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Societa' : TREVI GROUP

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Oggetto : THE BOARD APPROVES DRAFT OF
FINANCIAL STATEMENTS AT 31-12-2023,
THE CONSOLIDATED NON-FINANCIAL
STATEMENT AND TO CONVENE
SHAREHOLDERS' MEETING

Testo del comunicato

Vedi allegato

TREVI Group

THE BOARD OF DIRECTORS APPROVES THE DRAFT OF FINANCIAL STATEMENTS AT 31 DECEMBER 2023 WHICH CONFIRMS AND CONSOLIDATES THE GROUP'S RESTRUCTURING AND RECOVERY PROCESS AS ALREADY HIGHLIGHTED IN THE FIRST HALF OF THE YEAR

POSITIVE ANNUAL RESULTS WITH REVENUE INCREASING BY 4.5% COMPARED TO 2022, RECURRING EBITDA INCREASING BY 15.6% AND OPERATING PROFIT (EBIT) OF EURO 41.6 MILLION. PROFIT AMOUNTING TO EURO 25.9 MILLION

- **REVENUE of Euro 594.9 million marking an increase of 4.5% (Euro 569.2 million in 2022)**
- **Recurring EBITDA of Euro 74.5 million (Euro 64.5 million in 2022), up by 15.6%**
- **Operating profit (EBIT) of Euro 41.6 million (Euro 20.1 million in 2022)**
- **Net profit for the year equal to Euro 25.9 million (net loss of Euro 15.2 million in 2022)**
- **Net financial debt decreased by 19.6% to Euro 202 million (Euro 251.2 million at 31 December 2022)**
- **The order backlog reached Euro 719.8 million, (up by Euro 132.4 million compared to Euro 587.4 million at 31 December 2022)**

APPROVAL OF THE 2023 CONSOLIDATED NON-FINANCIAL STATEMENT

RESOLUTION TO CONVENE THE ORDINARY SHAREHOLDERS' MEETING ON 8 MAY 2024, ON FIRST CALL, AND ON 9 MAY 2024, ON SECOND CALL

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Cesena, 28 March 2024 – The Board of Directors of Trevi - Finanziaria Industriale S.p.A. (“Trevifin” or the “Company”), chaired by Paolo Besozzi, has examined and approved the draft separate and consolidated financial statements as at and for the year ended 31 December 2023.

Group financial highlights

(in thousands of Euro)

	31/12/2023	31/12/2022	Change	% change
Total revenue	594,899	569,209	25,690	4.5%
Recurring EBITDA	74,519	64,472	10,047	15.6%
EBITDA	72,301	63,852	8,450	13.2%
Operating profit (EBIT)	41,569	20,127	21,442	106.5%
Profit/(Loss) for the year	25,933	(15,175)	41,108	
Profit/(Loss) for the year attributable to the Group	19,107	(19,126)	38,233	

"If in 2022 - emphasises Giuseppe Caselli, CEO of the Trevi Group - we had glimpsed the first concrete signs of optimism, the snapshot of 2023 shows us a Group in good health and full recovery. Numbers show that over the last 12 months, we have consolidated the economic and financial recovery together with the improvement of our commitment to a path of sustainability. We are all proud of these results, which allow us to look at the near future with renewed confidence and ambition. The Trevi Group has been able to maintain, and indeed consolidate, its leadership in the highly technological field of soil engineering, and this leadership is also recognised by a highly competitive market. The synergy between Trevi and Soilmec allows us to be ready, and with suitable answers, for the demands that come from a market, that of construction and infrastructure, which is undergoing strong and continuous evolution and expansion."

Total revenue

(in thousands of Euro)

Revenue by segment	31/12/2023	%	31/12/2022	%	Change	% change
Special foundation works	468,245	75.5%	438,013	76.7%	30,232	7%
Manufacturing of special machinery for foundations	152,061	24.5%	133,319	23.3%	18,742	14%
Intradivisional eliminations and adjustments	(25,754)		(4,197)		(21,557)	
Sub-Total of Foundations Segment	594,552	100%	567,135	100%	27,417	
Parent	16,537		18,478		(1,941)	-11%
Intradivisional and Parent eliminations	(16,190)		(16,404)		214	
TREVI GROUP	594,899	100%	569,209	100%	25,690	5%

The breakdown of revenue from sales and services and other revenue per geographical segment is as follows:

(In thousands of Euro)

Geographical segment	31/12/2023	%	31/12/2022	%	Change	%
Italy	67,561	12%	49,535	9%	18,026	36%
Europe	25,046	4%	44,574	8%	(19,528)	-44%
U.S.A. and Canada	130,298	22%	83,425	15%	46,873	56%
Latin America	34,866	6%	26,226	5%	8,640	33%
Africa	52,710	9%	79,587	14%	(26,877)	-34%
Middle East and Asia	173,010	29%	166,457	29%	6,553	4%
Far East and Rest of the World	111,408	19%	119,406	21%	(7,998)	-7%
Total revenue	594,899	100%	569,209	100%	25,690	5%

Order backlog and order intake

(in thousands of Euro)

	31/12/2023	31/12/2022	Change	% change
Order backlog	719,806	587,364	132,442	22.5%
	31/12/2023	31/12/2022	Change	% change
Order intake	741,227	699,193	42,034	6%

Net financial debt

(in thousands of Euro)

	31/12/2023	31/12/2022	Change	% change
Total net financial debt	(201,992)	(251,180)	49,189	19.6%

Group's workforce

	31/12/2023	31/12/2022	Change	% change
Number of employees	3,189	3,274	(85)	-2.6%

Group performance

Total revenue for the year ended 31 December 2023 amounted to Euro 594.9 million, compared to Euro 569.2 million for the year ended 31 December 2022, up by Euro 25.7 million (4.5%).

Recurring EBITDA for the year 2023 was Euro 74.5 million, marking an increase of 15.6% compared to 2022 and EBITDA amounted to Euro 72.3 million (up by 13.2% compared to 2022). Recurring EBITDA is net of non-recurring expense, equal to Euro 2.2 million, of which Euro 0.7 million attributable to personnel expense and Euro 1.5 million to service costs.

EBIT for the year 2023 amounted to Euro 41.6 million, marking an improvement of Euro 21.4 million compared to the previous year (Euro 20.1 million). EBIT was positively impacted by the release of a provision for risks on a jobsite in Italy of Trevi S.p.A. that was no longer required, amounting to Euro 7.0 million.

The net profit was also positively impacted by the effects of the capital strengthening and debt restructuring transaction of Trevi Finanziaria Industriale S.p.A., which was completed in January 2023 and generated financial income of approximately Euro 14.1 million during the year, including the overall effects of the application of IFRS 9.

Although impacted by exchange losses of Euro 4.2 million (Euro 7.5 million in 2022), the profit for the year of Euro 25.9 million significantly increased compared to the loss recorded in 2022 (Euro 15.2 million). It should be noted that foreign exchange losses mainly arose from payables and receivables between Trevi Group companies in currencies other than those in which the subsidiaries' local financial statements are prepared. In particular, exchange losses resulted from the devaluation of the Argentine peso.

Excluding the extraordinary effects of the aforementioned reversal of the provision for risks of Trevi S.p.A. and the effects of the capital strengthening and debt restructuring transaction, net of tax effects, the profit for the year 2023 would have amounted to Euro 5.6 million.

The profit attributable to the Group for the year 2023 amounted to Euro 19.1 million (loss of Euro 19.1 million for 2022).

The net financial debt amounted to Euro 202 million at 31 December 2023, marking an improvement compared to Euro 251.2 million at 31 December 2022.

The order intake in 2023 amounted to approximately Euro 741.2 million, up by approximately Euro 42 million compared to the previous year (up by 6%).

The order backlog at 31 December 2023 amounted to Euro 719.8 million (Euro 587.4 million at 31 December 2022).

The significant increase in the order intake made it possible to increase the order backlog compared to the end of the previous year, bringing it at a level that allowed the Group to continue its economic and financial recovery phase during 2023.

The Group's performance during the year in terms of order intake and backlog was slightly better than expected in 2023, in line with Business Plan forecasts.

In January 2023, the overall share capital increase carried out as part of the broader capital strengthening and financial debt restructuring transaction aimed at rebalancing the financial position and financial performance of the Trevi Group was completed. No. 161,317,259 newly issued ordinary

shares of the Company were subscribed, for a total equivalent amount of Euro 51,137,571.10 (of which Euro 25,568,785.55 to be allocated to share capital and Euro 25,568,785.55 to be allocated to share premium reserve). The new share capital of Trevifin, therefore, amounted to Euro 123,044,339.55, divided into No. 312,172,952 ordinary shares.

In particular:

- the capital increase against consideration offered with option right to shareholders pursuant to Article 2441, paragraph 1 of the Italian Civil Code, for a total maximum amount of Euro 25,106,155.28, to be paid on an indivisible basis up to Euro 24,999,999.90 and on a divisible basis for the excess amount, inclusive of share premium, was subscribed against consideration for Euro 24,999,999.90, of which Euro 17,006,707 paid for the subscription of 53,648,918 shares by the Institutional Shareholders CDPE Investimenti S.p.A. and Polaris Capital Management, LLC. The remaining Euro 7,993,292.90 were paid for the subscription of 25,215,435 shares by other shareholders;
- the capital increase, with the exclusion of option right, on an indivisible basis and against consideration, amounting to Euro 26,137,571.21, through the issuance of 82,452.906 ordinary shares, reserved to some of the Group's lending banks, was fully subscribed through conversion of bank loans by the Lending Banks, at a conversion ratio of 1.25 to 1, in the manner and to the extent provided for in the Restructuring Agreement based on a certified recovery plan pursuant to articles 56, paragraph 3, and 284, paragraph 5 of Italian Legislative Decree 14/2019 signed on 30 November 2022.

On the operational front, among the main projects in which the Group was involved in 2023 was the Neom mega-project "The Line", where the subsidiary Trevi Arabian Soil Contractor Ltd, according to the "NEOM Project Quality Index" scoring process, was ranked the best contractor regarding quality, becoming the leading piling contractor in December 2022.

As regards the Trevi Group's commitment to sustainability, it should be noted that, as was the case in 2022, the Group was included by the Italian newspaper Corriere della Sera among "The most climate conscious companies 2023". The survey was carried out in collaboration with Statista, a renowned German company that manages one of the world's leading portals for statistics and business intelligence, involved about 600 Italian companies and selected the most virtuous ones regarding their ability to reduce their corporate CO2 emissions.

The market context

According to the projections, at the end of 2023, the global construction market's real growth only marginally expanded by 0.5%, excluding China and India. The indicators also show that the sector is unstable due to high-interest rates and the consequent reduction in investments, as well as the various geopolitical crises currently taking place in various regions of the world.

The above impacts forecasts for the new year, according to which more advanced economies will be penalised compared to less advanced ones. Assuming a contraction of 1.2%, the residential and commercial sector will continue to drag down the entire sector.

Nevertheless, analysts expect investment in infrastructure, energy (especially renewables-related initiatives), utilities, and industrial construction to continue growing. Between 2024 and 2027, the expected average expansion will be 5.5%, down from the 10.7% recorded at the end of 2023.

This is due to the concentration of investments stemming from the restructuring plans implemented by many governments and dedicated to major infrastructure works, including transport and industry. What is new is that not only the world's great economic powers have undertaken such policies, but strong investments have also been made and are expected to bear fruit in generally less advanced regions, such as Sub-Saharan Africa and the Asia Pacific.

Again, the Middle East deserves a separate discussion. The high oil product prices, still higher than pre-pandemic prices, will continue to guarantee important income flows for Middle Eastern countries, which in turn will help finance large infrastructure and residential development projects. A clear example is the so-called Giga-Projects already being executed under the SaudiVision 2030 programme in Saudi Arabia (source: GlobalData Plc, 2023).

The two Divisions

The **Trevi Division** acquired orders in 2023 for approximately Euro 639.1 million and exceeded Trevi's annual target of Euro 500 million by 28% (up by Euro 139 million).

The most significant new acquisitions include the fourth contract (work order No. 4) for the foundation works of the mega-project "NEOM - The Line" in Saudi Arabia, the Mid-Barataria Basin project to reintroduce fresh water and sediment from the Mississippi River into the basin in the United States, the rehabilitation of the Berth 1 and Berth 2 port docks of the BUA terminal in Port Harcourt, Nigeria, the foundation works for the new Metro C station in Piazza Venezia in Rome, the foundation works for the new EBYTEM terminal in Puerto Rosales (i.e., *the largest crude oil terminal in Argentina*), the foundation works for the new, underground, two-track railway line that will connect Venice airport to the city centre, the foundation works for the new Passante Ferroviario high-speed railway in Florence, and the project for the new Capital Market Authority in Kuwait.

The **Soilmec Division** acquired orders for Euro 128.8 million.

One of the highlights for the Soilmec Division was the latest-generation SC-130 Tiger hydromill, which is currently at work at the large Piazza Venezia site in Rome to construct the perimeter walls of the new Metro C archeo-station.

During 2023, the Soilmec Division's *Innovation* function completed the development phase of some important projects and verified the development of new business opportunities. The main themes on which resources were invested, in continuity with past years, are Zero Emission, Digitisation, Sustainability and Efficiency, pursuing the following objectives:

- Managing, promoting and protecting the company's intellectual property and know-how;
- Applying electrification on machines;
- Preliminary studies of drilling machine automation systems.

Approximately 2% of the Soilmec Division's revenue was spent on R&D projects, mainly in the following areas and activities:

DMS Manager 4.0

The range of KPIs available to customers on the platform was expanded. The indicators included have been implemented based on specific requests received from the market and indications provided by the site, aimed at optimising machine utilisation parameters and work processes. KPIs were also added to monitor the performance of electrical machines.

DME, Drilling Mate Experience

The DME is a pile-driving machine simulator from Soilmec's Bluetech line for training personnel authorised to operate pile-driving machines on the construction site. Thanks to a digital twin capable of simulating control software and real machine behavior in the working environment, this training is structural, complete and instructor-independent.

SM-13e "eTech"

The project that will allow Soilmec to respond to the market need for equipment that does not produce CO2 locally during operation (Zero-Emission Local) and at the same time does not have to operate with an electric cable for power is nearing completion. Soilmec has distinguished itself from the

competition by seeking a flexible and practical solution that can be used profitably even on today's job sites.

Zero Accident Project and Soilmec J-Eye: Artificial Intelligence vision system

A people detection system designed to improve safety on construction sites and aid the operator during work phases. The Artificial Intelligence cameras applied on Bluetech pile driving machines are equipped with an active proximity detection system that guarantees improved visibility control and allows instant localisation and recognition of several people.

Development activities in large-diameter drilling machines, development activities in micropiling machines and development activities in crane and hydromill machines

Important projects continued, which resulted in:

- in large-diameter machines: a new excavation technology called 3-axis *Turbojet*, which includes the installation of three drilling rotaries and as many rods and tools on a large-diameter drilling machine to carry out consolidation work that the market is increasingly demanding.
- in Micropile machines: the new SM-45, a micropile and consolidation machine derived from the SR-45, was introduced to the market. The first specimen started site operations in the second half of 2023.
- in Cranes and Hydromill machines: the new SH-35 milling module, equipped with the new HH-2 excavation motors and other plant innovations, was placed on the market and used on the first site. In addition, a latest version of the SC-130 model was designed, equipped with a multifunctional base machine, capable of working both in hydro milling technology and as a hydraulic rope excavator. The project is expected to be completed by 2024.

Significant events after the reporting period ended 31 December 2023

During the first two months of 2024, the Group acquired orders for approximately Euro 125.3 million, up compared to approximately Euro 80 million recorded in the same period of 2023. The Trevi Division, in particular, acquired orders for approximately Euro 106.5 million (Euro 76 million in the first two months of 2023), while the Soilmec Division acquired orders for approximately Euro 24.9 million (Euro 16 million in the first two months of 2023).

The order backlog at 29 February 2024 amounted to Euro 791 million, compared to Euro 557 million at 28 February 2023 (Euro 587.4 million at 31 December 2022 and Euro 719.8 million at 31 December 2023).

The Group's performance in the first months of the year regarding order intake, production revenue and backlog was in line with the 2023-2027 Business Plan forecasts for 2024.

The Group's net financial debt at 31 January 2024 was Euro 198.9 million compared to Euro 202 million recorded at 31 December 2023.

On 13 February 2024, the 2023-2027 Business Plan, an update to the 2022-2026 Business Plan, was presented to the financial community, examined and approved by the Board of Directors of Trevi - Finanziaria Industriale S.p.A. on 22 December 2024.

For the third year running, Trevi Group is among "The most climate-conscious companies 2024", according to the survey conducted among over 600 companies by Corriere della Sera and Statista. The survey will appear in the monthly magazine "Pianeta2030" of the Corriere della Sera and on the website www.corriere.it.

As was the case last year, Trevi - Finanziaria Industriale S.p.A. is one of the "Sustainability Leaders 2024" companies. The survey, which is based on the assessment of the environmental, social and governance (ESG) performance of leading Italian companies and will be officially presented on 16

May 2024, was conducted by the newspaper “Il Sole 24 Ore” in collaboration with Statista, a German company specialising in statistical analysis.

The subsidiary Trevi Foundation Philippines received an award (Safety Award) for 1 million accident-free hours worked as part of the Candaba Viaduct Project.

Furthermore, in the first months of the year, the ISO 45001, ISO 9001 and ISO14001 certifications were renewed for Trevi S.p.A.

Outlook

During the financial year 2024, Group revenue is expected to increase compared to 2023 at a rate of between 5 and 11%, confirming the forecasts of the 2023-2027 Business Plan for 2024.

Allocation of the profit for the year of the Parent Trevi Finanziaria Industriale S.p.A.

The profit for the year resulting from the Separate Financial Statements of Trevi Finanziaria Industriale S.p.A. was Euro 1,454,833 and what follows is proposed to the Shareholders’ Meeting:

- 1) allocate 5% of the profit, equal to Euro 72,742, to the Legal Reserve pursuant to Article 2430 of Italian Civil Code;
- 2) carry forward Euro 1,382,091, corresponding to the portion of the year’s profit remaining after allocation to the Legal Reserve as per the previous point.

Call of the Ordinary Shareholders’ Meeting

Those entitled to attend and exercise their voting rights are called to the Ordinary Shareholders’ Meeting exclusively through the Appointed Representative at the Company’s Registered Office on 8 May 2024 at 10 a.m., on the first call, and, if necessary, on 9 May 2024, same place and time, on the second call, to discuss and resolve on the following agenda:

1. Financial Statements at 31 December 2023 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 2023 and the consolidated non-financial statement prepared pursuant to the Italian Legislative Decree 254/2016. Proposal for the allocation of the profit for the year. Resolutions thereon.
2. Report on the remuneration policy and the remuneration paid:
 - 2.1 approval of the first section of the report pursuant to Art. 123-ter, paragraphs 3-bis and 3-ter of Italian Legislative Decree No. 58 of 24 February 1998;
 - 2.2 resolutions relating to the second section of the report pursuant to Art. 123-ter, paragraph 6 of Italian Legislative Decree No. 58 of 24 February 1998.

Conference call presenting 2023 results

The 2023 results will be presented to the financial community during a conference call on **Thursday, 28 March 2024** at 4:00 p.m. (CET).

The speakers will be **Giuseppe Caselli, C.E.O. of the Trevi Group and Massimo Sala, C.F.O. of the Trevi Group.**

For those wishing to participate, please dial one of the following numbers, starting 15 minutes before the beginning of the conference call to facilitate the registration process:

- +39 02 802 09 11 for Italy and the rest of the world;
- +44 1 212818004 for UK;

- +1 718 7058796 (toll-free number 1 855 2656958) for the USA.

Alternatively, it is possible to connect from all over the world, via PC or smartphone, through this link (headphones are recommended for optimal audio quality):
[https://hditalia.choruscall.com/?\\$Y2FsbHR5cGU9MiZpbmZvPWNvbXBhbmk=](https://hditalia.choruscall.com/?$Y2FsbHR5cGU9MiZpbmZvPWNvbXBhbmk=)

It will also be possible to follow the event in live streaming mode (audio + presentation slides), via PC or smartphone, through this link (headphones are recommended for optimal audio quality):
<https://87399.choruscall.eu/links/trevigroup240328.html>

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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.

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 significantly from those contained in these statements due to a variety of factors, including continued volatility and further deterioration of the 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 are outside 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 financial position and financial performance. In accordance with the provisions of the ESMA/2015/1415 guidelines, the meaning and content of the indicators used in this press release are reported on page 13.

About the Trevi Group:

Trevi Group is a worldwide leader in the field of soil engineering (special foundations, soil consolidation, recovery of polluted sites), in the design and marketing of specialised technologies in the sector. The Group was established in Cesena in 1957; it has around 65 companies and, with its dealers and distributors, is present in 90 countries. Internationalisation, integration and the continuous exchange between its two divisions are among the reasons for the success of the Trevi Group: Trevi, which carries out special foundations and soil consolidation works for large infrastructure projects (subways, dams, ports and docks, bridges, railway and highway lines, industrial and civil buildings) and Soilmec, which designs, manufactures and markets machinery, systems and services for underground engineering.

The Parent Company Trevi -Finanziaria Industriale S.p.A. has been listed on the Milan stock exchange since July 1999 on Euronext Milan.

For further information:

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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 FINANCIAL STATEMENTS AT 31 DECEMBER 2023

TREVI GROUP

Statement of financial position (assets)

(in thousands of Euro)

ASSETS	31/12/2023	31/12/2022
Non-current assets		
Property, plant and equipment		
Land and buildings	35,156	40,226
Plant and machinery	104,301	98,704
Industrial and commercial equipment	20,735	18,131
Other assets	5,002	5,286
Assets under construction and payments on account	4,470	2,255
Total property, plant and equipment	169,664	164,602
Intangible assets and goodwill		
Development costs	9,710	8,737
Industrial patents and intellectual property rights	44	425
Concessions, licences and trademarks	7,186	8,226
Goodwill	0	5
Assets under development and payments on account	297	0
Other intangible assets	20	90
Total intangible assets and goodwill	17,257	17,483
Equity investments	425	903
- <i>Equity-accounted investments in associates and joint ventures</i>	0	359
- <i>Other equity investments</i>	425	544
Deferred tax assets	27,884	25,420
Non-current derivatives	0	0
Other non-current financial assets	2,224	1,987
- <i>of which from related parties</i>		
Trade receivables and other non-current assets	0	2,477
Total non-current assets	217,454	212,872
Assets held for sale	0	0
Current assets		
Inventories	114,660	120,779
Trade receivables and other current assets	271,921	307,786
- <i>of which from related parties</i>	3,326	3,262
Current tax assets	11,241	6,562
Current derivatives		
Current financial assets	17,201	17,545
- <i>of which from related parties</i>	2,312	4,403
Cash and cash equivalents	80,838	94,965
Total current assets	495,861	547,637
TOTAL ASSETS	713,315	760,509

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

TREVI GROUP

Statement of financial position (equity and liabilities)

(in thousands of Euro)

EQUITY	31/12/2023	31/12/2022
Share capital and reserves		
Share capital	122,942	97,374
Other reserves	32,227	29,031
Losses carried forward	(25,714)	(17,660)
Profit/Loss for the year	19,107	(19,127)
Equity attributable to the Group	148,562	89,618
Share capital and reserves attributable non-controlling interests	(8,483)	(3,690)
Profit attributable to non-controlling interests	6,825	3,950
Equity/(Deficit) attributable to non-controlling interests	(1,658)	260
Total equity	146,904	89,878
LIABILITIES	31/12/2023	31/12/2022
Non-current liabilities		
Long-term loans and borrowings	80,468	8,007
Long-term loans and borrowings from other financial backers	141,470	67,602
Non-current derivatives	0	0
Deferred tax liabilities	18,004	18,751
Post-employment benefits	10,735	11,347
Non-current provisions	17,470	25,631
Other non-current liabilities	1,383	2,852
Total non-current liabilities	269,530	134,190
Current liabilities		
Trade payables and other current liabilities	203,011	231,747
- of which to related parties	3,690	881
Current tax liabilities	11,654	15,940
Short-term loans and borrowings	52,278	149,807
Short-term loans and borrowings from other financial backers	25,815	136,984
Current derivatives	0	0
Current provisions	4,123	1,963
Total current liabilities	296,881	536,441
TOTAL LIABILITIES	566,411	670,631
TOTAL EQUITY AND LIABILITIES	713,315	760,509

TREVI GROUP

Statement of Profit or Loss

(in thousands of Euro)

	2023	2022	Change
TOTAL REVENUE	594,899	569,209	25,690
Changes in inventories of finished and semi-finished products	(6,740)	10,297	(17,037)
Internal work capitalised	19,229	9,464	9,765
PRODUCTION REVENUE¹	607,388	588,970	18,418
Consumption of raw materials and external services ²	(403,287)	(403,049)	(237)
VALUE ADDED³	204,101	185,921	18,181
Personnel expense	(129,582)	(121,450)	(8,132)
RECURRING EBITDA⁴	74,519	64,471	10,049
Non-recurring expenses	(2,218)	(620)	(1,598)
EBITDA⁵	72,301	63,851	8,450
Depreciation and amortisation	(31,590)	(31,098)	(492)
Provisions and impairment losses	858	(12,626)	13,484
EBIT⁶	41,569	20,127	21,442
Net financial expense ⁷	(454)	(17,130)	16,676
Net exchange losses	(4,163)	(7,460)	3,297
Adjustments to financial assets	(564)	(280)	(284)
PROFIT/(LOSS) BEFORE TAXES	36,388	(4,743)	41,131
Profit/(Loss) from assets held for sale	0	0	0
Income taxes	(10,455)	(10,434)	(21)
PROFIT/(LOSS) FOR THE YEAR	25,933	(15,177)	41,110
Attributable to:			
Group	19,107	(19,127)	38,234
Non-controlling interests	6,826	3,950	2,876
PROFIT/(LOSS) FOR THE YEAR	25,933	(15,177)	41,110

The Statement of Profit or Loss shown above is a reclassified summarised version of the Statement of Profit or Loss.

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 "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" 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 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" 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 evaluate 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 volatility generated by the various factors used in determining taxable income, by the amount and nature of capital employed and by amortisation and depreciation policies. EBIT is defined by the Trevi Group as Profit/Loss for the year, gross of financial income and expense and income taxes.

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

TREVI GROUP

Net Financial Debt

(in thousands of Euro)

	31/12/2023	31/12/2022	Change
Short-term loans and borrowings	(52,278)	(149,807)	97,529
Short-term loans and borrowings from other financial backers	(25,815)	(136,984)	111,169
Current financial assets	17,201	17,545	(344)
Short-term cash and cash equivalents	80,838	94,965	(14,127)
Total short-term	19,946	(174,281)	194,227
Medium/Long-term loans and borrowings	(80,468)	(8,007)	(72,461)
Medium/Long-term loans and borrowings from other financial backers	(141,470)	(67,602)	(73,868)
Trade payables and other non-current liabilities	0	(1,290)	1,290
Total medium/long-term	(221,938)	(76,899)	(145,039)
Net financial debt (Consob warning notice No. 5/21 of 29 April 2021)	(201,992)	(251,180)	49,188
Non-current financial assets	0	0	0
Total net financial debt	(201,992)	(251,180)	49,189

TREVI – FINANZIARIA INDUSTRIALE S.P.A.

STATEMENT OF FINANCIAL POSITION

(In thousands of Euro)

ASSETS	31/12/2023	31/12/2022
Non-current assets		
Property, plant and equipment		
Land and buildings	6,152,611	6,267,334
Plant, machinery and industrial and commercial equipment	5,905,807	8,195,291
Other assets	462,463	443,857
Total property, plant and equipment	12,520,881	14,906,482
Intangible assets		
Concessions, licences and trademarks	7,141,588	8,140,400
Assets under development and payments on account	-	-
Total intangible assets	7,141,588	8,140,400
Equity investments in other companies	175,594	175,594
Equity investments in subsidiaries	211,989,567	192,989,567
Deferred tax assets	-	-
Other non-current financial assets	20,793	22,971
Other non-current financial assets from subsidiaries and other companies	0	0
- of which from related parties	-	-
Trade receivables and other non-current assets		
Total financial assets	212,185,954	193,188,132
Total non-current assets	231,848,423	216,235,014
Assets held for sale		
Current assets		
Trade receivables and other current assets	4,927,069	9,322,365
- of which from related parties	-	-
Trade receivables and other current assets from subsidiaries	29,410,313	36,980,146
- of which from related parties	29,410,313	36,980,146
Current tax assets	466,925	545,853
Other current financial assets	79,307,951	67,410,585
Cash and cash equivalents	3,939,704	9,719,175
Total current assets	118,051,962	123,978,124
TOTAL ASSETS	349,900,385	340,213,138

TREVI – FINANZIARIA INDUSTRIALE S.P.A.

STATEMENT OF FINANCIAL POSITION

EQUITY	31/12/2023	31/12/2022
Share capital and reserves		
Share capital	122942340	97,373,554
Other reserves	33,669,811	7,834,105
Losses carried forward	(13,340,242)	
Profit/Loss for the year	1,454,833	(13,340,242)
Total Equity	144,726,742	91,867,416
LIABILITIES		
Non-current liabilities		
Long-term loans and borrowings	37,390,145	4,949,189
Long-term loans and borrowings from other financial backers	99,158,941	58,866,072
Non-current derivatives	-	-
Deferred tax liabilities	497,885	411,685
Post-employment benefits	618,852	593,881
Non-current provisions	10,204,903	12,290,961
Other non-current liabilities	1,202,229	1,830,980
Total non-current liabilities	149,072,955	78,942,768
Current liabilities		
Trade payables and other current liabilities	6,547,703	18,825,078
Trade payables and other current liabilities to subsidiaries	19,107,994	17,963,165
- of which to related parties	19,107,994	17,963,165
Current tax liabilities	439,189	672,679
Short-term loans and borrowings	522,059	44,121,374
Short-term loans and borrowings from other financial backers	28,595,409	87,820,659
- of which from related parties	19,374,778	4,479,835
Current provisions	888,334	-
Current derivatives	-	-
Total current liabilities	56,100,688	169,402,954
TOTAL LIABILITIES	205,173,643	248,345,722
Liabilities associated with assets held for sale		
		-
TOTAL EQUITY AND LIABILITIES	349,900,385	340,213,138

TREVI – FINANZIARIA INDUSTRIALE S.P.A.

STATEMENT OF PROFIT OR LOSS

(In thousands of Euro)

	2023	2022
Revenue from sales and services	15,198,340	13,734,597
- of which from related parties	14,999,711	13,584,481
Other operating revenue	1,338,722	4,743,158
- of which from related parties	-	-
Raw materials and consumables	(96,211)	(72,741)
- of which with related parties		
Personnel expense	(6,843,288)	(6,535,331)
Other operating expenses	(11,855,117)	(10,105,239)
- of which to related parties	(1,970,163)	(1,193,625)
Depreciation and amortisation	(3,731,458)	(4,142,758)
Provisions and impairment losses	(1,144,553)	(1,999,908)
Internal work capitalised	-	-
Operating loss	(7,133,565)	(4,378,222)
Financial income	34,957,331	7,560,100
- of which from related parties	3,862,642	1,345,173
Financial expense	(27,648,678)	(15,047,252)
Exchange gains/(losses)	421,957	(304,024)
Sub-total for financial expense and exchange gains/(losses)	7,730,610	(7,791,176)
Adjustments to financial assets	958,772	(1,241,753)
- of which with related parties	958,772	(1,241,753)
Profit/(Loss) before taxes	1,555,817	(13,411,151)
Income tax (benefit)/expense	(100,984)	70,909
Profit/(Loss) from continuing operations	1,454,833	(13,340,242)
Profit/(loss) from assets held for sale	-	-
Profit/(loss) for the year	1,454,833	(13,340,242)

