Plan)

Served Markets

1H 2023 operational update

- 1H 2023 Revenues at **€ 51.6 Mln, up 54.9% YoY** mainly due to:
  - Activities within the new 3-year framework agreements with RFI
  - Growing contribution from the business acquired by PSC Group
- New Orders in 1H at € 91.7 Mln. Involvement in the ERTMS implementation strengthened and now covering also Sicily through Consorzio Itaca
- Signalling activities increasing their weight in the business, now at 14% of the total



Heavy Civil Works

Heavy Civil Works

Activities

- Multidisciplinary railway construction projects (civil and technological works)
- Doubling of existing railway line
- Construction of railway stations and buildings
- Bridges, viaducts and tunnels
- Environmental mitigation works

Strenghts

- Vertical integration with other Salcef Group BUs
- Salcef Group competitiveness, and all the qualifications for general and specialized works

Served Markets

1H 2023 operational update

- 1H 2023 Revenues at **€ 47.9 Mln, up 388.3% YoY** with the activities on the Verona-Padua HS line contract reaching the peak

Rail Grinding & Diagnostics

Rail Grinding & Diagnostics

Activities

- Rail and turnout grinding
- Rail Diagnostics

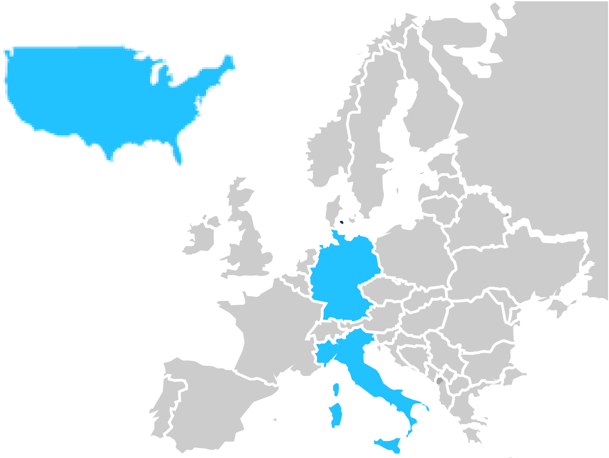
Fleet

- Current Group's fleet for grinding activities is made of **6 Vulcano series rail grinders** and a smaller grinder, all built internally by **SRT**
- Vulcano rail grinders, in their Heavy and Light versions, are designed with modular principles to assure high productivity. Thanks to their flexibility they can be adapted for operation on all the lines, from High Speed to metro, tramlines and narrow-gauge railways

Strenghts

- Vertical Integration with Track & Light Civil Works BU
- All-inclusive solutions
- High production capacity thanks to high performance engines and grinding motors
- Extremely accurate measuring system to optimize solutions and maximize results
- Environmental Sustainability with Stage V engines and dust extraction system

Served Markets



1H 2023 operational update

- 1H 2023 Revenues at **€ 11.3 Mln, up 144.9% YoY**
- New contract in Italy for the Grinding of Lotto 1 "Centro-Nord", involving approximately 900 km of track
- New Vulcano Light 20M to be delivered in 3Q

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Railway Materials

Railway Materials

Activities

- Manufacturing of prestressed concrete railway sleepers
- Manufacturing of slab-track systems for unballasted tracks (metro, tramway and railway)
- Manufacturing of concrete segments for tunnels (metro lines)

Strenghts

- Clients' PQ and certifications
- Vertical Integration with Track & Light Civil Works BU
- Extensive development possibilities for unballasted solutions
- Development of new solution and patents

Served Markets

1H 2023 operational update

- 1H 2023 Revenues at **€ 23.8 Mln, up 33.4% YoY**
- New Orders in 1H at € 17.8 Mln, of which 95% in 2Q
- New multi-product production line completed

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Railway Machines

Railway Machines

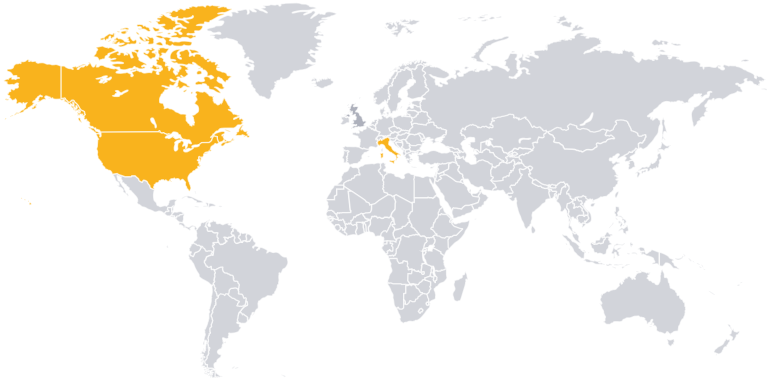
Activities

- Design of new railway equipment and construction technologies
- Maintenance and revamping of railway equipment
- Construction of new railway wagons and equipment
- Renting of equipment and tool

Strenghts

- Clients' PQ and certifications
- Vertical integration with Track & Light Civil Works, Energy, Signalling & Telecommunication and Rail Grinding & Diagnostics BUs
- Market with high margin and few competitors
- Development of new solutions and patents

Served Markets



1H 2023 operational update

- 1H 2023 Revenues at **€ 8.0 Mln, up 19.9% YoY** mainly due to stronger production in the US (+152%)
- New plant in Schieppe di Orciano completed and with all the production lines up and running
- New contract signed in July for the supply of a Vulcano Light grinder to the Polish Railways PKP
- Integration of Colmar kicked-off at industrial and commercial level

A strategic acquisition to strengthen Railway Machines

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srt
RAILWAY TECHNOLOGY

HOPPER

CONCRETE MIXER

DHS

DROP-SIDES

VULCANO GRINDERS

Wider product range to catch increasing market opportunities

Manufacturing synergies

Captive market to help development and improvement of Colmar products

Commercial collaboration to tackle countries not yet covered by the Group

COLMAR

SHUNTERS

RAIL ROAD LOADERS

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Engineering

Engineering

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Activities

- Pre-feasibility and feasibility studies
- Preventive technical tests and market research into materials
- Topographic surveys
- Environmental impact studies
- Project management and engineering consulting services

Strenghts

- Clients' PQ and certifications
- Vertical integration with Track & Light Civil Works and Energy, Signalling & Telecommunication BUs
- Development of new solutions and patents

Served Markets

FY 2022 operational update

- 150 projects designed
- > 600 km of infrastructure designed

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Sector & Market Highlights

Railway infrastructure sector supported by global macrotrends

High barriers to entry, mainly due to availability of operating fleet and highly-specialized workforce as well as specific qualifications required by customers

Great visibility thanks to few multi-year contracts

Counter-cyclical business, especially in its maintenance component

Long-term investments in construction, upgrade and renewal of rail infrastructures structurally growing globally

Italian expertise in the sector among the best in the world

Technologies and capabilities in common with adiacent sectors

Sustainable mobility at the core of Governments' policies worldwide, with railways increasingly chosen for urban/ short-medium haul passenger transportation and for logistics

EU Green Deal seeks a 90% reduction in GHG emissions in transportation by 2050

Italian Recovery and Resilience Plan with **28 € Bn** to the railway sector by 2026 and **2022-2031 FS Industrial Plan** with **€ 110 Bn** to the railway infrastructure

US "Bipartisan Infrastructure Deal" includes **66 $ Bn** to improve and expand the nation's passenger and freight rail network and **39 $ Bn** for the upgrade of public transit over a decade

Germany investing 86 € Bn in the upgrade of its rail network 2021-2030

World Rail Supply Market expectations until 2027 – by geography

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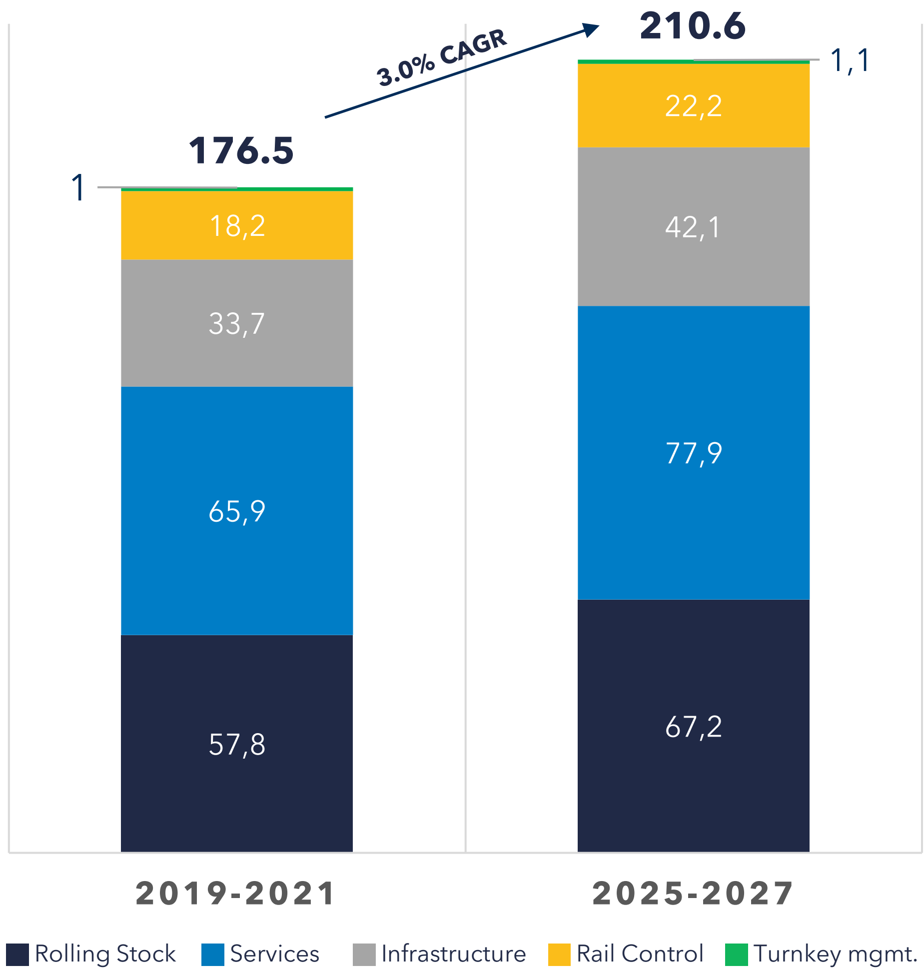
- World rail supply market expected to grow at a **3.0% CAGR**, reaching an average yearly spending of approx. **€ 211 Bn** in the **2025-2027 period** (+19,3% vs 2019-2021)
- **Africa / Middle East** and **Eastern Europe** are expected to have the **strongest growth**, while **Asia Pacific** and **Eastern Europe** are confirmed as the **biggest contributor to the global market (32%** and **30%** respectively**)**

Source: World Rail Market Study 2022-2027 by UNIFE and Roland Berger

World Rail Supply Market expectations until 2027 – by sector



Services

- Infrastructure Services market (which accounts for 23% of the total services market and includes labour and parts for maintaining railway superstructure) is expected to grow by **1.9%** reaching **€ 17.6 Bn** per year in 2025-2027
- Biggest growth in NAFTA countries at **2.9%**, the only area where infrastructure services are expected to grow more than rolling stock services. Eastern Europe, Africa / Middle East / Western Europe follow with 2.0%, 1.7% and 1.6% CAGR respectively

Infrastructure

- Infrastructure market (which includes all components of ballastless / ballast track and electrification while excludes all the civil works) is expected to grow by **3.8%** reaching **€ 42.1 Bn** per year in 2025-2027
- **Superstructure** growth mainly driven by Very High Speed (7.2%), followed by Urban (3.4%) and Mainline/Freight (3.0%), which remains by far the biggest component (57% of the total)
- **Electrification** (~56% of the track kilometres are not electrified, ~50% in Europe and ~28% in Italy) is the segment with the highest growth rates: 7.5% for Mainline/Freight, 4.6% for VHS and 3.4% for Urban
- Eastern Europe will grow by **8.7%** (with Romania at 3.0%), Africa/Middle East by 4.1% (with remarkable 28.3% in Saudi Arabia) and Western Europe by 4.7%. 1.2% growth in Asia Pacific mainly Driven by Australia while 3.9% growth in NAFTA countries mainly driven by US (3.9%)

Rail Control

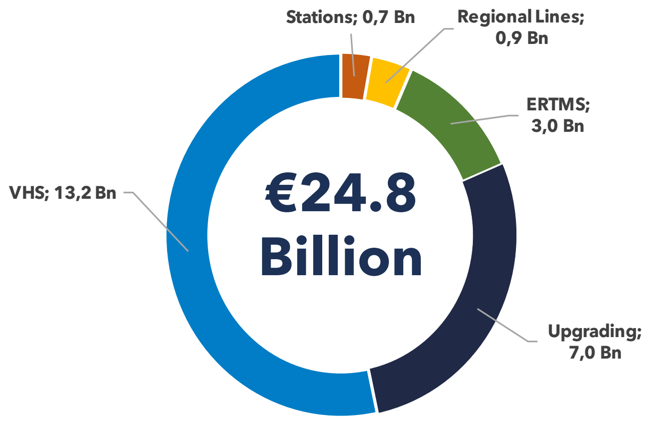
- Rail control market (which includes rail control and signalling solutions, communication equipment, operational control systems and route control systems) is expected to grow by **3.4%** reaching **€ 22.2 Bn** per year in 2025-2027
- Africa/Middle East and Eastern Europe are expected to have the highest growth (**8.2%** and **6.8%** respectively). Western Europe is predicted to grow by 4.2%, amounting to 31% of the total market

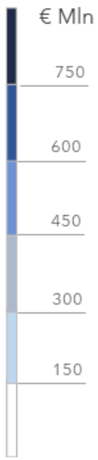
Source: World Rail Market Study 2022-2027 by UNIFE and Roland Berger
All the growth rates are CAGR

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	
Component 1: Investments on railway network	**€ 24.8 Bn**	**€ 3.2 Bn**	**€ 28 Bn**	**€ 31.5 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	
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**	

Source: www.italiadomani.it and http://documenti.camera.it/leg18/dossier/pdf/DFP28a.pdf?_1636745460912

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

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

€ Mln

750

600

450

300

150

	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**

Source: www.italiadomani.it and https://www.mit.gov.it/comunicazione/news/pnrr-assegnati-155-miliardi-di-euro-per-il-potenziamento-delle-ferrovie

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

Mission 2 Green revolution and ecological transition	*EU Recovery and Resilience Facility (RRF)*	*Complementary Fund*	TOTAL	**€ 59.5 Bn**
Component 2: Renewable Energy, hydrogen, power grids and sustainable mobility	**€ 23.8 Bn**	**€ 1.4 Bn**	**€ 25.2 Bn**	

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

€ Mln

	TOTAL	2020	2021	2022	2023	2024	2025	2026
4.1 Encouraging cycling	**600**	0	0	130	225	100	80	65
4.2 Rapid mass transportation development	**3,600**	0	180	476	709	967	738	530
4.3 Installation of eletric charging infastructure	**741**	0	0	0	400	150	141	50
4.4 Renovation of bus fleets and green trains	**3,639**	0	0	440	594	931	979	695
	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

Additional **€ 4.7 Bn** (of which € 4.3 Bn from 2022 Budget Law) allocated by the Ministry of Infrastructure and Sustainable Mobility to the development of Subways and Tramways in Rome, Milan, Genova, Naples and Turin

Source: www.italiadomani.it and https://www.mit.gov.it/comunicazione/news/trasporto-pubblico-locale-intesa-con-regioni-e-enti-territoriali-sul-riparto-di

1H 2023 Results

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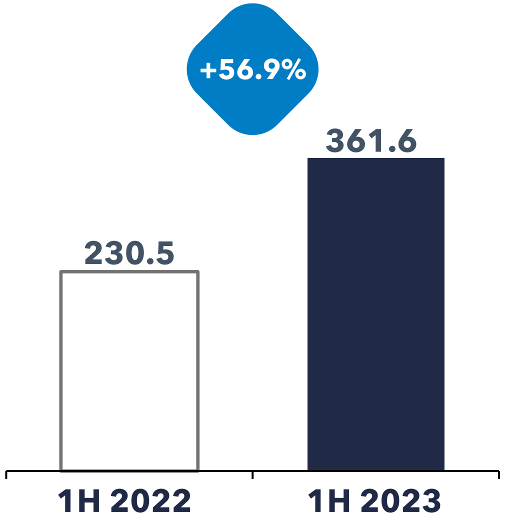
Key messages

- Very positive 1H confirming growth trends and impact of public investments in the railway infrastructure, also at local/regional level
- **Revenue growth at 57%** (of which 37% organic), with 2Q as the first quarter ever at above € 200 million, benefitting from higher production, a better-than-expected contribution from FVCF and a favourable YoY comparison
- **EBITDA** at **€ 73.8 mln** confirming profitability at above 20%
- **Backlog at € 1.87 Bn** further growing vs. 1Q with major awards in Italy and abroad
- **Acquisition of Colmar Technik** completed on time and expected to support the growth of Railway Machines
- 2023 Revenues now expected to be **30% higher than 2022** on the back of stronger organic and non-organic growth

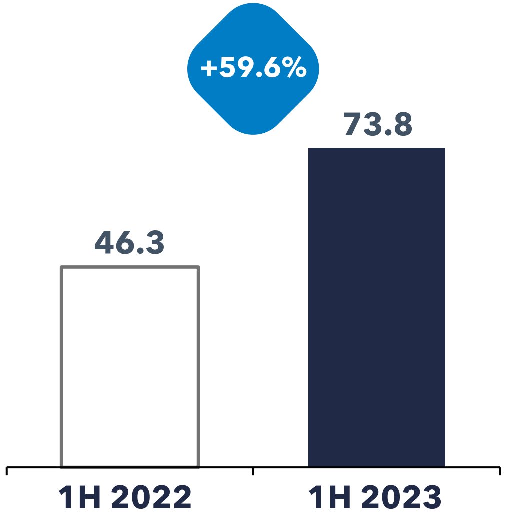
1H 2023 Highlights

€ Mln

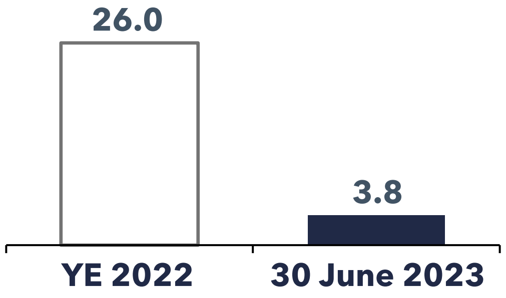
Revenues



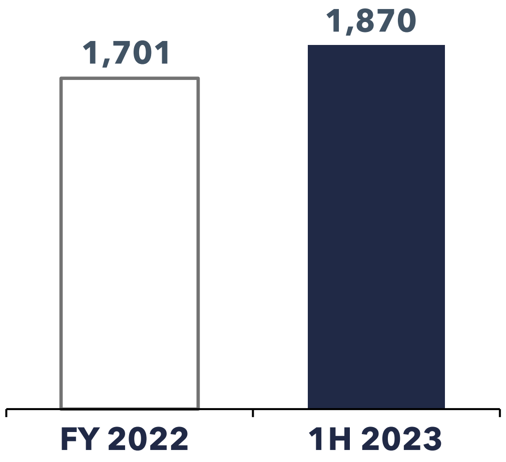
EBITDA



Adj. NFP[1] (Net Cash)



Backlog



1. Does not consider the downpayments received for the HS/HC Verona-Padua contracts, the fair value change on financial investments and the first installment for the acquisition of Colmar Technik

Revenues

€ Mln

- Consolidated **Revenues** at **€ 361.6 Mln**, up 56.9% YoY mainly due to:
  - **Outstanding organic growth at 37.2%**, with activities materially growing across all the business units and in particular Heavy Civil Works
  - **Contribution** of **Francesco Ventura Costruzioni Ferroviarie** (€ 30.8 Mln) in **Track & Light Civil Works** and of the railway business unit acquired from PSC Group (€ 17.2 mln) in **Energy, Signalling & Telecom**

	1H 2023	1H 2022	Δ (%)
Track and Light Civil Works	**219.0**	158.2	38.4%
Energy, Signalling & Telecom	**51.6**	33.3	54.9%
Heavy Civil Works	**47.9**	9.8	388.3%
Rail Grinding & Diagnostics	**11.3**	4.6	144.9%
Railway Materials	**23.8**	17.8	33.4%
Railway Machines	**8.0**	6.7	19.9%
Total	**361.6**	**230.5**	**56.9%**

60.6% **Track & Light Civil Works** *(68.7% in 1H 2022)*

14.3% **Energy, Sign. & Telecom** *(14.5% in 1H 2022)*

13.3% **Heavy Civil Works** *(4.3% in 1H 2022)*

3.1% **Rail Grinding & Diagnostics** *(2.0% in 1H 2022)*

6.6% **Railway Materials** *(7.7% in 1H 2022)*

2.2% **Railway Machines** *(2.9% in 1H 2022)*

Revenues by Geography

€ Mln

- **Domestic** revenues materially growing **65.7%** (41.3% organic) and increasing their weight
- **North America** at +75.2% organic, consolidating as the second market for the Group
- During 4Q, Europe (ex-Italy) and North Africa to start benefitting form the very first activities of the contracts in Romania and Egypt

	1H 2023	1H 2022	Δ (%)
Italy	**308.1**	185.9	65.7%
Europe [Excluding Italy]	**19.1**	20.0	(4.2%)
North America	**29.8**	17.0	75.2%
Middle East	**4.6**	3.5	31.9%
North Africa	**0**	4.1	n.m.
Total	**361.6**	**230.5**	**56.9%**

Economic and Financial KPI

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€ Mln	1H 2023	1H 2022[1]	Δ (%)
Revenues	**361.6**	230.5	56.9%
EBITDA	**73.8**	46.3	59.6%
EBITDA Margin	*20.4%*	*20.1%*	-
D&A	(25.3)	(17.0)	24.7%
EBIT	**48.5**	29.2	65.8%
EBIT Margin	*13.4%*	*12.7%*	-
Adjusted Net Financial Income (Expenses)*	(4.7)	1.6	n.m.
***Adjusted* EBT**	**43.8**	30.8	42.2%
Adjusted Income Taxes**	(12.8)	(8.6)	49.5%
***Adjusted* Net Profit**	**31.0**	22.2	39.4%
* Fair value change of financial investments	2.3	(8.2)	n.m.
** DTA reversal related to fair value change of financial investments and revaluations	(2.1)	(0.5)	(38.0%)
Net Profit	**31.1**	13.5	129.9%
***Adjusted* Net Financial Position**[2]	**3.8**	26.0[3]	(85.6%)

- **EBITDA Margin** in line with expectations confirming resilience.
  - FVCF gave no contribution at EBITDA level as expected. Expectations for first contribution in 4Q confirmed
  - Positive impact form governmental measures in a substantially stable cost environment
- **Higher D&A** on the back of higher Capex made both in 2022 and 1H 2023 in line with the Group's Capex plan. 1H 2023 and 1H 2022 D&A include the depreciation of the intangible assets following the purchase price allocation related to the acquisition of the railway business unit of PSC Group
- **P&L adjustments** related to:
  - Change in fair value of financial investments
  - DTA reversal
- **Tax rate** at **29.1%** aligned with Italy's nominal tax rate and expected to benefit in 2H from "Industry 4.0" and other tax incentives
- **Adjusted NFP** at **€ 3.8 Mln** (Net Cash) factoring in the dividend payment for € 30.8 Mln, the cash outflow for the share buyback for € 8.6 Mln

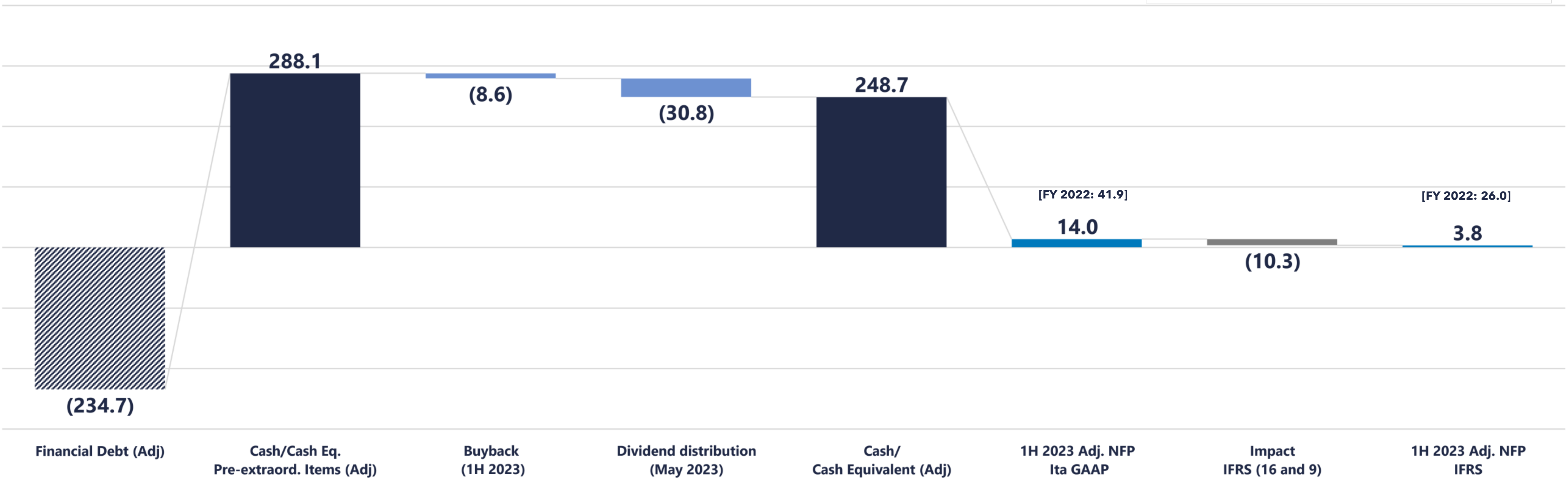
1. Figures, where applicable, has been restated to retroactively reflect the effects resulting from the completion of the purchase price allocation related to the acquisition of the railway business unit of PSC Group, in accordance with the accounting principles in force
2. Does not consider the fair value change on financial investments, the down payment on the Verona-Padua HS line contracts and the first installment for the acquisition of Colmar Technik
3. Figure at 31 December 2022

Adjusted NFP at 30 June 2023

€ Mln

Features of financial debt:

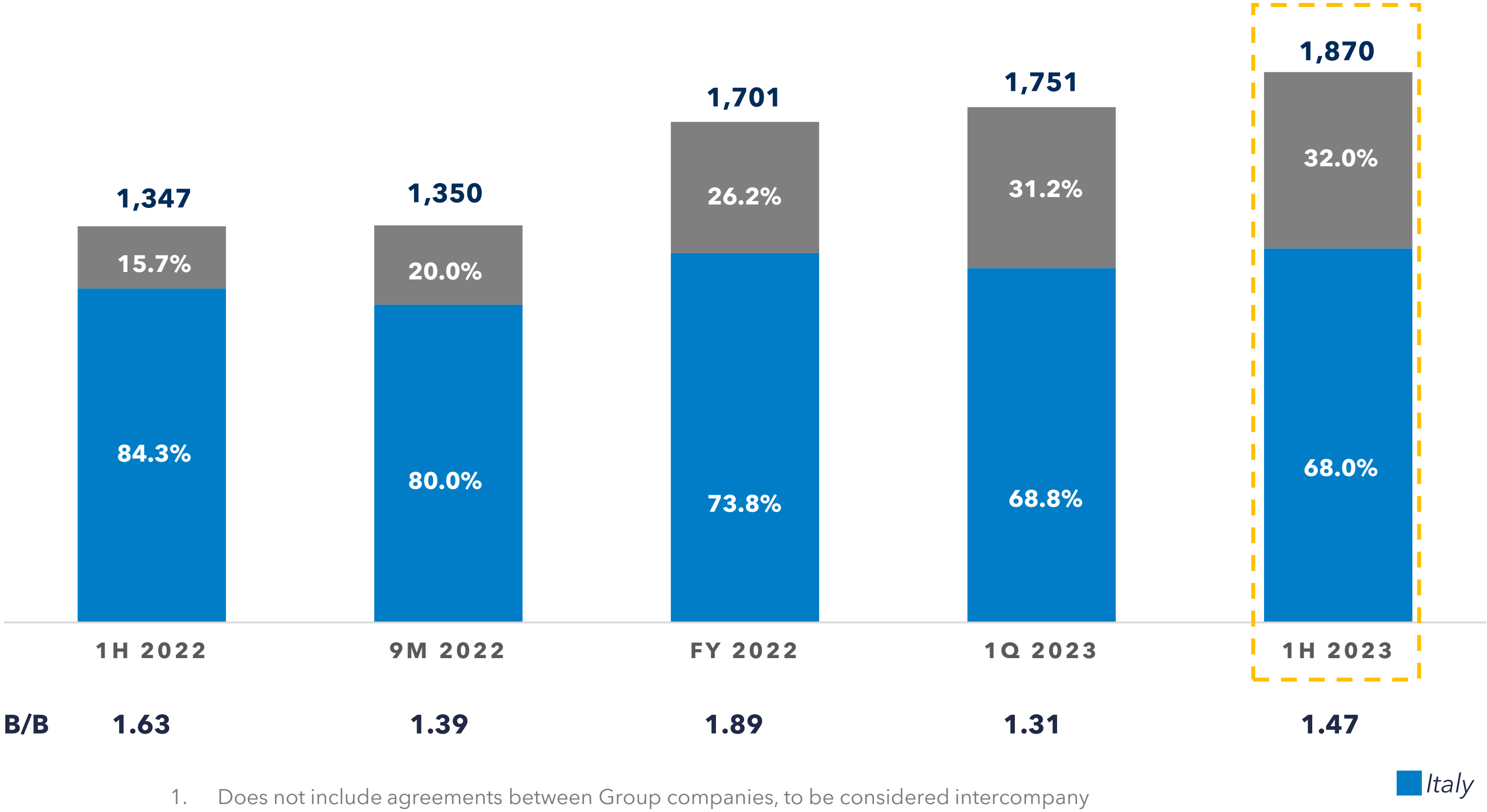
- **Duration:** approx. 36 months
- **Average of replacement:** rolling
- **Structure:** Corporate



Backlog

€ Mln

- **Backlog[1] further up at € 1.87 Bn**, of which **€ 1,271 mln (68.0%)** from **Italian market** and **€ 599 mln (32.0%)** from **foreign markets**
- Compared to FY2022 and 1Q 2023, **further increase of the international component**
- **Track & Light and Civil Works** and **Energy Signalling & Telecommunication** confirmed as the core Business Units, with **90.1%** of the total backlog
- **Book-to-bill ratio at 1.47x**



€x1,000

Business Unit	Amount	%
Track & Light Civil Works	**1,321,292**	**70.7%**
of which Foreign	*581,636*	*31.1%*
Energy, Signalling & Telecom	**362,754**	**19.4%**
of which Foreign	*3,324*	*0.2%*
Rail Grinding & Diagnostic	**9,391**	**0.5%**
of which Foreign	*0*	
Railway Materials	**55,241**	**3.0%**
Heavy Civil Works	**111,578**	**6.0%**
of which Foreign	*12,218*	*0.7%*
Railway Machines	**9,801**	**0.5%**
of which Foreign	*1,860*	*0.1%*
Total	**1,870,056**	**100.0%**
Italy	**1,271,019**	**68.0%**
Foreign	**599,038**	**32.0%**

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

2023 Outlook

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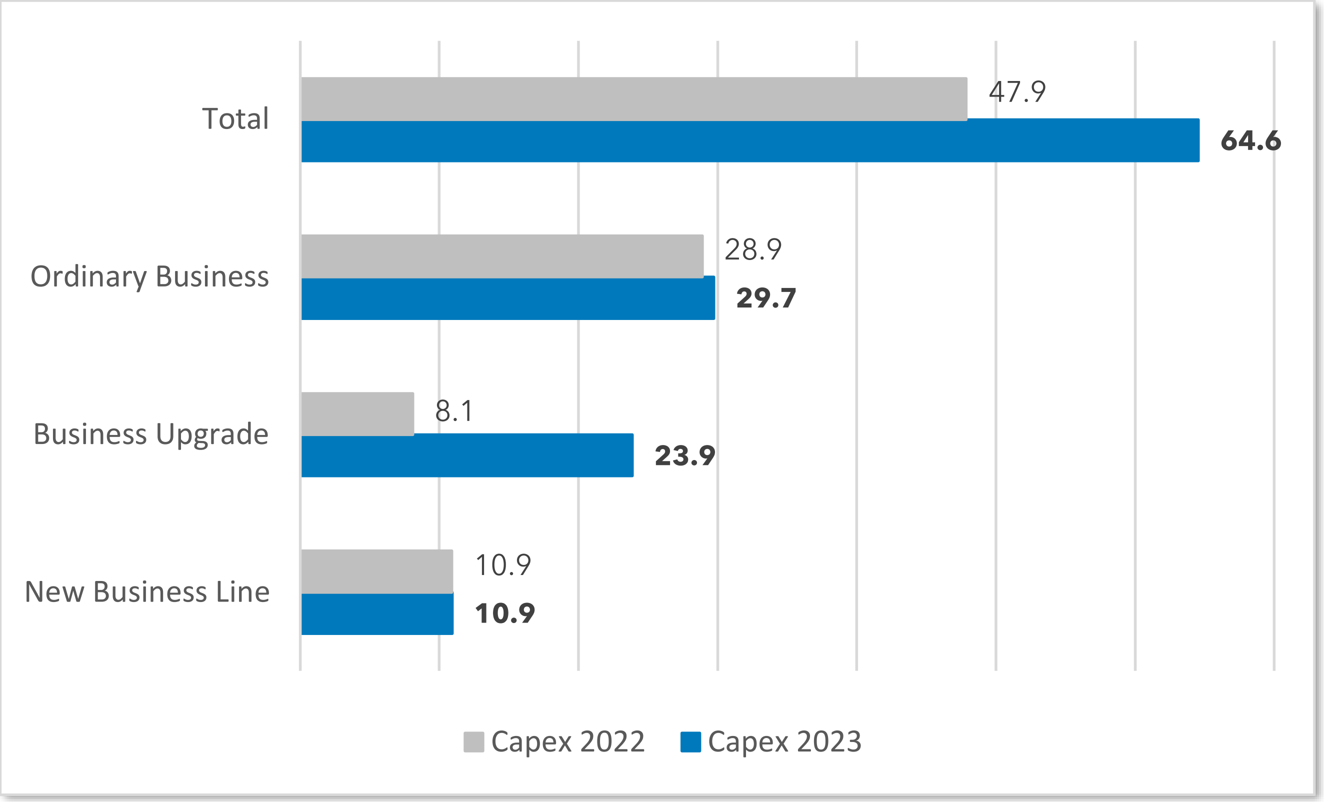
- **Business volumes** expected to growth by 30% YoY (~ 15% organic), mainly driven by:
  - Better than expected contribution from Francesco Ventura Costruzioni Ferroviarie as well as 4-month contribution of business unit acquired from PSC
  - 5-month consolidation of the newly acquired Colmar Technik for approximately € 5 Mln
  - Further growth of the core business in Italy, with execution of the track works and energy Framework Agreements with RFI and of traditional and urban maintenance and renewal contracts for other customers
  - Construction activities on the Verona-Padua High Speed line
  - Ramp up of the activities on the ERTMS contract in Italy
  - Boost of US activities on the back of the execution of new contracts signed in 2022
  - First activities in Romania and Egypt
- In the current scenario with inflationary pression remaining fairly high and with the need to focus on the integration of Francesco Ventura Costruzioni Ferroviarie and Colmar, **EBITDA margin** is expected to remain broadly in line with 1H 2023, still supported by the effect on governmental measures
- **Capex** expected at approx. € 65 mln further up compared to 2022 to sustain organic growth. At the 1H stage, Capex at **approx. € 32 mln**

Focus on Capex

€ Mln



- **2023 Capex** expected materially higher YoY reaching the peak at **€ 64.6 mln** (+35%)
  - Ordinary business flat confirming historical trend
  - Business Upgrade mainly focused on new machines for Track & Light Civil Works and Rail Grinding & Diagnostics (€ 18 mln)
  - Approx. € 10 mln for the development of new production plants for Railway Machines and Railway Materials

***Ordinary Business**: investments to maintain of existing production capacity, the quality standards required by customers and the achievement of budget objectives*

***Business upgrade:** investments to upgrade existing production lines, with new plants, machinery or equipment, allowing for an increase in production capacity*

***New business line**: investments related to the design and production of new products in order to open new strategic business lines*

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Sustainability at Salcef

Bringing our heritage to a new dimension

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For **70 years** we have been committed to creating a business model focused on continuously innovating **sustainable mobility infrastructure**

After the listing, we started a **new journey, in which we firmly believe** and to which the entire organization, starting from the top management, is **strongly committed**

Our sustainability journey proceeding

01

Integration of the SDGs in the business model

Strengthening of the reporting system

First Materiality Analysis

02

First Group Sustainability Report 2020

04

2021 Group Sustainability Report

First Report prepared under the "In accordance – core" option of the GRI standards thanks to improved disclosure on:

- *Scope 3 GHG emission*
- *Risk/Opportunities related to climate change*
- *EU Taxonomy*
- *Gender pay-gap*

PLATINUM Top 1% 2022 ecovadis Sustainability Rating

GOLD 2022 ecovadis Sustainability Rating

MSCI ESG RATINGS A

CCC	B	BB	BBB	A	AA	AAA

2022 Activities

Impact Materiality according to GRI 2021 standard

Disclosure on **EU Taxonomy alignment**

New Group Policies on:

- *Diversity, Equity & Inclusion*
- *Human Rights*
- *Diversity of the BoD and the Board of Statutory Auditors*
- *Engagement with shareholders and investors*

New Sustainability Committee

03

First Group Integrated Report

SDG mapping

- **9 out of the 17 SDGs have been considered primary**, based on their **coherence with the business model** and on the **Group's ability to materially contribute to their achievement**
- **SDG 9, SDG 11** and **SDG 13** are the most impacted being **more linked with Group's core business and strategic goals**

ESG Company goals	Covered SDGs
Develop technologies for integrated and sustainable mobility	3, 7, 9, 11, 12, 13
Invest in new services and products	3, 7, 9, 11, 12, 13
Assure quality of projects, products and machines	7, 13
Pursue sustainability within all the business activities, investing in impacts reduction and new technologies	7, 13
Digitalize all the processes	7, 13
Safeguard employees' health and psychophysical integrity	8, 10
Assess and mitigate risks related to business activities, also preventing occupational diseases and work-related injuries	8
Promote a culture focused on quality, environment protection, safety as well as training, effective communication and stakeholder involvement	8, 9
Assure full compliance with applicable legal requirements and regulations/standards related to quality and HSE	8, 10
Strengthen company governance, with particular focus on sustainability governance	16

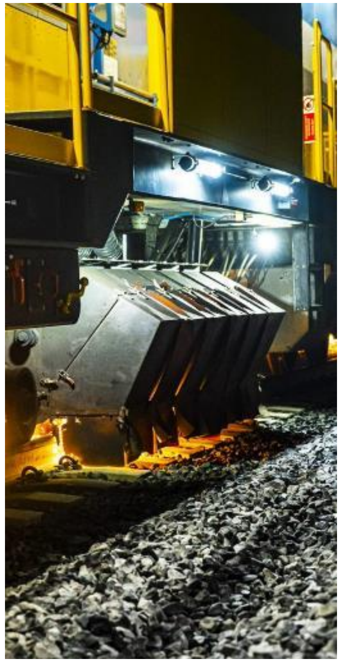
ESG Performance 2022

Electricity from renewable sources vs. 2021 **+42%**

Energy Intensity vs. 2021 **-27%**

Total Emission Intensity **-18%**

Revenues aligned with the EU Taxonomy **85%**



+37% Headcount vs. 2021 at 1,929 units

39% New hires younger than 30 (23% in 2021)

-37% Consolidated Injury Rate vs. 2021

95% Procurement from local suppliers

New Group policies on DEI and Human Rights

ISO 30415 certification on Diverity and Inclusion

ESG Performance 2022 vs. 2018

Total Emission Intensity

-22%

Energy Intensity

-18%

Electricity from renewable sources

From 0% to 22%

Consolidated Injury Rate

-74%

New hires under 30

150[1]

Women

+274%

1. Net of Resignations/dismissals

Focus on EU Taxonomy

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Business Unit	Sector	Cod	Description		Revenues	Capex	Opex
Track & light civil works	6 Transport	6.14	Infrastructure for rail transport	Aligned	58.73%	44.41%	69.57%
				Eligible but not aligned	0.24%	0.18%	0.28%
				Not eligible	0.00%	0.00%	0.00%
Energy, signalling & Telecom	6 Transport	6.14	Infrastructure for rail transport	Aligned	12.59%	4.56%	8.62%
				Eligible but not aligned	0.05%	0.02%	0.03%
				Not eligible	4.97%	2.44%	8.44%
Heavy Civil Works	6 Transport	6.14	Infrastructure for rail transport	Aligned	10.58%	3.37%	8.15%
				Eligible but not aligned	0.04%	0.01%	0.03%
				Not eligible	0.00%	0.00%	0.00%
Rail Grinding & Diagnostics	6 Transport	6.14	Infrastructure for rail transport	Aligned	3.06%	13.00%	1.64%
				Eligible but not aligned	0.01%	0.05%	0.01%
				Not eligible	0,00%	0,00%	0.00%
Railway Materials	6 Transport	6.14	Infrastructure for rail transport	Aligned	0.00%	0.00%	0.00%
				Eligible but not aligned	0.00%	0.00%	0.00%
				Not eligible	8.42%	19.44%	0.75%
Railway Machines	3 Manufacturing	3.3	Manufacture of low carbon technologies for transport	Aligned	0.00%	0.00%	0.00%
				Eligible but not aligned	1.31%	12.51%	2.48%
				Not eligible	0.00%	0.00%	0.00%
Salcef Group				**Aligned**	84.96%	65.34%	87.98%
				Eligible but not aligned	1.65%	12.77%	2.83%
				Not eligible	13.39%	21.89%	9.19%

Board of Directors

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- The current BoD has been **appointed by the AGM on 29 April 2022** for the period **2022-2024**

BoD Committees

Remuneration and Appointments
3 Independent Members

Risks and Control
3 Independent Members

Related Parties
3 Independent Members

Sustainability
3 Independent Members

Board of Directors

7
Members

4
Independent

3
Women

Board of Statutory Auditors
3 Members

Governance Remuneration policy

- The Remuneration Policy 2023, approved by the AGM on 27 April 2023, confirmed **ESG targets** (HR and HSE) both for short-term and long-term incentive schemes and introduced the Long-term incentive schemes also for **Executives with Strategic Responsibilities (ESR)**

Component	Aims and characteristics	Implementation conditions		Amount
Short-term variable remuneration (MBO)	The annual variable component aims to recognize and reward the achievement of results linked to annual economic-financial and non-financial objectives, constituting an important motivational lever	**Recipients:** CEO, Executive Chairman **Objectives:** EBITDA (55%), Net profit (30%), Injury index (10%), Employees training (5%) **Performance gate:** Consolidated EBITDA **Type**: 100% monetary	**Payout scale**: 0% till 70% of the target and then linear up to max 140% in case of overperformance	40% of the Fixed rem. at target
		Recipients: ESR + other executives **Objectives:** EBITDA + objectives linked to the specific organizational areas of competence (20% ESG) **Performance gate:** Consolidated EBITDA **Type**: Mixed with 75% monetary paid up-front and 25% in shares (**Stock Grant Plan**): two tranches of equal amount, with different vesting periods and with claw-back clauses		20% of the Fixed rem. at target
Long-term variable remuneration (LTI)	The long-term variable component ensures alignment between the interests of management and the interests of shareholders over the medium to long term. Economic objectives are complemented by non-financial objectives intended to ensure the Group's viable success	**Recipients**: CEO, Executive Chairman **Objectives:** cumulative EBITDA 2021-23 (55%), Cumulative revenues 2021-23 (30%), Injury index over three-year period (10%), Employees training over three-year period (5%) **Performance gate:** Consolidated EBITDA **Type**: 100% monetary to be paid at the approval of FY 2023 Financial Statement	**Payout scale**: 0% till 70% of the target and then linear up to max 140% in case of overperformance	60% of the Fixed rem. at target
		Recipients: ESR **Objectives:** cumulative EBITDA 2022-23 (55%), cumulative revenues 2022-23 (30%), Injury index over two-year period (10%), Employees training over two-year period (5%) **Performance gate:** Consolidated EBITDA **Type**: 100% shares (**Performance share plan)**: two tranches 60/40, with different vesting periods and with claw-back clauses		20% of the Fixed rem. at target

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Useful documents & Contacts

Useful documents

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FY 2022 Results Presentation

FY 2022 Video

2022 Integrated Report

Report on Corporate Governance

1H 2023 Results Presentation

Remuneration Report

Disclaimer

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