Accounts
2024

Financial Statements 2024

Engineering Ingegneria Informatica S.p.A.
Registered Office:
00144 Rome – Italy
Piazzale dell'Agricoltura, 24
Tax code 00967720285
VAT number 05724831002
Rome Chamber of Commerce- 531128
Rome Companies' Register 00967720285
Share Capital:
Euro 34,095,537.11 fully paid-in

Auditor's report.

Deloitte.

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Sole Shareholder of
Engineering Ingegneria Informatica S.p.A.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Engineering Ingegneria Informatica S.p.A. ("Company"), which comprise the statement of financial position as of December 31, 2024, the income statement and the comprehensive income statement, the statement of changes in shareholder's equity and the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Pursuant to art. 2497-bis, paragraph 1, of the Italian Civil Code, Engineering Ingegneria Informatica S.p.A. has indicated to be subject to direction and coordination by Centurion Holdco S.à.r.l. and, accordingly, has inserted in the explanatory notes the essential data of the latest financial statements of that company. Our opinion on the financial statements of Engineering Ingegneria Informatica S.p.A. does not extend to those data.

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Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or for the termination of the operations or have no realistic alternative to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

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- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter), of Legislative Decree 39/10

The Directors of Engineering Ingegneria Informatica S.p.A. are responsible for the preparation of the report on operations of Engineering Ingegneria Informatica S.p.A. as at December 31, 2024, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;

- express an opinion on the compliance with the law of the report on operations;

- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Engineering Ingegneria Informatica S.p.A. as of December 31, 2024.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

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With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Gianfranco Recchia
Partner

Rome, Italy
April 3, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers.

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Corporate governance and corporate bodies.

The Company's Corporate Governance system and the Corporate Bodies and Offices are established to achieve maximum equilibrium between the needs for flexibility and timeliness in decision making, a high degree of transparency in dealings between the various centres of responsibility and the external entities, and the exact identification of roles and consequent responsibilities.

On April 21, 2023, the Shareholders' Meeting of Engineering Ingegneria Informatica S.p.A. appointed the new administrative body and the new control body, which will remain in office for three financial years and more precisely until the approval of the financial statements as of December 31, 2025.

On May 5, 2023, the Board of Directors of Engineering Ingegneria Informatica S.p.A. appointed the new Supervisory Body which will remain in office for three financial years and more specifically until the approval of the financial statements as of December 31, 2025.

On May 23, 2023, Maria Cristina Messa was also appointed as an additional Board Member.

On June 23, 2023, the Board of Directors of Engineering Ingegneria Informatica S.p.A. appointed the Control, Risk and Sustainability Committee and the Related Party Transactions Committee, which will remain in office for three financial years and more specifically until approval of the financial statements as of December 31, 2025.

On August 2, 2024, Giovanni Camisassi was also appointed as an additional Board Member.
With effect from January 31, 2025, the Director Maria Cristina Messa resigned from her position as Board Director and member of the Control, Risk and Sustainability Committee.

On February 20, 2025, the Board of Directors approved the appointment of Aurelio Regina as a member of the Control, Risk and Sustainability Committee.

In light of the above, the new breakdown of the corporate bodies is as follows:

Board of Directors

Gaetano Micciché	Chairman
Maximo Ibarra	Director and Chief Executive Officer
Maria Andrisani	Director
Luca Bassi	Director
Giovanni Camera	Director
Fabio Cosmo Domenico Cané	Director
Pietro Galli	Director
Michaela Castelli	Director
Vito Cozzoli	Director
Aurelio Regina	Director
Carlo Achermann	Director
Giovanni Camisassi	Director

Board of Statutory Auditors

Maurizio Salom	Chairman
Domenico Muratori	Standing Auditor
Bettina Solimando	Standing Auditor
Cristiana Tironi	Alternate Auditor
Guido Riccardi	Alternate Auditor

Supervisory Body

Alessandra Stabilini	Chairwoman
Michelangelo Schiano Di Cola	Member
Roberto Fiore	Member

Control, Risk and Sustainability Committee

Michaela Castelli	Independent Chairwoman
Aurelio Regina	Independent Member
Vito Cozzoli	Independent Member
Giovanni Camera	Non-executive member
Pietro Galli	Non-executive member

Related Party Transactions Committee

Vito Cozzoli	Chairman
Michaela Castelli	Member
Aurelio Regina	Member

Independent Auditors

Deloitte & Touche S.p.A.

Introduction and general information.

Introduction

The financial statements as of December 31, 2024 of the Company Engineering Ingegneria Informatica (hereinafter the "Engineering Company", "Engineering" or simply the "Company") have been prepared, as they have been since 2005, in accordance with the recognition and measurement criteria established under the *International Financial Reporting Standards* (IFRS) and the related interpretations of the IFRIC (*International Financial Reporting Standard Interpretation Committee*) previously named SIC (*Standing Interpretation Committee*) issued by the IASB (*International Accounting Standards Boards*) and endorsed by the European Union.

The share capital of Engineering Ingegneria Informatica S.p.A. is 100% owned by Centurion Newco S.p.A. as Sole Shareholder. The Company is subject to management and coordination by Centurion Holdco S.à r.l.

A number of estimates and assumptions were used in preparing these financial statements and were consistently applied for all comparative periods presented, which affect the financial values reported therein. Where, based on management's best estimate, these estimates and assumptions differ in the future from the actual situation, they will be changed in the period in which the circumstances arise.
The above-stated valuations are founded on the reasonableness principle and take account of market practice, historic experience, the involvement of external consultants and market conditions.

The data relating to the adjusted net financial position are compared with that at the end of the previous year.

Unless specified otherwise, the monetary quantities in the statements in the report are exposed in millions of Euro, those in the explanatory notes in full amount.

For each item of the statements, the corresponding figure of the previous year is disclosed for comparison purposes. For a better disclosure, some equity items, which had an impact also on the presentation of amounts in the tables referred to the previous year, were reclassified.

Alternative Performance Measures

A detailed description of the accounting standards, assumptions and estimates adopted is provided in the explanatory notes to the financial statements of Engineering as of December 31, 2024, to which reference should be made. This report uses a few alternative performance measures (APMs) not envisaged by IFRS accounting standards. Although they do not replace those envisaged by the International Accounting Standards, these indicators are the tools that facilitate the Directors in identifying operational trends, as well as make decisions on investments, allocation of resources and other operating decisions, and permit a better comparability over time of corresponding results.

In particular, the following is highlighted:

- ***Adjusted* EBITDA**, alternative performance measure (APM), calculated by the Company as performance for the year, adjusted by the following items: taxes, Income from equity investments, net financial income (expenses) (including, inter alia, exchange gains and losses), interest expense (including interest on financial leases), amortisation/depreciation, provisions and write-downs (including, but not limited to, the bad debt provision and provisions for risks and charges, comprising provisions made for probable future losses on some orders), leaving incentives, charges related to the corporate strategic and transformation assessment process, charges for corporate transactions and special projects and costs related to transactions with subsidiaries in liquidation. It is noted that *adjusted* EBITDA is not identified as accounting measure within the IFRS standards adopted by the European Union. As a consequence, the calculation criterion adopted by the Company might not be consistent with criteria adopted by other companies. Therefore, the balance obtained might not be comparable with the one calculated by the latter.

- **Ebit** (*"Earning before interest and taxes"*): APM calculated by the Company as the result of the year including the following items in the income statement: (*i*) "net financial income/(expenses)" (including, inter alia, exchange gains and losses), and (*ii*) "taxes". The Company deems that this is a useful indicator on its capacity to generate profit before financial management and tax effects.

- **Net Capital Employed** discloses the net total amount of non-financial assets and liabilities.

- **Net Working Capital** discloses the net total amount of non-financial current assets and liabilities. It permits to evaluate the ability of the Company to fulfil short-term commercial commitments through current trade assets and, together with net fixed assets and the net capital employed, it also permits to evaluate the balance between utilisations and financing sources

- **Adjusted Net Financial Position** discloses the Company's ability to meet its financial obligations. As regards the breakdown, reference is made to section IX.

- **ROE (Return on Equity):** economic index on the return on equity, obtained by dividing the profit for the year by the shareholders' equity.

- **ROI (Return on Investment):** operating profitability index, which is a measure of the return on capital invested in the company by way of debt or risk. It is given by the ratio of operating profit (EBIT) to net capital employed.

For a correct interpretation of APMs used by the Company, it is noted that they are determined based on financial statements and data analyses made in compliance with general and managerial accounts. The determination of the APMs is not governed by the reference accounting standards related to the preparation of the Company's financial statements and, albeit they are inferred from financial statements, they are not subject to audit. Therefore, the APMs must not be considered as a replacement of indicators envisaged by the reference accounting standards. Moreover, by reason of the fact that they are not inferred from the reference accounting standards for the preparation of the financial statements, the methods to determine the APMs, used by the Company, might not be consistent with the methods adopted by other Companies and therefore might not be comparable.

Company activities and operations.

The Company Engineering Ingegneria Informatica S.p.A. was established in Padua on 6 June 1980 and leads a Group operating in Software and IT Services.

Engineering is Digital Transformation Company, leader in Italy and continuously expanding globally, with about 14,000 employees and over 80 offices in Europe, the United States, South America and India and about 16% of turnover abroad at Group level.

The Engineering Group, made up of over 60 companies in more than 20 countries, has been supporting companies and organisations in continuously evolving the way they work and operate for more than 40 years, thanks to in-depth knowledge of business processes in all market segments, and taking advantage of the opportunities offered by advanced digital technologies and proprietary solutions.

Our strength in numbers

Talented people, impressive performance, decades of experience, and a growing global footpring across key markets.

1,7 Bn€
REVENUE FY2023

14K~
EMPLOYEES

84% ITALY | 16% GLOBAL

- **+ CONSULTING**
- **+ TECHNOLOGY & IMPLEMENTATION**
- **+ MANAGED SERVICES**
- **+ PIATTAFORME PROPRIETARIE**

A Global Company

80+ OFFICES BASED IN EUROPE, NORTH AMERICA, LATIN AMERICA, ASIA

Blending **Business** & **Technology** through multiple market **portfolios**, proprietary solution and world class partnerships.

11	6+	8+	12+
MARKET PORTFOLIOS	TECNOLOGY BUSINESS LINE	PROPRIETARY PLATFORMS	STRATEGIC ALLIANCES

With a strong and constant focus on innovation, through the R&I division that includes over 450 researchers and data scientists (and a global innovation network of universities, start-ups and research centres), the Engineering Group invests in international research and development projects, exploring revolutionary technologies and designing new business solutions. The Group invests and believes in human capital, and through its internal IT & Management Academy "Enrico Della Valle" it provides continuous upskilling and reskilling courses for both company employees and stakeholders, providing over 22,200 training days per year.

The Engineering Group boasts a diversified portfolio based on proprietary solutions, best-of-breed market solutions and managed services, and continues to expand its experience through M&A transactions and partnerships with leading technology players. The presence for over 40 years in all market segments (from Finance to Health, from Utilities to Manufacturing and many others) has made it possible to build a deep understanding of business needs and to anticipate them by constantly exploring the evolution of technologies, in particular in the Cloud, Cybersecurity, AI & Advanced Analytics, Digital Experience & Metaverse, Advanced Enterprise Platforms and the entire world of industrial automation.

Engineering is a key player in the creation of digital ecosystems to connect different markets, developing modular solutions for a continuous transformation of the world in which we live and work.

Engineering's market consists mainly of medium-large customers, both in the private (banks, insurance companies, industry, services and telecommunications) and in the public sector (health, local and central public administration and defence). Engineering guarantees its customers the Technological Best Fit to always offer the most suitable technology for their organisation and their business.

We digitise the core processes of the main markets through our **Proprietary Platforms**, some of which are real market benchmarks. These solutions are one of the main assets of our company: we continue to constantly evolve them, also with our customers, to offer innovative solutions aligned with the changing needs of the business.

Below is a selection of the Company's main platforms:

- **Energy & Utilities Platform**
  Neta Open Suite: The modular, agile, innovative solution that enables the management of digital ecosystems, centred on business processes, data-driven, adaptable, efficient, to support and anticipate developments in the Energy & Utilities sector.

- **Healthcare Platform**
  Ellipse: The new ecosystem platform specialised in the clinical-care size and in all areas of care;

  AREAS: An application platform for the digitalisation and integration of clinical and administrative healthcare processes.

- **Regulatory Platform**
  Grace: The platform that includes the set of specialised applications in the areas of Governance, Risk, Regulatory and Compliance.

- **Digital Banking Platform**
  Nova: The IT architecture to help institutions to be fast and flexible in the development of digital solutions natively multi-channel and open to a scalable ecosystem of external partners.

- **Insurance Platform**
  Universo: Our platform for the management of the life insurance business through processes that allow end-to-end control over the entire life cycle of an insurance contract;

  XLayers: We support Companies in the end-to-end reinsurance process;

  Isypol: Tailor-made digital platform, optimised for the sale and management of Non-Life products - complex, modular and micro-insurance.

- **Retail Platform**
  MarketSuite: The solution for managing online sales in large-scale distribution and retail;

  MyClienteling: Mobile App dedicated to store staff to learn about, retain and sell.

Thanks to our experience, we have also developed a set of **Technology Enablement Frameworks & Tools that enables** the adoption of technologies to meet particular business needs and the development of specific services within IT consulting projects (e.g. cybersecurity assessment, software development, system integration).

To ensure our customers adopt the best technologies to achieve their business objectives, we adopt a **technological best-fit** approach: we collaborate with the major technological **partners** through our centres of excellence by **implementing cutting-edge market platforms** (e.g. Salesforce, SAP), offering value-added and integration services, both with the customer's IT ecosystem and with our platforms.

We are a player of primary importance in the outsourcing and Cloud Computing markets, through an integrated network of three data centres located in Pont Saint-Martin (AO), Turin and Vicenza. This is a system of services and technological infrastructures that ensure the highest standards for safety, reliability and efficiency.

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Market overview.

Macroeconomic overview

The current global macroeconomic scenario remains complex, with significant downside risks, mainly driven by geopolitical risks. The performance of world trade remains far from its long-term trajectory in a context of greater uncertainty, also in the light of the outcome of the political elections in the United States. Moreover, although the prices of raw materials are falling, they remain above pre-pandemic levels. Other factors to be taken into account are the high, albeit declining, level of interest rates and the heterogeneous economic trends of the world's major economies (more sustained growth in the United States, slowdown in China).

According to the International Monetary Fund's latest projections, global growth is expected to be 3.2% in 2024 and 2025. Global inflation is expected to fall from 6.7% in 2023 to 4.3% in 2025. In a context of global growth in line with pre-pandemic levels, the latest data and forecasts actually mask a certain degree of heterogeneity among the various world economies.

The Italian economy

After a growth of 0.4% in 2023, the Eurozone is now expected to become more dynamic (0.8% in 2024 and 1.2% in 2025). The industrial sector remains highly complex, particularly in Germany and Italy, and the short-term prospects for manufacturing are not positive.

At its last meeting in December 2024, the ECB reduced its monetary policy interest rates by a further 25 basis points to support the economies of its member countries, consistently with inflation falling in line with the target (2.0% in October) and with operators' expectations anchored to the target itself.

In Italy, the industrial crisis is heterogeneous across sectors, with "energy-intensive" industries facing the greatest difficulties. Inflation remains low, although it rose in November 2024 (1.4%), mainly driven by the more persistent core component (1.9% in November). The labour market is healthy, with an all-time high number of employees (24 million) and an unemployment rate below 6%.

In the current industrial context, the dynamics of the automotive sector are of particular interest, given the crisis in the German industry (an important trading partner of Italy for this type of product and others), the competition from foreign manufacturers (such as China) and the European regulation on emissions, which is leading to a major transformation in the sector. All of these factors are combined to create significant challenges for the automotive sector and increase uncertainty about future prospects.

In this scenario, EY forecasts indicate real GDP growth for Italy of 0.5% in 2024 and 0.8% in 2025, while the inflation rate is estimated to rise from 1.0% in 2024 to 2.0% in 2025. Forecasts are subject to a high degree of uncertainty, given the sometimes conflicting signals from currently available data and recent geopolitical events.

Two simulations using the EY econometric model on possible scenarios of a partial use of the PNRR funds underline its importance for growth. Specifically, using 90% of the resources expected to be available in 2025 would reduce growth in 2025 by about 0.2 percentage points compared to the full use of these resources; using 70% of the planned resources would lead to an even larger reduction (0.7 percentage points).

The IT sector

According to the most recent forecasts by Netconsulting, in 2025 the turnover of the reference ("addressable") ICT market in Italy will amount to approximately Euro 27 billion, up by Euro 2 billion compared to 2024. For the subsequent 2026-2028 three-year period, Gartner estimates a "high single-digit" annual growth rate, confirming the significant opportunities in the reference sector.

In the 2024-2027 period, all segments are expected to grow, with the exception of System Integration. The Cloud, Data & Analytics, Customer Experience and Products segments will be particularly strong, with double-digit growth.

Energy & Utilities, Media and Healthcare are among the sectors with the highest growth expectations in 2025 compared to 2024.

Operational overview.

2024 confirms the increasingly gradual progress of digital transformation processes in all sectors of human activity, also thanks to the growing impact of artificial intelligence in many fields. Within this context, the companies that have reacted best to this momentous change are those that have always believed in innovation and research as distinctive factors for success, something that the Company has been able to carve into its DNA since its inception.

Research and innovation activity

During 2024, the company confirmed its commitment to Research and Innovation activities, both in terms of participation in the main initiatives and Associations at national and European level, and in terms of operational commitment on around 110 active projects that have made it possible to develop solutions and prototypes in various technological and application sectors for a capital expenditure of over Euro 28 million.

At national level, the company actively participated in projects financed under the National Recovery and Resilience Plan (PNRR) with reference to National Champions, Ecosystems for Innovation, Extended Partnerships and the Complementary National Plan. In particular, two new projects were acquired in connection with the National Research Centre for High Performance Computing.

At European level, the company continued to participate in tenders, mainly from Horizon Europe, but also from the Digital European Programme, focusing more on those considered strategic for the company and winning several new tenders during 2024.

2024 was also characterised by the intensification of activities related to the AVANT project, *Important Projects of Common European Interest (IPCEI) - CIS (Cloud Infrastructure Services)*, together with the signing of the implementing decree following the publication of the related Italian restricted call for tenders. Almost all of the company's national Business Units were involved in the project, with a significant commitment of human and financial resources and advanced technological infrastructure.

At the same time, the design and preparation of a new project proposal began in response to the second round of the IPCEI Health (Tech4Cure), the call for which will be notified during 2025.

In terms of positioning at European level, in 2024 Engineering has once again seen its participation in some initiatives, in line with the company's interests, maintaining its leadership role in several of them; among others, they include GAIA-X for the cloud, BDVA for data and AI, EOS for security, ECSO for cybersecurity, IDSA for data space, Water Europe for "smart management" of water resources.

Lastly, in line with the overall strategy of refocusing the project portfolio and with the aim of maximising the proximity of research and development activities with the market and business structures, the company supported the reorganisation activities of the Research and Innovation (R&I) function, launching, among other things, a significant recruitment drive.

Market performance

Finance

For the financial sector, in Italy and Europe, the year 2024 was characterised by a lower than expected growth in investments. As during the previous year, banks and insurance companies have shown interest in technological solutions aimed at improving their operational efficiency, the security of their data and the personalisation of the customer experience.

At European level, banks and insurance companies have shown the same investment trend as in previous years, with a special focus on data security and the digitalisation of processes, not forgetting regulatory adjustments; moreover, many of them now collaborate on a permanent basis with several technological start-ups, to capitalise on the opportunities offered by emerging innovations.

In Italy, similarly, financial and insurance institutions are investing in a wide range of technologies, starting with Artificial Intelligence, Generative AI, Cloud Computing and data analysis systems. These investments are mainly aimed at improving the Customer Experience, optimising operational efficiency and containing costs, all of which are inevitably accompanied by important security measures.

During 2024, the largest investments made by banks and insurance companies concerned:

- moving towards Cloud Computing, with a particularly significant impact among larger banks and insurance companies;
- the complete digitalisation of the systems for interacting with customers and collaborators, with the aim of enhancing the personal relationship in the most strategic activities, in line with people's new digital experiences;
- the modernisation of Core Banking and Insurance Systems towards open and modular systems to make institutions more flexible and quicker in response to changes;
- the use of Artificial Intelligence (AI), with a focus on customer analysis and making internal and business processes more efficient. By 2025, we are likely to see a move from experimental or limited use (for example, in risk analysis, fraud management or back-office process automation) to a complete reorganisation of processes;
- initiatives relating to major regulatory changes underway or in preparation, such as GDPR, BASEL, MIFID, EIDAS, DORA, MICA, PSD, ESG and CBDC;
- the strengthening of Mobile Banking services, through "Super Apps", which are now increasingly comprehensive, integrating payment, credit, investment, insurance and other non-financial services;
- the optimisation of information assets through Data Governance, Big Data, Open Data, Business Intelligence and Advanced Analytics initiatives, in particular to enable Artificial Intelligence to operate on certified data;
- Vertical Outsourcing initiatives, which mainly concern smaller banks;
- managing and mitigating cyber risk, made increasingly crucial by the advancing digitalisation of processes and the extensive use of Artificial Intelligence.

The proliferation of these innovative initiatives favours the gradual consolidation of new business models, largely based on the competitive-collaborative model of Ecosystem Banking/Insurance. New strategies emerge from this model for the provision of services, based on a complex network of partnerships involving intermediaries, fintech and companies from different sectors, such as Real Estate, Health, Mobility, Travel, Community, Entertainment, Food, Lifestyle and Hospitality, moving towards the concept of Bank "as a Service".

In order to further strengthen its ability to respond to the dynamics and needs of the market, in terms of both business requirements and application architectures, the company completed in 2024 the strengthening of the assets forming the basis of its offer portfolio through full integration with Be Shaping The Future Group.

2024 was also characterised by the launch of the Composable Banking Platform (NOVA), which has achieved significant results since its first year. The platform is already the protagonist of several strategic projects, for example in the Corporate & Transaction Banking area, in partnership with Nexi, and in the Credit Management area.

Public administration

In 2024, the Public Administration experienced a contraction compared to the previous financial year and the budget at the beginning of the year; consequently, the estimates were revised downwards to give a correct economic representation of the situation. This contraction particularly affected the Railway segment and local and central public administration, which recorded a decline in activities due to the lack of a "container" (Aq Consip) on which to activate new projects, the slower than expected execution of some projects and the negative outcome of some tenders (awarded to other temporary associations of companies).

On the other hand, in 2024 the Welfare segment performed very well, up compared to the previous year and to the initial budget, thanks to the maximum use of the supplies available. We have confirmed our position as a strategic partner to our customers with a strong role as a digital transformation accelerator, providing methodological and technological skills and allowing the full achievement of strategic and PNRR objectives on all customers. Indeed, the company manages the main areas of the core business of customers (INPS, INAIL, MLPS) with a view to smart government, helping to improve and streamline the public machine.

Health

The Health segment confirmed its growth trend in 2024, recording a performance above budget estimates and further consolidating its position in the industry.
The PNT – Piattaforma Nazionale di Telemedicina (National Telemedicine Platform) contract continued to contribute to Health volumes, albeit at a lower level than last year, in view of market developments and the gradual stabilisation of the service.

The new contracts awarded during the year include:

- the regional CUP of the Lombardy Region, which strengthens Engineering's presence in healthcare booking services at a local level;
- the Cartella Clinica Elettronica (Electronic Medical Record), with key projects for the digitalisation of hospital processes; the main tenders awarded include that of the Lazio Region for all regional hospitals and a similar one for the Calabria Region;
- the tender for vertical telemedicine solutions won by Aria, which, together with PNT, completes the national telemedicine infrastructure, with 8 regions awarded to Engineering;
- the segment remains a strategic priority for Engineering, with a project portfolio increasingly focused on technological innovation and the digitalisation of healthcare services.

Industry & services

In line with market trends, our performance met expectations. In particular, it is worth noting as positive data the 10% growth in margin over 2023 and the consolidation throughout the Digitech world, especially in the SAP and Application Modernization areas. Here, the greatest impulses were in the Manufacturing, CPG and Fashion markets. In the Retail and Fashion world, we report the excellent results of our proprietary products, MyClienteling and Market Suite (+27% YoY), while in the Hospitality, Aerospace and EPC areas, the performance in System Integration was very important, with an increase in margins and revenues. In the EPC market in particular, we have decided to focus investment and resources on higher-value activities at the expense of initiatives that historically involved the company in orders that were difficult to manage; this reorganisation will enable us to meet the new challenges for 2025 by reaching full capacity at the average margins expected for this market as well.

The forecasts of greater growth in the next three years, which will therefore direct our attention and our activities, will involve, in addition to the aforementioned Cloud, Big Data and AI, also the Cybersecurity and Digital Twin / Digital Factory Applications solutions. The latter, especially in Manufacturing in the broadest sense, are increasingly seen as tools to improve operational efficiency, develop new innovative products and services based on connectivity and data analysis, to remain competitive and at the forefront of the market.

A crucial issue for all markets will continue to be the Supply Chain, because companies need to improve their processes in terms of responsiveness and speed of response. Sustainability will be the background of all these investments, to be sought not only internally, but also in the entire supply chain and in the materials purchased. Finally, it is worth noting that the digital market of the Fashion and Retail worlds is holding up well, even in the face of the new American and Chinese duties policies, which have certainly had and will continue to have an impact on costs and revenues. In the coming years, spending on technology to improve the efficiency and flexibility of production and logistics processes will continue, as will the continuous innovation of the omnichannel customer experience. Finally, international tensions and the rise in energy costs are obvious unknowns in the adoption of a single development strategy for companies; this is why, in 2024, we combined now consolidated technologies such as the Digital Twin with innovative AI platforms to create a consultancy service that can support companies in the Decision Science process, in very close synergy with the Industries Excellence structures, with the ultimate aim of being able to offer the market solutions for Flexible Manufacturing.

Automotive

The European automotive market closed 2024 in line with the previous year (+0.9%) but remains far from pre-pandemic levels (-18.0% compared to 2019). Italy is confirmed as fourth in terms of registrations, with a slight decrease of -0.5% compared to 2023, and is last in terms of the dissemination of rechargeable cars. Stellantis, the sector's main customer, had a difficult year, with European sales down to 7.3% and market share down to 15.2% (from 16.5% in 2023). The automotive industry must adapt to the challenges and opportunities associated with innovation, sustainability and new consumer habits.

In this context of significant change, the automotive BU closed with stable revenues (+0.3% vs. 2023) and a significant increase in margins (GM +28.3%), thanks to innovative solutions, cost optimisation and greater operational efficiency. New strategies were developed for the fundamental areas (production, sales and after-sales) in order to consolidate and strengthen them.

The process of streamlining the "Manufacturing Execution" systems continued in the production area of Stellantis.

In the sales area, strategic projects focusing on development and future prospects for sustainability were launched. These include the prominent implementation and activation of the platform to support the sales journey for Leapmotor International, the joint venture between Stellantis and Leapmotor, for the marketing of the new brand in Europe and, in the long term, globally. In terms of sustainability, a solution was found for the management of the reconditioning and dismantling processes of the first SUSTAINera Circular Economy Hub, located in the Mirafiori district of Turin.

In addition to Stellantis, the consolidation of the "National Sales Companies (NSC)" continues on the Italian market, with the complete adoption of the new Sales Work Place (SWP) platform of Volkswagen, dedicated to the Italian dealer network (over 100 Dealer Groups) and with the evolution of the HMAP "Data Analytics" platform of Hyundai Italia dedicated to post-sales.

The solution created for Ferrari is a significant one, aimed at re-engineering the process of collecting telemetry data for the Ferrari 499P in the FIA World Endurance Championship (WEC).

In the industrial automation sector, the collaboration with Comau was extended through the "VOLVO Battery Pack" project, carried out at the Skövde plant in Sweden. A new collaboration was also started with Segula Matra Automotive, the French leader in the sector, with whom a project has been set up to automate the production of bonnets at the Stellantis plant in Melfi.

Of particular importance is the project to migrate the "Innovation Islands" platform created for MARELLI Europe to the AWS cloud, where we are now involved in AWS reselling and management service provision. Moreover, the field services provided through our partner Wipro for MARELLI in Italy were renewed for the next three years.

Transportation

2024 was a year of consolidation for the infrastructure and transport market, with a strong focus on defining new strategies for innovation and cost containment. In the IT sector, the main focus was on efficiency, security and sustainability issues.

The results of the Management show a substantial consolidation of the numbers in terms of revenues and margins and a significant increase in the business perimeter thanks to the entry of important new names: Strada dei Parchi, Tirana Airport, Swissport, Airport Handling.

In 2024, there were two opposing factors that offset the impact on the overall revenue and margin figures: a decline in the Road sector and growth in the Transportation and Airport sector. The decline in the Road sector is mainly due to the cost containment trend of the two main customers, Autostrade per l'Italia and Telepass. On the other hand, there was a consolidation of Ita-Airways and growth mainly of Italo Treno and Itabus. The presence on the outsourcing component of the ADR datacentre and on the application component of the core systems of SEA (Aeroporti Milano) was consolidated in the Airports area. Growth strategies are also defined in the sector in relation to advanced analytics, AI and the Digital Twin.

Energy & utilities

The already mentioned instability of the general macroeconomic framework has had an impact first and foremost on the accessibility of primary resources, generating increasing pressure on costs and final tariffs. This pressure required greater effectiveness in the choice and management of strategic assets with an approach increasingly oriented towards the enhancement of investments by managing their risks.

We also witnessed the continuation of the market concentration process, driven by the search for synergies, critical mass for investments and effective management of leverage, with the consequent need to rationalise and renew its IT map. Furthermore, for many operators, integration at national level was accompanied by international expansion: a process in which it becomes essential to bring together the IT maps present in Italy and the legacy maps present in the countries subject to acquisition. The main players continued to invest in innovation and technology, also driven by the Next Generation EU (PNRR) plan. In terms of market regulation, there were at least two events that influenced the market and IT investment: the entry into force of TIDE, the Integrated Text of Electrical Dispatching, and the end of the Protected Market.

The E&U BUs have been able to seize the changing market; in particular for services connected with Digital Transformation or System Integration, where Engineering is consolidating its position as the main player and partner of the major Energy & Utilities companies, continuously renewing and evolving its offering for all market sectors, from Oil to Power, Energy, Gas, Extra Commodity, Water and Waste, etc. along the entire operational chain from production to sales in partnership with the main solution providers on the market, such as SAP, Salesforce, AWS, Azure, Redhat, Schneider, Siemens, Oracle, Dynatrace, IBM, etc.

In this regard, the oil market confirmed the investments in IT services and projects; the confirmation of our positioning in the Downstream and Retail area has allowed us to identify investments aimed at Digital Transformation and the customer experience. In particular, Engineering's activities for the Eni group were positively influenced by the results of the oil group, in particular, by the consolidation of the trend in IT investments, concentrated on the implementation of the new strategic structure based on the satellite model: this model is based on the creation of independent companies that can independently access the capital market to finance their growth by approaching specialised investors, thus accelerating the development of new high-potential businesses related to the energy transition, while maintaining the solidity of traditional activities. In particular, investments continued in the development of Plenitude and EniLive, with improvements in time-to-market and operational excellence, as well as in new industrial initiatives related to the transition (such as biorefineries) and the further integration of the Oil & Gas Up/Midstream, Power and Trading value chains.

As regards transport (SNAM, TAP, SGI, DESFA) and distribution operators, investments in digitalisation initiatives continued, and in particular in the areas of cartography, maintenance, asset management and works management (WFM/FSM) and BIM also driven by the regulations and the deadlines set by them for the end of 2024.

The collaboration with leading distribution players such as 2i and Italgas is also confirmed as extremely sound, even after the acquisition by Italgas.

In the Utilities area, the fluctuating and uneven trend that characterised the last few years has been definitively overcome: this was due on the one hand for reasons intrinsic to the dynamics of a highly fragmented market, and on the other hand, due to the PNRR, which saw an initial focus on the water market and on initiatives that have often seen a marginal role for IT; conversely, ESG issues are confirmed to be increasingly a present and driving force. In fact, throughout 2024, the growth trend that had already characterised 2023 continued; growth that has led us to further focus on this market segment with a BA dedicated to Large Multi-Utilities (ACEA, Hera, IREN and A2A) and a BA dedicated to the rest of the Utilities market, certainly fragmented but worthy of being intercepted, as a whole.

On the other hand, the ENEL Global area was characterised by the continuation in 2024 of the strategy launched in 2023 by the new management, with a focus on debt reduction, a strong emphasis on the most profitable and strategic investments, and the evaluation of the divestment of non-strategic assets. In this context, Enel continued with the disposal of its activities in Peru and the sale of part of its distribution network in Lombardy. IT spending suffered a further setback with a significant reduction in the budget, resulting in the revision of contracts and services, and a significant revaluation of all project activities, some of which were postponed until a later date.

The economic review was accompanied by a significant organisational transformation of IT, which revised both the operating model and the business references.

Despite the challenging environment, Engineering has managed to maintain its position in terms of activities in scope, while strengthening its position as a strategic delivery partner: through numerous propositions and close collaboration with the new company leaders, we have built a pipeline of activities that has allowed us to limit the contraction and lays the foundations for a sustainable recovery.

In 2024, the Neta Market management acquired some important new logos in the energy market, such as Ubroker, and in the water market, Sorical. The latter, in particular, in a sector that is becoming increasingly strategic in terms of sustainability goals and climate change, entrusted Engineering with one of the most important projects of 2024 on Neta technology, lasting three years, for the implementation of Neta@2A for the management of the integrated water cycle of about 400 municipalities in Calabria.

2024 was also characterised by the release of the first SaaS modules of the "Neta Open Suite", in particular the EC module for the management of renewable energy communities (CER), one of the most important innovations in the current energy landscape, and the MDM module, water meter data management, which has met with the interest and favour of the market and has already been purchased by ASA Livorno and Ruzzo Reti, two of the most innovative mid-caps.

In 2025, Engineering will consolidate the cross-selling strategy of the new SaaS modules to its customer base, without neglecting the opportunities related to new prospects and former customers interested in the new products.

Telco & media

In 2024, the telecommunications sector in Italy showed signs of stabilisation after years of contraction. According to the Mediobanca Telco 2024 report, in the first half of the year, the aggregate turnover of the world's leading telcos increased by 1.5% compared to the same period in 2023, driven mainly by Asian companies.

In Italy, operators' revenues recorded a slight growth of 0.3% in 2024, with an increase of 2.5% in the land network segment, offset by a decrease of 3.5% in mobile segment.

This trend reflects the growing demand for fixed broadband services, while the mobile market continues to face challenges. Data traffic continued to grow, increasing by 13% in the fixed network and 26% in the mobile network, mainly due to the digital services offered by large technology companies such as Apple, Google, Amazon and Netflix. This increase has led to higher operating costs and the need for further investment in infrastructure by operators.

Despite the increase in costs, the prices of telecommunications services in Italy remain among the lowest in Europe, due to strong competition and regulatory pressure. This situation has led to reduced profit margins for companies in the sector.

In this context, the main strategies adopted by Italian operators include:

- monetisation of core company assets: for example, Telecom Italia sold its fixed network to the KKR fund for between Euro 18 billion and Euro 22 billion, significantly reducing its debt;
- development and transformation of business capabilities: the acquisition of Vodafone Italia by Swisscom and its merger with Fastweb are targeted at creating a strong competitor in the Italian market, with the aim of expanding the customer base and offering more competitive services;
- reduction of operating costs and optimisation of business processes: companies are implementing efficiency measures to increase competitiveness in a market characterised by reduced margins.

These initiatives are essential to meet current market challenges and to position ourselves competitively in the constantly evolving telecommunications landscape.

In 2024, Engineering recorded a significant growth in revenues (+20%) compared to the previous year, largely driven by the collaboration with TIM (+38%). This development was supported in particular by IT projects backing the carve-out of FiberCop, with strategic interventions in both ERP area and Cybersecurity. The presence of Engineering at TIM was further consolidated with the renewal of the service contracts for Application Development & Maintenance, focused on Revenue Management and Data & Analytics, laying the foundations for a long-term collaboration.

At the same time, Engineering also achieved excellent results with other operators in the sector, consolidating and expanding collaborations with customers already present in its customer base, such as Open Fiber, Vodafone and BT. The company also strengthened its presence in the market thanks to the acquisition of new strategic accounts, including INWIT, with whom it started projects in the IoT field, and EOLO, for the management of application operations in all application areas.

The Media sector did not reach its expected revenue targets, mainly due to the reduction of activities with RAI, following the loss of the RAI Digital contract, the impact of which was not fully offset by the newly acquired businesses.

For 2025, the company will focus on three strategic lines:

- optimisation of TIM services acquired in 2025 and development of new business opportunities with TIM Enterprise;
- consolidation of the positioning on FiberCop and strengthening of the partnerships with Fastweb and Vodafone;
- relaunch of the Media sector, focusing on the main television broadcasters and broadcasting operators, including RAI and Mediaset.

Digital technology

The ENG DIGITAL Business Unit aims to support the digital transformation of our customers end-to-end through a dedicated Go-To-Market workforce and Centres of Excellence organised for specific technological capabilities: ENG Platform, ENG Cloud, ENG Security, ENG AI & Data and EngX (Digital Experience), ENG Modernize.

a) ENG Platforms

In 2024, the Augmented Enterprise Platforms (AEP) Centre of Excellence continued to implement projects and services related to the major market technological platforms (e.g. SAP, Microsoft and Salesforce) repositioning its offer on the ability to advise on and optimise Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) processes through platform AI.

The main areas of competence relate to ERP, CRM and IT Service Management, where the growth already started in previous years was concentrated, and that led to a situation where the budget targets set for the year in 2024 were exceeded.

The main contributions to this growth were made by:

- the SAP structure, which completed the TIM-Fibercop carve-out project, gaining credibility in the TelCo market, and which increased the customer base and experience on the new SAP S/4HANA platform in all Public Sector markets (e.g. Lombardy, Campania and Apulia Regions), Finance (e.g. Intesa San Paolo) and Enterprise (e.g. ENEL, Terna and ENI, Petronas, Ferrero), also in international contexts;

- the Salesforce structure, which gained credibility as the Italian best practice, and which has grown significantly in areas such as Energy & Utility and Public Sector, also leveraging new revenue streams from Eng products published in the Salesforce ecosystem (e.g. ProcessClick);

- the newly established Service Now structure, which managed to gain credibility on the market and generate revenues of approximately Euro 4 million in the year, starting from the academy.

In parallel with growth, the AEP structure was engaged in an important transformation of its operating model that contributed to exceeding the profitability targets set in the budget. This transformation was broken down as follows:

- opening of the Salesforce practice in the nearshore centre in Romania and of the Microsoft practice in Albania, as well as exceeding the overall target of using the nearshore on the various technologies;

- rebalancing the pyramid on projects and services through 8 academies, with the investment also reflected in the income statement;

- consolidation of the supplier base and strengthening of the governance of expenditure for external resources;

- enhancement of the structure operational capacity through an extensive certification programme (more than 500 on different technologies).

b) ENG Cloud

In 2024, the Cloud Business Line focused on infrastructure projects and services, workstation management and cloud initiatives mainly in the IaaS area, continuing the growth started in previous years and achieving excellent results compared to the budget targets set for the year.

Specifically, the year was characterised by the consolidation of activities on all services and solid growth in cloud activities, in particular on the Finance and Enterprise segments.
The latter supported by the increase in technological skills, also through the acquisition of a sizeable number of individual certifications and the strengthening of partnerships with the main Cloud Service Providers.

In continuity with 2023, process automation activities continued, mainly in the area of infrastructure management, software distribution and the cloud offering development, also with a view to the continuous improvement of services and the quality provided. In this context, the acceleration of automation activities guaranteed by the use of frontier technologies enabled by artificial intelligence should be noted.

c) ENG Security

In 2024, the Cybersecurity Centre of Excellence further consolidated its product portfolio to fully cover the security needs of its customers, providing Advisory, Implementation Services and Managed security services.

The results of the year show a significant growth in revenues that allowed the company to close with a largely positive EBITDA, continuing the industrial turnaround process started in 2021.

The growth was not only economic, but also structural, with an increase in personnel and a review of the organisational model. This development was driven by the growing market opportunities and the collaboration with the group on larger projects, which require specific experience on the one hand, and the ability to mobilise an increasing number of resources on the other, an area in which investments were concentrated.

d) ENG AI & Data

In 2024, the AI & Data business line focused on projects and services in the area of Artificial Intelligence, Data Strategy and Management, Data Insights and Advanced Analytics.

Specifically, the year was characterised by the consolidation of activities and participation in various innovative initiatives in all markets, with a particularly wide scope of action such as, for example, the implementation of advanced Generative AI solutions, cloud analytical architecture services or even advanced data insight applications.

The year 2024 was undoubtedly characterised by the continuous demand, in all markets/industries, for planning and solutions for technologies related to artificial intelligence. The company was able to take advantage of years of Research & Development on the subject, bringing to the market increasingly advanced and articulated versions of its suite of solutions, called "ENG GPT", which made it possible to position a very attractive "private AI" offer.

e) EngX

In 2024, the EngX Business Line strengthened its market position in the digital experience sector, achieving a significant increase in revenues and profitability.

During the year, a dedicated legal entity was also created, subsidiary of Engineering, designed to be an innovation engine and a digital transformation accelerator, establishing itself as a strategic partner of excellence for customers. Thanks to its control over the entire spectrum of digital experience skills, it aims to combine creativity, technology and strategy, offering services ranging from brand strategy and digital communication consultancy to the design and implementation of simplified, engaging and loyalty-oriented customer journeys.

In terms of innovation, the focus was on the design and development of advanced solutions that integrate emerging technologies such as Artificial Intelligence (AI), Extended Reality (XR) and the Internet of Things (IoT), to further expand the possibilities offered to customers and enhance the value of the services provided.

f) ENG Modernize

In 2024, a new Business Line called "Eng Modernize" was created with the aim of increasing the focus on the modernisation of legacy applications in order to migrate them and make them Cloud-Native, in addition to the management of Application Maintenance projects.

In 2024, the organisation achieved constant improvements in operational efficiency, recording progress month on month throughout the year.

The year was characterised by a reorganisation of the company to serve the markets in a more synergetic way, with a focus on technological specialisation in cloud-based software development. We helped the markets generate higher margin opportunities, particularly in software refactoring and cloud migration.

At the same time, the offering was expanded with new solutions for application modernisation, cloud migration, testing automation and generative artificial intelligence to support the software life cycle.

In the software development sector, a pilot programme involving about a hundred developers was completed, collecting significant data on the increase in productivity and code quality. We also developed, tested and launched the assessment of skills for all Digital organisations, strengthening skills and aligning them with new technological challenges.

g) Tech Alliances

In the Tech Alliances area, the year 2024 marked a significant acceleration in the relationship with Technology Vendors. Engineering's position is consolidated among the top partners of all enablers of digital transformation processes.

In particular, the collaboration with the Vendors brought clear benefits in terms of profitability, thanks to the ability to attract the economic incentives that these operators allocate to the most virtuous partners.

At the same time, the ability to generate incremental business also grew thanks to the synergy and collaboration established between the respective sales forces for the main customers.

h) Offering, Innovation and Go-to-Market

The Offering, Innovation & Go-to-Market structure was created within Eng Digital with the aim of developing and relaunching

Eng Digital's offer portfolio and defining its go-to-market approach.

Since its establishment at the end of 2022, the structure developed more than 50 offerings and built more than 80 sales assets to enable commercial structures to convey more effectively offers to customers.

In 2024, in line with the Group's strategic priorities, the structure developed around 10 offerings in Eng Digital's main offer areas, with a particular focus on innovative and high-value solutions. These include Automated Multi-Cloud Operations, Integrated Risk Management, EngGPT Suite, Accessibility Advisory and FinOps.

During the year, the structure also focused on the verticalisation of the offer, adapting it to the specific needs of the markets. This focus will intensify further in 2025, both to maximise the impact on the business and to strengthen the differentiation of the offer in the market. Finally, the structure dedicated itself to the development of tools and processes for monetising the assets generated by Research & Innovation projects, to support the company's innovation potential.

VI

Personnel.

As of December 31, 2024, the Company's workforce (persons with employment contracts, open-ended and fixed-term) amounted to 8,363, (they were 8,597 as of December 31, 2023).

In 2024, the policy of hiring staff continued with the recruitment of 669 people (compared to 990 in 2023), with a close focus on young graduates and young diploma holders.

903 people left the company. In 2023, there were 666 such people.

Some detailed figures are provided below, related to 2024, with reference to the Company workforce:

- the rate of graduates totalled 60.77%;
- the rate of women totalled 33.70%;
- the average age was 45;
- the number of executives totalled 3.59%;
- employees with Super Management/Management qualifications totalled around 21.10%.

Lastly, also in 2024, agile remote working ("smart working") involved most of the Company's employees.

Training

2024 was a year of significant change for Engineering training.

Enabled by the implementation of the Workday platform for HR processes across the entire company population, in 2024 the entire training journey made available to the Engineering Group was totally renewed, moving towards a Training model that puts the individual at the centre of their continuous learning path: the main feature of the new training programme is that everyone can build their own personal learning programme, with free access at any time to a wide range of training programmes that are always available.

In this scenario, the new Academy Engineering Learning Paths present integrated and coherent training content, combining classroom activities (virtual or face-to-face) with new formats such as papers, microlearning produced by teachers, podcasts, exam preparation and the entire LinkedIn Learning Catalogue, one of the most prestigious on the world market, offering tens of thousands of training courses on technologies, methodologies and soft skills.

This important change, although activated during the year, already had significant impacts in 2024 on the percentage of training activities distributed among the company population (+25% compared to the previous year) thanks to the removal of restrictions on access to training content, without prejudice to the large volume of training activities carried out in synchrony with teachers (15,800 days/person).

But in 2024, great attention was also paid to vertical specialisation and acceleration paths of key technical, relational and leadership skills. In particular, alongside the Academy Programs, a successful format launched last year that, also in 2024, specialised and integrated into the company about 200 new graduates from the best universities throughout the country, two new Acceleration Programs were launched, aimed respectively at young talents three years after recruitment and at future managers of the company.

These are selective, high-level training courses, characterised by a highly innovative and interactive teaching method thanks to the use of new immersive learning technologies such as virtual reality simulators and neurodevices, which help participants develop their leadership and accountability, critical thinking, problem solving, networking and the main levers of people management.

Also in 2024, the result achieved in professional certifications should be emphasised, in line with the previous year, during which approximately 1,700 new certifications focused on the main technological innovation vendors present on the market (AWS, Azure, SAP, Red Hat, Salesforce, etc.) and on the governance standards of the most widespread projects at international level (Project & Service Management, IT Governance, Business Analysis, Agile Methodologies, etc ...) were acquired.

Final note relating to the first place obtained for the second year in a row by Academy Engineering in the Best HR Team 2024 Award, organised by HR Community. This recognition, for the Learning category, saw Engineering position itself first in a challenge in which over 80 HR Teams of national and multinational companies participated, in recognition of the constant commitment to innovation in learning models and the depth of the training offer to support the growth of business, performance and engagement of all Group personnel.

VII

Outlook.

In 2024, the company focused on increasing profitability, concentrated in the digital transformation and proprietary solutions sectors, with particularly significant growth in the Financial Services market, also thanks to new commercial agreements signed (e.g. Nova).

The complex process of internal transformation and change management, which effectively ended at the end of 2023, began to produce its beneficial effects both at an economic/financial level and in terms of greater effectiveness of the operating model and related internal processes.

In 2024 the company continued to grow in the IT market, focusing on the long-term digitalisation process of the economies of the countries in which it operates, which is expected to grow in the coming years driven by macroeconomic policies (for example, regulatory changes that encourage the adoption of digital products). In line with the guidelines defined in the renewed strategic plan, the company focused on:

- commercial acceleration in all markets, reviewing the main account plans, the portfolio of digital products and services on offer in the pipeline (including commercial incentive schemes), which led to a significant growth in the backlog;
- further simplification of the main internal processes and launch into production of some SW solutions aimed at technological upgrade, which will continue also in 2025 and 2026;
- internal cascading of the company's purpose, defined in terms of guidelines in 2023, but then disseminated throughout the various levels of the organisation in 2024, with the aim of strengthening the sense of belonging and the winning culture;
- a strong push on recruitment campaigns with the inclusion of young and talented profiles, demonstrating the centrality of investment in the company's human capital;
- strengthening of partnerships with the main vendors in the market;
- full implementation of a central Workforce Management structure, in support of the Delivery Units, with the aim of improving the company's efficiency in staffing its resources on projects;
- reduced need for new investments after the 2022-2024 cycle, which allowed the company to promote in particular cutting-edge products on the market;

- strong reduction in expenses and one-off projects already starting from 2024, with a downward trend in the coming years, thanks to the completion of the extraordinary leaving incentive plan launched in 2023;

- to offset the effect of inflation, strong focus on compliance with internally defined targets of the various cost saving initiatives launched, including: i) optimisation of space and rationalisation of offices; ii) completion of the plan to integrate the various companies of the BE Shaping the Future Group, the economic and internal efficiency benefits of which were fully achieved during 2024;

- scouting of various champion companies in their market environment;

- continuous focus on PNRR, in order to address emerging opportunities in all the markets in which Engineering operates, and a strong focus on innovation, through the R&I division which includes over 450 researchers and data scientists, thanks to whom the company invests in international research and development projects, exploring new business solutions (in this sense, an important boost was given by being awarded the Important Projects of Common European Interest - IPCEI, whose activities continued throughout 2024).

VIII

Financial highlights.

Main financial data

The main financial data related to the year 2024 are shown hereunder compared with the previous year restated data.

(in Euro million)

Description	2024	2023	YOY
TOTAL REVENUES	**1,078.7**	**1,053.5**	**2.4**
Net revenues	**1,019.6**	**1,005.7**	**1.4**
ADJUSTED EBITDA	125.4	134.1	-6.5
% of revenues	12.3	13.3	
EBIT	33.5	-6.1	-652.7
% of revenues	3.3	-0.6	
Net profit	-117.8	-106.3	10.8
% of revenues	-11.6	-10.6	
Shareholders' Equity	**377.2**	**528.8**	**-28.7**
Adjusted Net Financial Position	**-1,520.6**	**-954.6**	**59.3**
% ROE (N.P./N.E.)	**-31.2**	**-20.1**	**-11.1**
% ROI (EBIT/N.C.E.)	**1.8**	**-0.4**	**2.2**
No. of employees	**8,363**	**8,597**	

Adjusted EBITDA is defined as EBITDA gross of extraordinary items.

TOTAL REVENUES amounted to Euro 1,078.7 million, reflecting a 2.4% increase compared to the previous year.

NET REVENUES, equal to Euro 1,019.6 million, increased by 1.4% compared to the previous year.

ADJUSTED EBITDA amounted to Euro 125.4 million, down (-6.5%) compared to the previous year and with a profitability on net revenues equal to 12.3% in 2023, mainly due to higher service costs incurred to support growth and a higher incidence of labour costs.

EBIT amounted to Euro 33.5 million, up by Euro 39.6 million compared to 2023 and includes amortisation and depreciation of Euro 52.6 million. The improvement is attributable to lower amortisation and depreciation and provisions for the year and lower non-recurring charges. For further information, reference is made to the Explanatory Notes to the financial statements.

The NET PROFIT showed a net loss of Euro 117.8 million. The negative change compared to the previous year is mainly due to the absence of financial income recognised until 2023 from the subsidiary Overlord Bidco S.p.A., which was merged by incorporation with accounting effect from 1 January 2024.

The ADJUSTED NET FINANCIAL POSITION, equal to Euro -1,520.6 million, recorded a negative change of Euro 566.0 million mainly due to the absence of loans receivables granted to the subsidiary Overlord Bidco S.p.A. derecognised following its merger by incorporation into Engineering Ingegneria Informatica S.P.A. with accounting effect from 1 January 2024.

Alternative Performance Measures and total revenues

The alternative performance measure, *adjusted* EBITDA, is calculated as follows:

(in Euro million)

Description		2023	2024
Net profit for the year	**note**	**(106.3)**	**(117.8)**
Income taxes		(15.9)	(4.6)
(Income)/expenses from equity investment		11.2	(1.6)
Financial (income)		(45.2)	(8.9)
Interest expense (excluding interest on leases)		149.0	166.4
Interest on leases		1.2	0.0
Depreciation of property, plant and equipment		4.3	5.3
Depreciation of right-of-use assets		17.0	15.8
Amortisation of intangible assets		40.0	31.5
Provisions and write-downs		18.8	15.6
Leaving/change management incentives	(1)	31.1	13.9
Charges related to the corporate strategic review process	(2)	20.3	8.5
Charges for corporate transactions and special projects	(3)	1.8	1.1
Charges relating to transactions with subsidiaries in liquidation	(4)	6.7	0.0
Adjusted EBITDA		**134.1**	**125.4**

(1) Charges relating to incentives for employees who left early during the year and/or with whom an agreement was reached for early exit and related charges for change management, incurred as a result of the transformation program mentioned in the paragraph "Outlook". Charges relating to incentives for employees who left early during the year, amounted to Euro 13.4 million.

(2) Charges relating to the corporate strategic review process, incurred in order to guide and support the transformative actions that have impacted the Company in a pervasive manner during the year.

(3) Charges relating to extraordinary corporate transactions and one-off projects.

(4) Charges relating to transactions carried out with subsidiaries in liquidation.

It is noted that adjusted EBITDA is not identified as accounting measure within the IFRS standards adopted by the European Union. As a consequence, the calculation criterion adopted by the company might not be consistent with criteria adopted by other companies. Therefore, the balance obtained might not be comparable with the one calculated by the latter.

Total revenues and, in accordance with IFRS 8, the breakdown of net revenues and Adjusted EBITDA by market are shown hereunder.

It should be noted that there are no revenues common to several sectors.

(in euro)

Description / Total revenues	2024		2023		Change Absolute	Change %
Finance	198,380,042	19.5%	173,438,725	17.2%	24,941,317	14.4
Public Administration	192,240,181	18.9%	221,873,346	22.1%	-29,633,166	(13.4)
Health	178,398,925	17.5%	171,361,149	17.0%	7,037,776	4.1
Industry & Services	163,485,008	16.0%	180,886,488	18.0%	-17,401,480	(9.6)
Telco & Media	98,204,757	9.6%	79,047,362	7.9%	19,157,395	24.2
Energy & Utilities	188,890,471	18.5%	179,044,910	17.8%	9,845,560	5.5
Net revenues	**1,019,599,384**	**100.0%**	**1,005,651,980**	**100.0%**	**13,947,403**	**1.4**
Other revenues	59,142,476		47,866,763		11,275,713	23.6
Total revenues	**1,078,741,859**		**1,053,518,743**		**25,223,116**	**2.4**

(in euro)

Description / Adjusted EBITDA	2024		2023	
Finance	42,691,443	34.1%	32,957,303	17.2%
% of total revenues	21.5%		19.0%	
Public Administration	9,741,635	7.8%	21,716,444	22.1%
% of total revenues	5.1%		9.8%	
Health	31,017,682	24.7%	40,762,960	17.0%
% of total revenues	17.4%		23.8%	
Industry & Services	9,376,043	7.5%	14,998,755	18.0%
% of total revenues	5.7%		8.3%	
Telco & Media	7,024,075	5.6%	2,983,802	7.9%
% of total revenues	7.2%		3.8%	
Energy & Utilities	25,524,195	20.4%	20,716,139	17.8%
% of total revenues	13.5%		11.6%	
Total adjusted EBITDA **% of total revenues**	**125,375,073** **12.3%**	**100.0%**	**134,135,404** **13.3%**	**100.0%**

Adjusted EBITDA represents, for the company, the Alternative Performance Measure for the purpose of resource allocation and assessment of segment performance, as well as of targets. Direct revenues and costs are allocated in relation to the related industry. Other income and costs of central structures, not specifically attributable to segments, have been attributed in relation to their net revenues, that represent the most appropriate driver to allocate them.

Operating expenses

(in euro)

Description	2024	2023	Change Absolute	Change %
Personnel costs	510,294,562	507,927,484	2,367,078	0.5
Service costs	427,521,237	416,848,677	10,672,561	2.6
Raw materials and consumables	34,741,659	43,902,554	(9,160,895)	(20.9)
Amortisation, Depreciation and Provisions	68,277,229	80,189,107	(11,911,878)	(14.9)
Other costs	4,363,057	10,720,253	(6,357,197)	(59.3)
Total operating expenses	**1,045,197,744**	**1,059,588,074**	**(14,390,330)**	**(1.4)**

Operating expenses decreased overall by around Euro 14 million compared to 2023.

Personnel costs were in line with the previous financial year.

Spending in services increased mainly due to the greater use of professional resources utilised in the cycle in line with the proportional increase in sales and activities and in the presence of a lower availability of internal resources.

Spending in raw materials and consumables was lower than in the previous year, mainly due to purchases of software and goods for resale.

The item "Amortisation, depreciation and provisions" decreased due to lower amortisation and depreciation that had an impact in the financial year under review; for their details, reference is made to the explanatory notes to the financial statements.

Operating profit and net profit

(in euro)

Description	2024	2023	Change %
Difference between total revenues and operating expenses after amortisation/depreciation and provisions (EBIT)	**33,544,115**	**(6,069,331)**	**-652.7**
Financial income / (expenses)	(157,495,057)	(104,962,171)	50.0
Income / (Expenses) from equity investments	1,570,037	(11,171,104)	-114.1
Profit before taxes	**(122,380,904)**	**(122,202,607)**	**0.1**
% of revenues	-12.0%	-12.2%	
Income taxes - (Income) / Expenses	(4,561,159)	(15,907,449)	-71.3
tax rate	3.7%	13.0%	
Net profit	**(117,819,746)**	**(106,295,158)**	**10.8**
% of revenues	-11.6%	-10.6%	

Profit before taxes includes the items "Financial income/(expenses)" and "Income/(expenses) from equity investments"; for their details, reference is made to the related sections in the explanatory notes to the financial statements.

The net profit shows a worsening mainly due to the absence of financial income recognised until 2023 from the subsidiary Overlord Bidco S.p.A., which was merged by incorporation with accounting effect from 1 January 2024.

Outlook 2025

For 2025, the Company will proceed with the next phases of the transformation project, aimed at fully achieving the objectives outlined in the renewed strategic plan signed at the beginning of the year, with particular focus on:

- continue and strengthen the growth process in all markets in which the company operates, also through targeted high added value M&A transactions;
- increase the focus on high value-added activities, such as digital services and proprietary products;
- ensure continuous and sustainable growth of the organic result and performance, also thanks to the achievement of higher standards of operational efficiency and the development of Generative AI use cases, which increase resource productivity;
- Leverage workforce management more effectively by defining the allocation of resources and subcontractors to activities in advance, thereby accelerating innovation and driving efficiency to support the long-term vision;
- undertake a deleveraging path also thanks to actions to improve Working Capital and reduce expenses and one-off investments;
- seize all the opportunities in the digital transformation field, pushing hard on the diversification of the commercial offer and on

issues such as customer satisfaction;

- continue to build paths for growth and development of talent, becoming an increasingly attractive company also for young diploma holders and recent graduates.

The growth in revenues and organic EBITDA, together with the reduction in non-recurring costs and provisions for projects, will have a positive impact on the net profit for 2025, partly offset by a partial increase in financial expenses following the refinancing that took place in February 2025, which led Engineering to issue a senior, guaranteed and non-convertible bond, with a partly fixed and partly variable rate, for a maximum total principal amount of Euro 650,000,000 and maturing in the first quarter of 2030.

All of this will enable the Company to significantly improve its pre-tax income, initiating a trend that will allow it to return to stable operating profit within the plan period.

IX

Statement of financial position.

The cash flow statement presented below summarises the Company's cash flow movements according to the indirect method.

(in euro)

Description	2024	2023 Riesposto
Profit/(Loss) for the period	(117,819,746)	(106,295,158)
Income taxes	(4,561,159)	(15,907,449)
Write-downs (Release of write-downs)	1,251,800	14,207,746
Other non-monetary (income)/expenses	(2,821,837)	(3,036,642)
(Financial income)	(5,124,931)	(44,819,740)
Exchange (gains)/losses	(3,816,760)	(418,275)
Financial expenses	166,436,747	150,200,186
Provisions (release of provisions)	15,636,472	18,800,686
Amortisation and Depreciation	52,640,756	61,388,420
Changes in working capital:		
(Increase)/Decrease in trade receivables	(19,637,723)	34,660,111
(Increase)/Decrease in Customer contracts assets	(11,701,417)	(11,674,457)
(Increase)/Decrease in other assets	8,435,632	(1,541,314)
Increase/(Decrease) in Trade payables	29,787,040	52,362,474
Increase/(Decrease) in other liabilities	(40,871,061)	(2,630,199)
Income taxes paid	49,976	0
(Use of provisions for employee benefits)	(2,654,776)	(2,628,708)
(Use of other provisions)	(6,232,467)	(7,767,399)
Other non-monetary changes	32,302,223	17,326,232
A) Total cash flow from operating activities	**91,298,769**	**152,226,514**
Sale of property, plant and equipment	0	62,365
Purchase of property, plant and equipment	(6,866,020)	(5,973,228)
Purchase of intangible assets	(61,751,446)	(53,991,646)
Loans disbursed to Group companies	(1,041,712)	(9,439,565)
Repayment of loans disbursed to Group companies	12,779,588	22,000,000
Cash pooling	34,353,676	(24,942,860)
Consideration paid for acquisition of business	(55,658,468)	(4,428,221)
Purchase of other investments and securities	(9,863,397)	(2,165,880)
Sale of other investments and securities	6,000	2,449
Interest received for financing activities	0	4,799,691
B) Total cash flow from investing activities	**(88,041,778)**	**(74,076,895)**
New loans	927,947,729	352,166,469
Repayment of loans	(870,785,027)	(316,252,601)
Cash pooling	47,628,577	2,409,621
Repayment of loans received from Group companies	(2,314,373)	0
Interest paid for financing activities	(86,319,577)	(75,480,495)
Interest paid for financing activities	(19,804,272)	(15,062,295)
Repayment of lease liabilities	(16,244,224)	(17,756,496)
C) Total cash flow from financing activities	**(19,891,167)**	**(69,975,797)**
D) = (A + B + C) change in cash and cash equivalents	**(16,634,176)**	**8,173,822**
E) Cash and cash equivalents at beginning of year	**152,565,746**	**125,675,586**
F) Monetary contribution from merger	**591,505**	**18,716,438**
G) = (D + E + F) Cash and cash equivalents at end of year	**136,523,076**	**152,565,745**

Cash and cash equivalent at end of year amounted to Euro 136.5 million, down by around Euro 16.0 million compared to the previous year.

Adjusted Net Financial Position

(in euro)

Description	12.31.2024	12.31.2023
Cash and cash equivalents	2,996	7,139
Bank and postal deposits	136,520,079	152,558,607
A) Cash and cash equivalents	**136,523,076**	**152,565,746**
B) Current financial receivables	**88,686,177**	**284,377,629**
Current financial liabilities	(171,498,366)	(162,347,215)
Current lease liabilities	(15,123,865)	(14,893,497)
Other current financial liabilities	(59,987,856)	(101,822,096)
C) Current borrowing	**(246,610,087)**	**(279,062,807)**
D) Net current financial position (A+B+C)	**(21,400,834)**	**157,880,568**
E) Non-current financial receivables	**765,650**	**284,355,832**
Non-current financial liabilities	(375,678,178)	(322,996,300)
Non-current lease liabilities	(55,340,485)	(110,715,742)
Other non-current financial liabilities	(1,068,973,016)	(963,117,228)
F) Non-current borrowing	**(1,499,991,679)**	**(1,396,829,270)**
G) Net financial position (D+E+F)	**(1,520,626,862)**	**(954,592,870)**

The adjusted net financial position amounted to Euro -1,520.6 million, a deterioration compared to the previous financial year mainly due to the absence of loans receivables granted to the subsidiary Overlord Bidco S.p.A. derecognised following its merger by incorporation into Engineering Ingegneria Informatica S.P.A. with accounting effect from 1 January 2024.

Centralised treasury

The presence of important credit lines, the already consolidated adoption of cash-pooling and the appropriate management of liquid funds have ensured adequate coverage of financial requirements.
The companies adhering to cash pooling managed by the Parent Company have, from time to time, used this instrument to meet their financial commitments when the latter were higher than their own liquidity. The other companies have financed themselves or, in special cases, they benefited from loans granted directly by the Parent Company. In all cases they had easy access to the financial resources managed by the Parent Company, both in-house and from external sources, at rates they would not have been able to obtain independently on the market. The Group's rating and ongoing dialogue and discussion with the various credit institutions made it possible to take advantage of the best conditions offered based on real needs. The above resulted in the optimal allocation of financial resources within the Group and possibility of maximised efficiency in managing the working capital, thereby limiting financial expenses.

The trend of cyclical cash inflows, which historically characterises current operations, the securitisation transactions with Banca Intesa and periodic non-recourse factoring transactions have accompanied the recourse to hot money procurement transactions. Non-recourse factoring transactions, arranged on a monthly basis, amount to a total of approximately Euro 795.5 million compared to Euro 814.1 million in 2023. In return for these transfers, the factoring companies were paid an average rate of 1.73% in commissions and interest, which had been 1.78% in 2023.

Net working capital

The net working capital decreased by Euro 3.4 million compared to 2023, amounting to Euro -71.7 million.
Overall, current assets increased by 3.6% while current liabilities increased by 3.8%.

(in euro)

Description	12.31.2024	12.31.2023	Change	
			Absolute	%
Current Assets				
Customer contract assets	174,866,963	175,392,630	(525,667)	-0.3%
Deferred contract costs	13,139,742	4,338,592	8,801,149	202.9%
Trade receivables	305,809,441	288,096,577	17,712,864	6.1%
Other current assets	62,006,053	68,646,701	(6,640,648)	-9.7%
Total	**555,822,198**	**536,474,500**	**19,347,698**	**3.6%**
Current Liabilities				
Trade payables	(447,246,787)	(419,205,004)	(28,041,783)	6.7%
Other current liabilities	(180,282,422)	(185,591,906)	5,309,484	-2.9%
Total	**(627,529,210)**	**(604,796,910)**	**(22,732,300)**	**3.8%**
Net Working Capital	**(71,707,011)**	**(68,322,410)**	**(3,384,601)**	**5.0%**

Reclassified Statement of Financial Position

The statement of financial position of the Company shows a 0.2 Shareholders' Equity/Fixed assets ratio.

(in euro)

Description	12.31.2024	12.31.2023	Change	
			Absolute	%
Real Estate Property	23,085,995	23,911,377	(825,382)	(3.5)
Right of use and leased assets	68,257,264	121,959,949	(53,702,685)	(44.0)
Intangible assets	660,927,017	652,153,212	8,773,805	1.3
Goodwill	562,212,002	559,531,270	2,680,732	0.5
Equity investments	685,760,502	266,565,494	419,195,008	157.3
Fixed assets	**2,000,242,780**	**1,624,121,302**	**376,121,478**	**23.2**
Short-term assets	555,822,198	536,474,500	19,347,698	3.6
Short-term liabilities	(627,529,210)	(604,796,910)	(22,732,300)	3.8
Net working capital	**(71,707,011)**	**(68,322,410)**	**(3,384,601)**	**5.0**
Other non-current assets	71,833,040	63,861,313	7,971,727	12.5
Post-employment benefits	(45,661,000)	(53,216,203)	7,555,203	(14.2)
Other non-current liabilities	(56,910,037)	(83,056,420)	26,146,383	(31.5)
Net Capital Employed	**1,897,797,771**	**1,483,387,582**	**414,410,189**	**27.9**
D - SHAREHOLDERS' EQUITY	**377,170,909**	**528,794,712**	**(151,623,803)**	**(28.7)**
(Cash and cash equivalents)/ borrowing - LT	1,499,226,029	1,112,473,438	386,752,591	34.8
(Cash and cash equivalents)/ borrowing - ST	21,400,834	(157,880,568)	179,281,401	(113.6)
(Cash and cash equivalents)/ borrowing	**1,520,626,862**	**954,592,870**	**566,033,992**	**59.3**
Total sources	**1,897,797,771**	**1,483,387,582**	**414,410,189**	**27.9**

Significant events during the year.

The significant events are detailed below:

- During the year under review, the entire equity investment of the company Be Shaping The Future, Digitech Solutions S.p.A. was acquired from the subsidiary Be Shaping The Future Management Consulting S.p.A.

- In the financial year under review, the companies Overlord Bidco S.p.A., F.D.L. Service S.r.l., WebResults S.r.l. and Engineering Sardegna S.r.l. were merged by incorporation into the parent company Engineering Ingegneria Informatica S.p.A., with legal effect from 1 October 2024 and retroactive accounting and tax effectiveness from 1 January 2024.

- With effect from 1 July 2024, the company acquired from Bitwave S.r.l. the residual 40% of the equity investment in the share capital of Nexera S.p.A.

- During the year, the equity investment in the jointly controlled SPV PNT Italia S.r.l., a company operating in the telemedicine sector, was increased by approximately Euro 7 million.

- On 28 February 2024, the preventive seizure order issued on 8 February 2024 by the Judge for Preliminary Investigations at the Court of Milan was served to Engineering. According to this order, the sum of Euro 8,611,311.44 was seized from the company. This measure was notified to Engineering in its capacity as third party concerned as part of criminal proceedings no. 12153/21 RGNR and no. 91722/22 RG. GIP, a case prepared by the Milan Public Prosecutor's Office in order to ascertain alleged facts of computer fraud, pursuant to Article 640 ter, paragraphs 1 and 3 of the Italian Criminal Code, which were also allegedly committed by Engineering employees from 2017 to 2019. Engineering, currently not under investigation, has filed a request to obtain a copy of the investigative documents on which the measure is based, as well as to file a request for review against the ablative measure. Pending the review proceedings, the Company suspended the employees involved in the proceedings from service. On 24 April 2024, the hearing was held before the Review Court of Milan to assess the appeal against the seizure order. On 26 April 2024, the Review Court dissolved the reserve made at the end of the hearing, cancelling the preventive seizure order and ordering the release of the entire sum of Euro 8,611,311.44. The proceedings against employees are still pending.

XI

Shareholders and treasury shares.

Shareholders

The whole share capital of Engineering Ingegneria Informatica S.p.A. is held by the company Centurion Newco S.p.A., as Sole Shareholder. In relation to the provisions of Article 2497-bis, paragraph 5, of the Italian Civil Code, it should be noted that no commercial transactions took place with Centurion Newco S.p.A. during the year.

Treasury shares

At the date of approval of this Financial Report, no treasury shares are owned by the Company.

XII

Subsequent events.

In February, the company launched an Offer on the market, which ended on 10 February 2025, relating to two bonds with a total value of Euro 650 million, one of which has a variable rate and one a fixed rate.

The variable rate bond, issued at par for a nominal amount of Euro 350.0 million and maturing in 2030, will pay interest at a rate equal to the three-month EURIBOR (subject to a 0% floor) plus 5.75% per annum.

The fixed-rate bond, issued at par for a nominal amount of Euro 300.0 million and maturing in 2030, will pay interest at a fixed rate of 8.625% per annum.

The gross proceeds of the Offer will be used, together with available cash and cash equivalents, to repay in full the Company's covered senior bonds of Euro 605.0 million at 5.875% maturing in 2026 (including any accrued and unpaid interest thereon), to repay in full and cancel the borrowing incurred under a senior secured term credit facility of Euro 38.4 million (including any accrued and unpaid interest thereon) and to pay the fees and expenses in connection with the foregoing transactions and the increase and extension of the maturity of the existing revolving credit facility.

On 7 February 2025, an amendment was signed to the loan agreement in place between the parent company Centurion Newco Spa and Engineering Ingegneria Informatica S.p.A. (known as Shareholder Loan Agreement - "PIK"); the amendments mainly concern the expiry of the contract, which will be 15 February 2031, and the interest that will be calculated for all interest periods starting from 30 January 2025 to 30 January 2028 on the portion of the loan not repaid at an interest rate of 13.5%; subsequently, the interest rate will be increased by 0.5% for each subsequent interest period until the expiry of the contract.

XIII

Other information.

Transactions with related parties

Based on IAS 24, which contains provisions relating to related party transactions, Engineering Ingegneria Informatica Spa adopted on a voluntary basis the Procedure for the regulation of the identification and execution of Related Party Transactions of the Company, as approved by resolution of the Board of Directors on 23 June 2023; the same procedure was updated in the year under review by resolution of the Board of Directors on 2 August 2024, with the favourable opinion of the Committee of Independent Directors for related party transactions.
During the year, transactions were carried out with related entities under normal market conditions. These transactions relate to trade activities carried out in favour of primary customers which produced profitability in line with the company's profitability parameters. Please refer to the relevant section of the Explanatory Notes for further details.

Main risks and uncertainties

Engineering adopts specific procedures for the management of risk factors that might affect the Company's results. As in all companies, risk factors which may affect the Company's results exist and for this purpose numerous preventative actions have been put in place. These procedures are the result of a management that has always aimed at maximising value for its shareholders by taking all necessary measures to prevent the risks inherent in the company activities.

The internal control system and procedures referred to in this document are consistent with applicable guidelines prepared by relevant industry associations and international best practices.

These were fully and transparently implemented and with a sense of responsibility concerning internal and external relations, offering sufficient guarantees for correct and efficient management.

The risk factors described below should be read together with other information present in the financial statements.

A Risks related to general economic conditions

As highlighted in Section IV, growing problems on the geopolitical front are also generating uncertainty and repercussions on the economy.

The conflict between Russia and Ukraine is still having major consequences at a global level not only due to the serious humanitarian crisis that has ensued, but also due to the possible economic effects on global markets, especially in terms of increases in the costs of some commodities such as gas and oil.

Similarly, the conflict in the Middle East can still have important impacts on the overall economic trend.

Our company has no particular direct risks in these countries related to either customers or suppliers.

Thanks to the diversification carried out over the years, as regards both changes made to the business model and acquisitions of companies with specific expertise in strategic sectors, the company is present in every market, by distributing its business volume and minimising risks connected with the crisis of one single market.

B Risks related to the evolution of IT services

Technological risks are mainly represented by the widening of the digital inclusion barriers, the so-called "digital divide", but also by the exponential rise in cyber-attacks that increase the cybersecurity risk.

The Company has always known how to interpret changing customer needs due to considerable investments that allow intense research activity and the development and update of vertical applications that anticipate market demand. Thanks to continuous investments in R&D, the Company is able to mitigate risks related to the evolution in demand, which is treated as business opportunity.

C Risks related to cybersecurity

For 2024 as well, the increase in cybersecurity threats is confirmed, in line with the trend of recent years, in particular a general increase in attacks is expected, with the help of the increase in the digitalisation of users and companies, the geopolitical situation related to the Russian-Ukrainian conflict and the resulting energy emergency. The growing demands of the market and regulatory bodies for an increase in cybersecurity controls are part of this context.

The Company relies on computer networks and systems to securely process, transmit and store electronic information and to communicate internally and with customers, partners and suppliers. The complexity of this infrastructure and the relevant interconnections continue to grow, even with the use of mobile technologies, social media and cloud-based services, with the subsequent increase in the potential risk of security breaches and cyber-attacks.

The Company continues to invest in the protection of assets through a model based on "continuous" improvement that takes into account the evolution of cyber threats.

In particular, the Company is adopting consolidated security mechanisms to prevent and detect cyber-attacks, through appropriate technological, organisational and public-private collaboration solutions.

D Risks related to competition

The information technology market is very competitive; this is encouraged, among other, by a fragmented context that is affected by deeply rooted local operators that can present offers at more competitive prices. Therefore, some competitors could acquire small market shares and expand their presence in the reference markets.

Increased competition may also lead to lower prices and volumes, higher costs for resources, in particular personnel and, consequently, lower profitability. The Company may not be able to provide customers with quality services at competitive prices.

Any inability to effectively compete would adversely affect activity, operating profits, financial conditions and forecasts. Special attention was given by the Group on this issue and it developed a structure made up of specialised resources concerned with "the offer engineering", which allows the company to develop valid economic proposals that take account of the deep and rapid technological changes, the evolution in professionalism, the expertise to be shared in rendering services and cost analysis.

E Risks related to regulatory framework developments

The activity performed by the Company is not subject to particular segment regulations.

Internal risks

A1 Risks related to the employment of key personnel

The Company has Executives and Managers who play a decisive role in the management of the company's activities and a management structure capable of ensuring continuity in the management of corporate activities even in the event of the immediate leave of one of the key persons to be adequately replaced.

B1 Risks related to dependence on customers

The Company offers services to around 2,000 medium and large companies operating on all markets (Public Administration, Health, Finance, Insurance, Telco & Media, Industry % Utilities). The breakdown of business is fairly balanced and there are no significant positions relating to turnover concentration on individual customers.

C1 Risks related to contractual responsibilities towards customers

The Company develops solutions with a high technological content and high value and the relative underlying contracts may include the application of penalties for non-compliance with agreed timeframes and quality standards.

The company has therefore taken out insurance policies deemed as an adequate hedging against risks from third-party and contractual liability, for an annual ceiling of Euro 10 million per claim and Euro 30 million in aggregate for third-party liability, and for an annual ceiling of Euro 10 million per claim and Euro 15 million in aggregate for contractual liability, respectively. In addition to the above coverage, additional policies are taken out for significant economic/financial projects or on customer's request to avoid negative impacts on the Company's economic, equity and financial position.

Special attention was given to the issues related to cyber risks, in relation to which adequate measures were adopted in terms of hedging. If this insurance coverage is not adequate and the company is deemed liable with respect to uncovered issues, the economic and equity situation of the company might be negatively affected.

D1 Risks related to international expansion

For several years, the company strategy has looked towards developing the process of internationalisation and economic and financial benefits are expected. The company operates in areas where there are no armed conflicts or border tensions, except to a negligible extent.

E1 Risks associated with significant dependence on third parties

The Company's ability to serve its customers and provide and implement solutions largely depends on third-party suppliers such as subcontractors, equipment component manufacturers, service providers and network providers who meet the Company's expectations in a timely and quality manner. Results may be materially and adversely affected and we may assume significant additional liabilities if one of the suppliers fails to meet its obligations or customer expectations, or if it terminates its relationship with the Company.

In particular, large and complex projects often require that we use subcontractors or that services and solutions integrate or fulfil the software, systems or infrastructure requirements of other suppliers and service providers, including companies with whom we collaborate.

Financial risks

By operating mainly in the "Euro area", the company has limited exposure to exchange rate risk from transactions in foreign currency. Specific initiatives were taken and processes followed for commercial purposes in order to ensure the solvency of our clients; therefore, no significant credit risks exist since the financial counterparties are represented by leading customers considered solvent by the market.

A2 Credit risk

Credit risk is defined as the probable financial loss generated by the non-fulfilment by third parties of a payment obligation to the Company. Delays in payments by larger customers, requests for changes to their contractual payment agreements or breaches of payment obligations could adversely affect the Company's business, financial conditions and results of operations.

The Company manages this risk through implementing policies aimed at ensuring the solvency of clients and limiting the exposure to credit risk of an individual client through evaluation and monitoring of the customer. Specifically, the Company does not have significant concentration of credit risks except in relation to those activities carried out for governmental bodies for which extended payment times are granted based on the payment policy adopted by the public bodies, which often do not fulfil the conditions established by contracts but however do not result in irrecoverable receivables.

B2 Liquidity risk

Liquidity risk is defined as the risk that the Company encounters difficulty to source the funds necessary to satisfy obligations related to financial liabilities. A prudent management of liquidity risk is carried out through monitoring cash flows, the need for financing and any liquidity excesses. A centralised treasury structure within the Company has been present for years, ensuring efficient management of financial resources and coverage of financial needs through the availability of funds obtainable through committed credit lines.

The strategic objective pursued is to balance medium/long-term borrowings with short-term operations, thus making it possible to manage peaks in the period. The difficult economic and financial environment requires particular attention to liquidity management and funding. In this regard, special care is taken by the Company with regard to cash flows from operations and the maintenance of an adequate level of available liquidity. This makes it possible to meet both the needs arising from financial liabilities falling due, and the expected investments.

C2 Exchange rate risk

Exchange rate risk is defined as the risk that the value of a financial instrument changes following exchange rate movements. Around 90% of transactions are carried out in the Euro area; therefore, exposure to exchange rate risks deriving from operations in currencies other than the function currency (Euro) is limited.

IFRS 7 requires the Group to introduce simulation and sensitivity analysis processes to value potential losses deriving from unfavourable changes in the sector environment concerning:

- financial assets and liabilities at fair value through profit or loss or at amortised cost;
- investments;
- loans and receivables;
- revenues and margins in foreign currencies.

In particular, it is therefore considered that the exchange rate risk is not a significant issue with respect to the volumes present in the Company.

D2 Interest rate risk

Exposure to interest rate risk arises from the need to finance the Company's operating activities. Changes in interest rates can have a negative or positive impact on the Company's economic result, indirectly influencing costs and returns of the operations carried out.

E2 Market risk

Market risk is defined as the risk that the value of a financial instrument may change due to fluctuations in market prices. The Company does not have operations related to this risk, therefore the exposure is nil.

Tax consolidation

The Company has adhered to the "National Tax Consolidation" arrangement as per Articles 117 et seq. of Italian Presidential Decree no. 917 of December 22, 1986 with the parent company Centurion Newco S.p.A. as from the 2021 tax period.

Tax authority relations

In May 2023, the Lazio Regional Tax Directorate - Large Taxpayers Office - commenced on Engineering Ingegneria Informatica S.p.A. a general tax audit for the purposes of direct taxes, IRAP and VAT relating to the 2019 tax period, an audit completed in April 2024 with the notification of the Minutes Report on Findings (hereinafter also referred to as "RoF"). During the audit, a number of findings were identified in relation to certain items in the financial statements that have an impact on both previous and subsequent years up to the 2020 tax period. Therefore, in December 2023, an invitation to appear was served with reference to the 2017 tax period, issued pursuant to Article 5-ter of Italian Legislative Decree 218/1997, with the establishment of a cross-examination that led in February 2024 to the signing of the deed of acceptance, and in February 2024 to a Minutes Report on Findings relating to the 2018 tax period, again for the same findings, the latter with special amendment, envisaged by the "Milleproroghe" decree (Italian Legislative Decree no. 215/2023) and by the "Agevolazioni fiscali" (Tax incentives) decree (Italian Legislative Decree no. 39/2024).
On the other hand, with regard to the RoF notified in April 2024 at the end of the general audit on the 2019 tax period, it was partially defined, once again using the special amendment tool with reference to the same findings that emerged on the 2017 and 2018 tax periods, while for the main finding relating to the valuation of the stock option plan, the Company submitted an application for a tax assessment proposal, a procedure that was successfully concluded in the first week of March 2025.

XIV

Conclusions and shareholders' meeting proposals.

The net loss for the year amounted to Euro 117,819,746.

The Board of Directors proposes to the Shareholders to approve the financial statements for the year 2024 and to carry forward the net loss for the year of Euro 117,819,746.

The Chairman, on behalf of the Board of Directors, points out that the financial statements are audited by the Independent Auditors Deloitte & Touche S.p.A..

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XV

Financial statements and explanatory notes.

Statement of Financial Position

(in euro)

Statement of Financial Position - Assets		Note	12.31.2024	12.31.2023 Restated
A)	NON-CURRENT ASSETS			
	Property, plant and equipment	5	23,085,995	23,911,377
	Intangible assets	6	660,927,017	652,153,212
	Rights of use	7	68,257,264	121,959,949
	Goodwill	8	562,212,002	559,531,270
	Equity investments	9	685,760,502	266,565,494
	Deferred tax assets	10	60,393,599	58,876,214
	Other non-current assets	11	11,439,441	4,985,099
	Non-current financial assets	12	765,650	284,355,832
	of which related parties		0	282,840,832
	TOTAL NON-CURRENT ASSETS		2,072,841,470	1,972,338,447
B)	ASSETS HELD FOR SALE AND HELD FOR DISTRIBUTION TO OWNERS			
C)	CURRENT ASSETS			
	Customer contract assets	13	174,866,963	175,392,630
	of which related parties		17,592,583	11,584,066
	Deferred contract costs	14	13,139,742	4,338,592
	Trade receivables	15	305,809,441	288,096,577
	of which related parties		83,753,072	79,673,994
	Other current assets	16	62,006,053	68,646,701
	Current financial assets	17	88,686,177	284,377,629
	of which related parties		88,686,177	284,377,678
	Cash and cash equivalents	18	136,523,076	152,565,746
	TOTAL CURRENT ASSETS		781,031,451	973,417,875
TOTAL ASSETS (A + B + C)			**2,853,872,921**	**2,945,756,322**

(in euro)

	Statement of Financial Position - Liabilities	Note	12.31.2024	12.31.2023
D)	**SHAREHOLDERS' EQUITY**			
	Share capital	20	34,095,537	34,095,537
	Reserves	21	562,660,124	563,980,124
	Retained earnings/(Losses carried forward)	22	(101,765,006)	37,014,209
	Profit/(loss) for the year		(117,819,746)	(106,295,158)
	TOTAL SHAREHOLDERS' EQUITY	19	377,170,909	528,794,712
E)	**NON-CURRENT LIABILITIES**			
	Non-current financial liabilities	23	1,444,651,193	1,286,113,528
	of which related parties		335,668,305	280,738,413
	Non-current lease liabilities	24	55,340,485	110,715,742
	Deferred tax liabilities	25	44,149,886	47,439,512
	Other non-current liabilities	26	12,760,152	35,616,908
	Post-employment benefits	27	45,661,000	53,216,203
	TOTAL NON-CURRENT LIABILITIES		1,602,562,716	1,533,101,893
F)	**LIABILITIES HELD FOR SALE AND HELD FOR DISTRIBUTION TO OWNERS**			
G)	**CURRENT LIABILITIES**			
	Current financial liabilities	28	231,486,222	264,169,311
	of which related parties		71,892,379	46,137,205
	Current lease liabilities	29	15,123,865	14,893,497
	Current tax payables	30	4,100,000	0
	Current provisions for risks and charges	31	16,008,589	11,955,377
	Other current liabilities	32	160,173,833	173,636,529
	of which related parties		501,411	339,006
	Trade payables	33	447,246,787	419,205,004
	of which related parties		99,061,250	88,345,125
	TOTAL CURRENT LIABILITIES		874,139,296	883,859,717
H)	**TOTAL LIABILITIES (E + F + G)**		**2,476,702,012**	**2,416,961,610**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY (D + H)			**2,853,872,921**	**2,945,756,322**

Income Statement and Comprehensive Income Statement

(in euro)

	Income Statement	Note	12.31.2024	12.31.2023
A)	**TOTAL REVENUES**			
	Revenues		1,019,599,384	1,005,651,980
	Other revenues	35	59,142,476	47,866,763
	TOTAL REVENUES	34	1,078,741,859	1,053,518,743
	of which related parties		76,876,791	62,213,249
B)	**OPERATING EXPENSES**			
	Raw materials and consumables	38	34,741,659	43,902,554
	Service costs	39	427,521,237	416,848,677
	Personnel costs	40	510,294,562	507,927,484
	Amortisation and Depreciation	41	52,640,756	61,388,420
	Provisions	42	15,636,472	18,800,686
	Other costs	43	4,363,057	10,720,253
	TOTAL OPERATING EXPENSES	37	1,045,197,744	1,059,588,074
	of which related parties		140,579,996	139,571,864
C)	**OPERATING PROFIT (A - B)**		**33,544,115**	**(6,069,331)**
	Other financial income		8,941,690	45,238,015
	Other financial expenses		166,436,747	150,200,186
D)	**NET FINANCIAL INCOME (EXPENSES)**	**44**	**(157,495,057)**	**(104,962,171)**
	of which related parties		(36,406,123)	8,060,435
E)	**INCOME/(EXPENSES) FROM EQUITY INVESTMENTS**			
	TOTAL INCOME/(EXPENSES) FROM EQUITY INVESTMENTS	45	1,570,037	(11,171,104)
F)	**PROFIT BEFORE TAXES (C + D + E)**		**(122,380,904)**	**(122,202,607)**
G)	**INCOME TAXES**	**46**	**(4,561,159)**	**(15,907,449)**
H)	**PROFIT/(LOSS) FROM CONTINUING OPERATIONS**		**(117,819,746)**	**(106,295,158)**
I)	**PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS, NET OF TAX EFFECT**			
L)	**PROFIT/(LOSS) FOR THE YEAR**		**(117,819,746)**	**(106,295,158)**

(in euro)

	Comprehensive Income Statement	Note	12.31.2024	12.31.2023
L)	**INCOME FOR THE YEAR**		**(117,819,746)**	**(106,295,158)**
M)	**OTHER COMPREHENSIVE INCOME STATEMENT ITEMS**			
	Actuarial gains/(losses) of employee defined plans		6,379,350	(1,559,604)
	Tax effect related to Other income/(loss) which will not be reclassified in income/(loss) for the year		(1,531,044)	374,305
	Total Other comprehensive income/(loss) which will not be reclassified in income/(loss) for the year, net of tax effect		4,848,306	(1,185,299)
N)	**Total Other comprehensive income/(loss) which will be reclassified in income/(loss) for the year:**			
	Total Other comprehensive income/(loss) which will be reclassified in income/(loss) for the year, net of tax effect		0	0
	TOTAL OTHER COMPREHENSIVE INCOME/(LOSS), NET OF TAX EFFECT		4,848,306	(1,185,299)
O)	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (L + M + N)**		**(112,971,440)**	**(107,480,457)**

Statement of changes in Shareholders' Equity

(in euro)

Description	Share capital	Reserves	Retained earnings/(Losses carried forward)	Profit/(loss) for the year	Shareholders' Equity
Note	**20**	**21**	**22**		**19**
Balance as of 01.01.2023	**34,095,537**	**597,003,482**	**131,322,946**	**101,127,575**	**863,549,540**
Net profit for the period	0	0	0	(106,295,158)	(106,295,158)
Other net comprehensive items	0	0	(1,185,299)	0	(1,185,299)
Profit/(Loss) for the year	**0**	**0**	**(1,185,299)**	**(106,295,158)**	**(107,480,457)**
Allocation of the residual result of the previous year to retained earnings	0	0	101,127,575	(101,127,575)	0
Change from merger	0	0	(227,274,371)	0	(227,274,371)
Other changes	0	(33,023,358)	33,023,358	0	0
Transactions with shareholders and other movements	**0**	**(33,023,358)**	**(93,123,438)**	**(101,127,575)**	**(227,274,371)**
Balance as of 31.12.2023	**34,095,537**	**563,980,124**	**37,014,209**	**(106,295,158)**	**528,794,712**
Net profit for the period	0	0	0	(117,819,746)	(117,819,746)
Other net comprehensive items	0	0	4,848,306	0	4,848,306
Profit/(Loss) for the year	**0**	**0**	**4,848,306**	**(117,819,746)**	**(112,971,440)**
Allocation of the residual result of the previous year to retained earnings	0	0	(106,295,158)	106,295,158	0
Change from merger	0	0	(38,652,363)	0	(38,652,363)
Other changes	0	(1,320,000)	1,320,000	0	0
Transactions with shareholders and other movements	**0**	**(1,320,000)**	**(143,627,521)**	**106,295,158**	**(38,652,363)**
Balance as of 31.12.2024	**34,095,537**	**562,660,124**	**(101,765,006)**	**(117,819,746)**	**377,170,909**

Cash Flow Statement

The cash flow statement, drafted based on the indirect method, summarises the cash flow movements in the financial year under review.

(in euro)

Description	2024	2023 Restated
Profit/(Loss) for the period	(117,819,746)	(106,295,158)
Income taxes	(4,561,159)	(15,907,449)
Write-downs (Release of write-downs)	1,251,800	14,207,746
Other non-monetary (income)/expenses	(2,821,837)	(3,036,642)
(Financial income)	(5,124,931)	(44,819,740)
Exchange (gains)/losses	(3,816,760)	(418,275)
Financial expenses	166,436,747	150,200,186
Provisions (release of provisions)	15,636,472	18,800,686
Amortisation and Depreciation	52,640,756	61,388,420
Changes in working capital:		
(Increase)/Decrease in trade receivables	(19,637,723)	34,660,111
(Increase)/Decrease in Customer contracts assets	(11,701,417)	(11,674,457)
(Increase)/Decrease in other assets	8,435,632	(1,541,314)
Increase/(Decrease) in Trade payables	29,787,040	52,362,474
Increase/(Decrease) in other liabilities	(40,871,061)	(2,630,199)
Income taxes paid	49,976	0
(Use of provisions for employee benefits)	(2,654,776)	(2,628,708)
(Use of other provisions)	(6,232,467)	(7,767,399)
Other non-monetary changes	32,302,223	17,326,232
A) Total cash flow from operating activities	91,298,769	152,226,514
Sale of property, plant and equipment	0	62,365
Purchase of property, plant and equipment	(6,866,020)	(5,973,228)
Purchase of intangible assets	(61,751,446)	(53,991,646)
Loans disbursed to Group companies	(1,041,712)	(9,439,565)
Repayment of loans disbursed to Group companies	12,779,588	22,000,000
Cash pooling	34,353,676	(24,942,860)
Consideration paid for acquisition of business	(55,658,468)	(4,428,221)
Purchase of other investments and securities	(9,863,397)	(2,165,880)
Sale of other investments and securities	6,000	2,449
Interest received for financing activities	0	4,799,691
B) Total cash flow from investing activities	(88,041,778)	(74,076,895)
New loans	927,947,729	352,166,469
Repayment of loans	(870,785,027)	(316,252,601)
Cash pooling	47,628,577	2,409,621
Repayment of loans received from Group companies	(2,314,373)	0
Interest paid for financing activities	(86,319,577)	(75,480,495)
Interest paid for financing activities	(19,804,272)	(15,062,295)
Repayment of lease liabilities	(16,244,224)	(17,756,496)
C) Total cash flow from financing activities	(19,891,167)	(69,975,797)
D) = (A + B + C) change in cash and cash equivalents	(16,634,176)	8,173,822
E) Cash and cash equivalents at beginning of year	152,565,746	125,675,586
F) Monetary contribution from merger	591,505	18,716,438
G) = (D + E + F) Cash and cash equivalents at end of year	136,523,076	152,565,745

Financial Statements And Explanatory Notes

1 General information

Engineering Ingegneria Informatica S.p.A., with registered office in Rome, Piazzale dell'Agricoltura 24, is one of Italy's leading Information Technology service providers.

Engineering Ingegneria Informatica S.p.A.'s market consists of medium-large customers in all major market segments, both private (banks, insurance companies, services, telecommunications and utilities) and public (local and central Public Administration).

The whole share capital of Engineering Ingegneria Informatica S.p.A. is held by Centurion Newco S.p.A., as Sole Shareholder. The Company is subject to management and coordination by Centurion Holdco S.à.r.l.

Following the approval of the National Recovery and Resilience Plan ("PNRR") by the Italian Government and in the light of recent developments in the programme, the Company's reference market is still subject to a positive impact on demand. The PNRR envisages that numerous financial resources will be allocated to the implementation of the digitalisation of the country's entire production system.

It should be noted that the Company has no economic relations with customers in the geographical areas affected by the current war between Russia and Ukraine and the tensions in the Middle East.
With regard to access to the credit market and the trend of interbank interest rates to which the Company is subject for the repayment of financial liabilities, note that the Company's debt cost is almost entirely tied to fixed rates, with medium/long-term maturities; therefore, any fluctuations have an irrelevant impact. An exception are hot money lines, whose use is limited and related to temporary cash needs, for which the rate refers to the 3-month Euribor depending on financial market trends.

The financial statements as of December 31, 2024 were prepared in accordance with international accounting standards (IAS/IFRS).

1.1 Significant operations

- In the financial year under review, the companies Overlord Bidco S.p.A., F.D.L. Service S.r.l., WebResults S.r.l. and Engineering Sardegna S.r.l. were merged by incorporation into the parent company Engineering Ingegneria Informatica S.p.A., with legal effect from October 1, 2024 and retroactive accounting and tax effectiveness from January 1, 2024.

- During the year under review, the entire equity investment of the company Be Shaping The Future, Digitech Solutions S.p.A. was acquired from the subsidiary Be Shaping The Future Management Consulting S.p.A.

- On February 28, 2024, the preventive seizure order issued on February 8, 2024 by the Judge for Preliminary Investigations at the Court of Milan was served to Engineering. According to this order, the sum of Euro 8,611,311.44 was seized from the company. This measure was notified to Engineering in its capacity as third party concerned as part of criminal proceedings no. 12153/21 RGNR and no. 91722/22 RG. GIP, a case prepared by the Milan Public Prosecutor's Office in order to ascertain alleged facts of computer fraud, pursuant to Article 640 ter, paragraphs 1 and 3 of the Italian Criminal Code, which were also allegedly committed by Engineering employees from 2017 to 2019. Engineering, currently not under investigation, has filed a request to obtain a copy of the investigative documents on which the measure is based, as well as to file a request for review against the remedial measure. Pending the review proceedings, the Company suspended the employees involved in the proceedings from service. On April 24, 2024, the hearing was held before the Review Court of Milan to assess the appeal against the seizure order.

  On April 26, 2024, the Review Court dissolved the reserve made at the end of the hearing, cancelling the preventive seizure order and ordering the release of the entire sum of Euro 8,611,311.44. The proceedings against employees are still pending.

2 Form, contents and accounting standards

These financial statements as of December 31, 2024 have been prepared under International Financial Reporting Standards (IFRS), as defined hereinafter, issued by the International Accounting Standards Board (hereinafter IASB) and adopted by the

European Commission as per the procedure set down by Article 6 of Regulation (EC) 1606/2002 of the European Parliament and the Council of July 19, 2002. The IFRS also include all International Accounting Standards (IAS) and all interpretations of the International Financial Reporting Standard Interpretations Committee, previously named "Standard Interpretations Committee" (SIC). The IFRS have been applied consistently with the periods disclosed herein and, taking account of the best literature on this issue; any future directions and interpretation updates will be reflected in the following financial statements, according to modalities envisaged from time to time by the reference standards.
These financial statements are expressed in Euro and, in compliance with IAS 1 “Presentation of Financial Statements” include the Statement of Financial Position, the Income Statement and the Comprehensive Income Statement, the Statement of Changes in Shareholders’ Equity, the Cash Flow Statement and the related Explanatory Notes.
The standards utilised are the same for the preparation as the last annual financial statements and were applied in a uniform manner.
In the statement of financial position, assets and liabilities are classified according to the “current/non-current” criterion with specific separation of assets and liabilities held-for-sale.

Current assets are those held for sale or used in the normal business operating cycle of the Company, or in the twelve months following the year-end.

Current liabilities are expected to be settled in the normal operating cycle or within twelve months following the year-end.
The income statement is classified according to the nature of the costs while the cash flow statement uses the indirect method.

The tables of the statement of financial position, of the income statement and of the cash flow statement highlight transactions with related parties.
The transactions with related parties concern subsidiaries, associated companies and Directors and Executives with strategic responsibilities. Reference is made to paragraph "Transactions with related parties".

For each item of the statements, the corresponding figure of the previous year is disclosed for comparison purposes. For a better disclosure, some equity items, which had an impact also on the presentation of amounts in the tables referred to the previous year, were reclassified.

The financial statements are accompanied by the Report on Operations prepared by the Board of Directors in compliance with Article 2428 of the Italian Civil Code, which contains more detailed information on Company operations and significant events after the year-end.

Critical judgements in applying the accounting polices
There are no critical judgements made in applying the accounting policies adopted by the Company.

Use of estimates and assumptions
The preparation of the financial statements in compliance with IFRS also requires the use of estimates and assumptions in determining the values of the assets and liabilities, costs and revenues and contingent assets and liabilities. The estimates and assumptions are based on the best information available at the reporting date and on prior experience where the book value of assets and liabilities is not easily inferable from other sources.
However, actual results could differ from those estimates. Estimates and assumptions periodically revised and changes are immediately reflected in the income statement.
The items that are mostly influenced by estimates are the calculation of amortisation/depreciation, impairment tests on assets (including measurement of receivables), provisions for allocations, employee benefits, fair value of financial assets and liabilities, deferred tax assets and liabilities and customer contract assets. For a better understanding of the financial statements, the main estimates utilised in the drawing up of the financial statements are shown hereunder and involve the use of subjective opinions, assumptions and estimates related to issues that are uncertain by nature. The changes in conditions underlying the opinions and assumptions might have a significant impact on the following financial years.

Impairment of assets (Goodwill Euro 562.2 million and Trademark Euro 515.7 million)
As explained in more detail in paragraph 7 hereof, for the calculation of the value in use of Cash Generating Units, the Company has taken into account, with reference to the specified period, the expected trends resulting from the budget for 2025 and, for subsequent years, the forecasts included in the 2025-2029 multi-year plan. The impairment test carried out based on these

forecasts confirmed the values recorded in the financial statements.

Trade receivables

The Management carefully reviews the outstanding trade receivables, also considering their seniority, collection time and credit risk coverage. The specific and general impairment losses recognised are based on the Management's best estimates at the reporting date.

Receivables factored through non-recourse factoring *transactions*, in which substantially all risks and rewards were transferred, were derecognised from the financial statements at the time of the transfer.

In 2024, the company continued to strengthen its credit collection activities, thus pursuing and achieving a positive and regular collection dynamic of trade receivables. All market segments do not report any specific problems and most of the customers are large companies with primary creditworthiness.

In 2024, the Company confirmed and applied the estimation model relating to the calculation of the expected credit loss, which supports the specific provisions already applied at the end of the previous year. In particular, on the basis of the historical series recorded, write-down percentages have been defined for overdue credit. These percentages are applied to the aging brackets regardless of the type of customer and/or segment and are calculated automatically on a monthly basis on the loan portfolio open at that date.

Lease term

The company analysed all the lease agreements, defining the lease term for each of them, given by the " non-reversible" period together with the effects of any extension or early termination clauses, the exercise of which was deemed reasonably certain. Specifically, for real estate, this evaluation considered the specific facts and circumstances of each activity. As for the other categories of goods, mainly company cars and equipment, the Company has generally deemed it unlikely to exercise any extension or early termination clause in consideration of the practice usually followed by the Company. For the buildings, the Company, in assessing the lease terms, has decided, based on business development plans, to consider, with the exception of individual redeterminations, in addition to the non-cancellable period, the first renewal period as reasonably certain, not believing that there were facts or circumstances that led to considering additional renewals as reasonably certain.

Deferred tax assets

The recoverability of deferred tax assets is subject to the achievement of future taxable profits or to the occurrence of the deferred taxation connected to the other deferred tax assets. Significant management assessments are required to determine the amount of deferred tax assets that can be recognised in the financial statements based on the timing and amount of future taxable income.

3 Accounting principles

These Financial Statements have been prepared on a going concern basis, as the Directors have assessed financial, management or other indicators that could report critical issues and positively concluded regarding the Company's ability to meet its obligations in the foreseeable future, also on account of the considerations expressed in the "Outlook 2025" section above.
A description of how the Company manages financial risks, including liquidity and capital risks, is provided in these notes.
These financial statements were prepared using the measurement criterion based on historical cost.
The policies adopted in the preparation of these financial statements are described below.

3.1 Property, plant and equipment

Property, plant and equipment include assets with long-term use held for the production or supply of goods and services, to be used under lease or for administrative purposes. This definition does not include property held principally or exclusively for rental purposes or for invested capital appreciation or for both of these reasons ("Investment property").
Property, plant and equipment are recognised at acquisition cost. The acquisition cost is the fair value of the price paid and any other cost directly related and necessary for the correct functioning of the asset with regard to the use for which it was acquired. The capitalisation of costs relative to the expansion, modernisation or improvement of the structural elements whether owned or leased is solely made within the limits established to be separately classified as assets or part of an asset. Financial expenses incurred for the acquisition of tangible fixed assets are never capitalised.

Land, both with and without civil and industrial buildings, is recorded separately and is not depreciated as it has an indefinite useful life.
Property, plant and equipment are recorded net of the relative accumulated depreciation and any impairment. The amount to be depreciated is represented by the carrying amount gross of depreciation and net of impairment write down. Given the uniformity of the assets included in the various categories, the useful life by category is as follows (except in specific cases):

Category	Useful life
Land	Indefinite
Buildings	33 years
Plant and machinery	3 - 6 years
EDP	3 - 6 years
Furniture, office machinery and equipment	6 - 8 years

Property, plant and equipment are depreciated on a straight-line basis over the useful estimated life of the asset which is reassessed and re-defined at least at the end of each financial year in order to take any changes into account.
The book value of a tangible fixed asset is recognised within the valuation threshold that this asset may recover through use. Wherever evidence indicates that difficulties may exist in the recovery of the net book value, an impairment test is carried out. Depreciation starts when the asset is available and ready for use.

At the time of sale, or when there are no expected future economic benefits from the use of an asset, it is derecognised from the financial statements and any loss or gain (calculated as the difference between sale price and the book value) is recorded to the income statement.

3.2 Intangible assets

The intangible assets, all with definite useful life with the exception of the Trademark, are recognised where identifiable, are controlled by the Company and are able to produce future economic benefits.
Intangible assets are initially recognised at acquisition or production cost. The acquisition cost is the fair value of the price paid to acquire the asset and any other direct costs incurred to prepare the asset for use. For intangible assets generated internally, the generation of the asset is broken down into the periods of research (non-capitalised) and the period of development (capitalised). Where the two periods are indistinguishable, the entire project is considered as research and is recorded directly to the income statement.
Realised assets are amortised upon their occurrence or when they are sold. Until that date they are classified under assets in progress.
Financial expenses incurred to acquire an intangible asset are never capitalised.

After initial recognition, intangible assets are recognised on a cost basis, net of accumulated amortisation and any impairment. Amortisation is applied on the straight-line basis over the period of expected use. Given the homogeneity of the assets included within financial statement categories, with the exception of specific significant cases, the useful lives per category are as follows:

Category	Useful life
Development costs	3 - 5 years
Software	3 - 8 years
Rights, patents and licenses	3 - 8 years
Trademark	Indefinite
Other	2 - 5 years

The amortisation criteria as well as useful lives and residual values are reassessed and re-defined at least at the end of each financial year in order to take any significant changes into account.
The book value of an intangible fixed asset is recognised within the value limits that this asset may recover through use. Wherever evidence indicates that difficulties may exist in the recovery of the net book value, an impairment test is carried out.

The intangible assets, all with definite useful life are recognised where identifiable, are controlled by the Company and are able to produce future economic benefits.

Software
Costs directly associated with information technology products, created internally or acquired from third parties are capitalised as intangible assets provided that the following is met:

- the technical feasibility and intention to complete the product in order that the latter may be available for use or sale;
- the capacity to use or sell the product;
- a definition of the manner by which the product will generate probable and future economic benefits (the existence of a market for the product, or its internal use);
- the availability of adequate technical, financial and other resources for the purposes of completing the development and the use/sale of the product;
- the capacity to reliably estimate the cost attributable to intangible assets during development of the product.

Expenses for substantial updating of products are capitalised as improvements and added to the original cost of the software, as well as development costs that improve product performance or upgrade the product to regulatory requirements.

Rights, patents and licenses
Costs associated with the purchase of concessions, patents, licenses and trademarks are capitalised under intangible fixed assets. The cost is represented by the fair value of the price paid to acquire the right and any other direct costs incurred for its adaptation or for implementation within the operating or productive context of the entity. The period of amortisation does not exceed the lower between the useful life and the duration of the legal/contractual rights.

3.3 Leasing
The standard establishes a single model for the recognition and measurement of leases for the lessee, whereby the leased asset, including operating assets, is recognised under assets with a financial liability as a counter entry. Conversely, the standard does not comprise material changes for lessors.

Accounting for the lessee:
At the date of initial recognition, the lessee will recognise the asset (right of use) covered by the contract at the same value attributed to the related financial liability, adding other components of direct costs and any advance fees. The lessee shall determine the duration of the lease, which shall begin on the date on which the asset is available for use, to which shall be added any periods covered by an option to extend/resolve the lease, if the lessee is reasonably certain to exercise/not to exercise that option.

The liability relating to the lease contract is recognised at the present value of the lease payments due, discounted using the interest rate implicit in the lease contract or, if it is not available, the Company uses its incremental borrowing rate, i.e. the interest rate that it is prepared to pay to finance itself in order to obtain the right to use an asset with the same characteristics as the lease contract.

The liability is subsequently restated to take account of any new valuations or changes in the lease or revision of substantially fixed payments, it is reduced as a result of payments and is increased to reflect interest. Variable payments that do not depend on indices or rates and are therefore not reflected in the liability relating to the lease contract must be recorded in the income statement when the instalment is paid.

The right of use is depreciated on a systematic basis over the term of the lease contract. If the lease provides for the transfer of ownership or a redemption option whose exercise is considered reasonably certain at the end of the contract, the right of use is depreciated over the useful life of the asset.

The Company restates the value of the Lease liabilities (and adjusts the value of the corresponding Right of use) if there is:

- a change in the duration of the lease or there is a change in the assessment of the exercise of the option right; in this case, the lease liability is recalculated by discounting the new lease payments at the revised discount rate;

- a change in the value of the lease payments following changes in the indices or rates, in such cases the Lease liability is recalculated by discounting the new lease payments at the initial discount rate (unless the payments due under the leases change as a result of interest rate fluctuations, in which case a revised discount rate must be used);

- a lease agreement has been modified and the modification is not included in the case studies for the separate recognition of the lease agreement. In such cases, the lease liability is recalculated by discounting the new lease payments at the revised interest rate.

Lease-related incentives (e.g. rent-free periods) are recognised as part of the initial value of the right of use and lease liability over the contractual period.

A provision for risks is made in compliance with the provisions of IAS 37 in the event that the Company is obliged to bear the costs for dismantling and removing the leased asset, restoring the site where the asset is leased or restoring the asset under the conditions required by the terms of the contract. These costs are included in the value of the Right of use.

The right of use is subject to the impairment process provided for by IAS 36 in case of indicators of a loss in value.
This value will also change as a result of new valuations or changes in the liability relating to the lease contract.
In the cash flow statement, the Company divides the total amount paid between the principal portion (recognised in the cash flow arising from financial activities) and the interest portion (recognised in the cash flow arising from operations).

Cases of exclusion from the application of IFRS 16
The Company has decided not to recognise assets for the right of use and liabilities related to leases:

- short term (equal to or less than one year);

- leases of low value assets (identified below Euro 5,000).

Therefore, the Company recognises the payments due relating to the aforementioned leases as a cost on a straight-line basis over the lease term.

Lease accounting for the lessee
If the lease has the characteristics of a loan, the Company recognises under financial receivables the amount of the lease payments to be received and distributes the gross collections so as to obtain a constant rate of return based on the net investment method.
If, on the other hand, the lease has the characteristics of an operating lease, the Company will continue to keep the asset under its fixed assets and will record the collections as income on a straight-line basis over the lease term. The costs incurred to obtain the contract are considered as accessory charges to the leased asset.

3.4 Goodwill

Goodwill is the excess of an acquisition cost in comparison to the company share of the *fair value* of the identifiable assets and liabilities at the acquisition date.
Goodwill from the acquisition of companies for payment is not amortised and is subject to an *impairment test* at least once a year. For this purpose, goodwill is allocated to one or more *Cash Generating Units* (CGU). Potential reductions in value emerging from the impairment test are not reversed in subsequent periods.
In the case of the sale of assets (or part of an asset) of a CGU, any goodwill associated is included in the book value of the asset in order to determine the profit or loss from sale in proportion to the value of the CGU sold.
Goodwill relating to associated companies or other companies is included in the book value of these companies.

At each period-end, goodwill is subject to an *impairment test* and is adjusted for any loss in value. Any impairment is booked directly to the Income Statement.

For this purpose and in line with acquisitions of previous years, the different *Cash Generating Units* have been identified, which respect the independence criteria in the organisational structure and the independent capacity to generate cash flow, and

therefore are measured using impairment test.
A Current Value is determined for the relevant asset using a *Discounted Cash Flow (DCF)* Model based on the end of year account situation for each CGU. The Current Value is compared with the net book value and goodwill recorded in the financial statements to determine whether it is necessary to write-down the investment and record a loss in the financial statements.

3.5 Loss in value of an asset (impairment)

An impairment is established wherever the book value of an asset is greater than the recoverable value. Where indicators of an impairment exist, an estimate of the recoverable value of the asset is made (impairment test) and any write-down is applied. An impairment test is carried out at least annually for indefinite useful life assets, irrespective of the existence of such indefinite useful life indicators.
The recoverable value of an asset is recorded at the greater of its fair value, net of sales costs, and its value in use. The recoverable value is calculated for each individual asset, unless it is not capable of generating cash flows from continuous use sufficiently independent of cash flows generated from other assets or groups of assets, in which case the test is carried out at the level of the smallest independent *Cash Generating Unit (CGU)* which comprises the relevant assets.

3.6 Business combinations

In IFRS 3, business combinations are defined as "a transaction or other event in which a purchaser obtains control of one or more businesses".
A business combination can be created through various procedures based on legal, fiscal or other motives. It may also involve the acquisition by an entity of share capital of another entity, acquisition of the net assets of another entity, assuming of the liabilities of another entity or the acquisition of part of the net assets of another entity which, combined, establish one or more company activities. The combination may be realised through issue of instruments representing share capital, the transfer of cash or other liquid assets or other assets, or by a combination of the above. The operation may take place between shareholders of combining entities or between an entity and shareholders of another entity. It may entail the incorporation of a new entity that controls the entities taking part in the combination or net assets transferred or the restructuring of one or more of the participating entities.

The business combinations are recorded under the *acquisition method*. This method considers that the acquisition price must be reflected in the value of the assets of the entity acquired and this allocation must be at fair value (of the assets acquired and of the liabilities assumed) and not of their book value. The possible difference (if negative) comprises the goodwill.
The changes in interest of the parent company in a subsidiary, which does not lead to loss of control, are recognised as equity transactions. In this event, the book values of the equity investments must be adjusted to reflect the changes in their relative shareholdings in the subsidiary company. Any difference between the adjusted value of the non-controlling interests and the fair value of the amount paid or received is directly recorded to shareholders' equity and allocated to shareholders of the Parent Company.

3.7 Equity investments

Acquisitions are recorded at the fair value of the investment plus any directly attributable costs.
A significant and prolonged decrease in equity investment fair value below the initial booked cost is considered an objective indication of value loss.

Subsidiaries

This means the company over which Engineering Ingegneria Informatica S.p.A. has the power to directly or indirectly determine the financial and management policies and benefit from their implementation. Control is presumed where more than 50% of the effective or potentially exercisable voting rights are held at the reporting date.

Associated companies

Associated companies are defined as those in which significant influence is exercised. Such influence is presumed where more than 20% of the effective or potentially exercisable voting rights are held at the reporting date.

Jointly controlled companies

Equity investments in jointly controlled companies, in which the Company exercises joint control with other entities, are initially recognised at cost and subsequently measured using the equity method. Profits or losses pertaining to the Company are recognised in the Company's Financial Statements from the date on which the joint control began and until the date on which

that influence ceases. The Company recognises its share of assets and liabilities on investments that represent jointly-controlled assets in accordance with IFRS 11.
In assessing the existence of joint control, it is verified whether the parties are bound by a contractual agreement and whether this agreement gives the parties joint control of the same agreement. Specifically, joint control is given by the shared control, on a contractual basis, of an agreement, which exists only when the unanimous consent of all parties sharing control is required for decisions on relevant activities.

3.8 Other non-current assets

Financial receivables with a due date beyond 12 months and equity investments in other companies are recorded under other non-current assets.
Investments in other companies refer to equity investments other than subsidiaries, associated companies and joint ventures and are recorded at cost, adjusted for possible impairments, the impact of which is recognised in the income statement.

3.9 Inventory

Inventory is goods held for sale within the normal course of business or used or to be used in the productive processes for sale or services.

Inventory is measured at the lower between purchase cost and the net realisable value. The net realisable value is the sale price estimated for normal activity, net of completion costs and sale expenses. The purchase cost is inclusive of all directly attributable costs and indirect costs and is determined according to the weighted average cost method. Any write-down is derecognised in subsequent years if the reason for the write-down no longer exists.

3.10 Customer contract assets

Customer contract assets are represented by specific projects in the course of completion based on long-term contracts.

If the result of a project in course can be reliably estimated, the contractual revenues and costs are recorded based on the percentage of completion method (cost to cost), so as to attribute the revenues and profits over the entire duration of the contract.

If the result of a project in course of completion cannot be reliably estimated, the contractual revenues are recorded for the amount of costs incurred if it is probable that such costs are recoverable.
The sum of costs incurred and the result on each project is compared with the invoices issued on account at the date of the preparation of the accounts. If the costs incurred in addition to the profits recorded (deducting any losses) are greater than the invoices issued on account, the difference is recorded under current assets in the item "Customer contract assets". If the invoices on account are greater than the costs incurred plus the profits (deducting the losses), the difference is classified under current liabilities in the account “Trade payables”.

3.11 Deferred contract costs

a) Incremental costs for obtaining a contract

IFRS 15 allows for the capitalisation of costs for obtaining a contract, provided that they are considered "incremental" and recoverable through the future economic benefits of the contract. All costs incurred as a result of the acquisition of the contract are considered as incremental costs. Costs, on the other hand, which have been incurred independently of the acquisition of the contract, and therefore they cannot be classified as incremental, are recorded in the income statement as they are not related to the stage of completion (not a cost-to-cost component).
Incremental costs are suspended and recorded under a specific item of current assets (Deferred contract costs) and systematically released together with the transfer of control of the goods/services to the customer.

b) Costs of fulfilling a contract

IFRS 15 provides the capitalisation of costs for the fulfilment of the contract, i.e. those costs that meet all of the following criteria:

- relate directly to the contract;
- generate and improve resources that will be used to meet the contractual performance obligation in the future;
- are recoverable through future economic benefits of the contract.

Usually, this type of cost is represented by pre-operating costs, which are not explicitly recognised within contracts with customers and are remunerated through the contract overall margin. In this case, in compliance with the three conditions mentioned above, pre-operating costs are systematically suspended and released, corresponding to the transfer of control of the goods and/or services to the customer.
In addition to the above, new provisions set out in IFRS 15 define all the costs that, for their type and nature, cannot be used for the course of the contract as, despite the fact that they are specifically referable to the contract and considered as recoverable, they do not generate or improve the resources that will be used to fulfil the contract *performance obligation*, or contribute to transfer the control of goods and/or services to customers.

3.12 Trade receivables

Trade receivables are held as part of a business model whose objective is to collect contractual cash flows consisting solely of payments of principal and interest on the amount of principal to be refunded. Consequently, they are initially recognised at fair value, adjusted for directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest rate method (i.e. the rate that equalise the present value of expected cash flows and the carrying amount at the time of initial recognition), suitably adjusted to take account of any write-downs, by recording a doubtful debt provision. Trade receivables are included in current assets, with the exception of those falling due more than twelve months after the reporting date, which are classified as non-current assets.
At each reporting date, financial assets, with the exception of those measured at *fair value* with a counter entry recognised in the income statement, are analysed to assess the existence of any possible impairment indicators. IFRS 9 requires the application of a model based on expected credit losses. The Company applies the simplified approach to estimate expected losses along the receivable useful life and takes into account its historical experience of credit losses, adjusted to reflect current conditions and estimates of future economic conditions. The model of expected credit losses requires the immediate recognition of expected losses over the useful life of the receivable, since it is not necessary for a *trigger event* to occur for the recognition of losses.

For trade receivables recorded at amortised cost, when an impairment has been identified, its value is measured as the difference between the asset book value and the present value of expected future cash flows, discounted at the original effective interest rate. This value is recognised in the Income Statement.
Receivables factored through non-recourse *factoring* transactions, according to which the final transfer to the transferee was carried out in relation to risks and benefits of factored receivables, were derecognised from the financial statements upon their transfer.

After evaluating the historical and forward-looking information, the Company believes that there is no significant impact on the expected credit losses.

3.13 Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits on demand, other short-term financial assets with original expiry not greater than 3 months and current account overdrafts. The latter, in the preparation of the Statement of Financial Position, are included under "financial liabilities". Cash and cash equivalents are recognised at fair value.

3.14 Discontinued operations

A discontinued operation is a company component that has been sold or is reclassified as held for sale and represents an important independent operation or geographical area of operation or a subsidiary acquired solely for the purpose of resale.
An operating activity is classified as discontinued at the moment of the sale or when the conditions have been satisfied for classification in the category "held for sale", if prior. When an operation is classified as sold, the profit or loss for the year and the other components in the comparative comprehensive income statement are re-determined as if the operation were discontinued at the beginning of the comparative period.

3.15 Share capital

Share capital consists of fully paid-up and subscribed capital. Treasury shares are recorded as a reduction of the share capital for the nominal value of the shares while the excess of the book value compared to the nominal value is recorded as a reduction of the other reserves. No profit (loss) is recorded to the income statement for the purchase, sale or cancellation of equity instruments held.

3.16 Reserves

The reserves consist of specific capital and profit reserves, some with specific allocation.

3.17 Retained earnings

The item "Retained earnings/(losses)" includes the net profit of the current and previous periods which was not distributed, not allocated to reserves (in the case of profits) or recapitalised (in the case of losses). This item also includes the transfers from other equity reserves when those reserves are no longer required as well as the effects of the recording of changes to accounting policies and material errors.

3.18 Financial liabilities

Financial liabilities are initially booked at the fair value of collected sums, adjusted for any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest criteria. For short-term liabilities, such as trade payables, the amortised cost is actually the nominal value.

3.19 Employee benefits

Short-term benefits

Short-term employee benefits are recorded to the income statement in the period in which the work is carried out. The Company records a liability for the amount that it expects will have to be paid in the form of profit-sharing and incentive plans when it has a current, legal or implicit obligation to make such payments as a consequence of past events and for which the obligation can be reliably estimated.

Post-employment benefits

Post-employment benefits are recorded as costs when the Company has committed, in a demonstrable way and without a realistic possibility of withdrawal, to a formal detailed plan that provides for the termination of employment before the normal retirement date or following an offer prepared to encourage voluntary redundancy. In the case of an offer prepared by the Company to encourage voluntary redundancy, the post-employment benefits are recorded in the income statement as a cost if the offer is likely to be accepted, and if the number of employees, expected to accept the offer, can be reliably estimated. Benefits owed after twelve months following the closing date of the financial year are discounted.

Defined benefit plans

Post-employment benefits represent a plan of defined benefits which are certain in terms of their existence and sum but uncertain in terms of the vesting of the post-employment benefits accrued as of December 31, 2006. The liability is determined as the present value of the benefit obligation defined at the date of reporting, in compliance with Italian regulations in force, and adjusted in order to take actuarial gains/losses into account. The amount of the defined obligation is calculated and certified annually by an independent actuary based on the "Projected Unit Credit" method.
Actuarial gains and losses are recognised in the comprehensive income statement and accumulated under shareholders' equity on an accrual basis.

Defined contribution plans

As from January 1, 2007, the Company participated in defined contribution pension plans by means of the payment of contributions to publicly or privately managed programmes; the latter may be mandatory, contractual or voluntary. Payment of the contributions fulfils the Company's obligation to its employees. Contributions thus constitute costs for the period in which they are due.

3.20 Provisions for risks and charges, contingent liabilities and assets

According to IAS 37 provisions for risks and charges concern the probable liabilities of uncertain amount and/or maturity relating to past events whose fulfilment will necessitate the use of resources.
Provisions are recognised when: a) there is a current legal or implicit obligation, which originates from a past event; b) it is probable that fulfilment of the obligation will be onerous; c) the amount of the obligation can be reliably estimated.
The amount represents the best estimates in relation to resources required for fulfilling the obligation, including legal defence charges. Where the effect of the current amount of the payment is significant, the amount of the provision is represented by the value of resources considered necessary to satisfy the obligation on maturity discounted at a nominal rate without risks. The contingent assets and liabilities (possible assets and liabilities or not recorded as the amount may not be reliably estimated) are not recognised in the financial statements. Information in this regard is provided however.

3.21 Revenues and costs

IFRS 15 superseded the previous standards IAS 18 and IAS 11, as well as the related interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.

The new standard establishes the criteria to be followed for recognising revenues arising from contracts with customers, except for those contracts that fall within the scope of the standards relating to lease contracts, insurance contracts and financial instruments. The standard establishes a comprehensive framework for identifying the timing and amount of revenue to be recognised in the financial statements.

According to IFRS 15, the company shall recognise revenues deriving from contracts with customers and the related effects on accounts through the following steps:

a) identification of the contract;
b) identification of the performance obligations in the contract;
c) determination of the transaction price;
d) allocation of the transaction price to each identified performance obligation;
e) recognition of revenues when the performance obligation is met.

Therefore, the amount that the Company recognises as revenue must reflect the consideration to which it is entitled in transfer of goods and/or services to customers. These amounts shall be recognised when the underlying contractual performance obligations have been fulfilled, or when the Company has transferred control of the goods or services to the customer, in the following ways:

f) over time;
g) at point in time.

The table below shows the main types of products and services that the Company provides to its customers and the related methods of recognition:

Fulfilment of obligations	Type of goods and services			
	Deliverable-based contracts	Resource-based contracts	Service-based contracts	Assistance- and maintenance-based contracts
At a point in time	n/a	n/a	Assets relating to the provision of services whose acceptance by the customer is conditional on the occurrence of specific events, including the resale of hardware and software. Revenues are recognised on the basis of specific events, such as delivery/installation.	n.a.
Over time	Turnkey contracts with annual or multi-year durations. Revenues are recognised on the basis of the proportion of costs accrued to total contract costs to contract revenues.	Consultancy services rendered on demand. Revenues are recognised according to days worked for the tariff rate.	n/a	Service delivery activities in general with periodic and constant progress. Revenue is calculated based on the duration and value of the period (monthly, quarterly, half-yearly). A characteristic of this type of order is the absence of a learning curve, so the cost incurred in providing the service to the customer remains unchanged throughout the duration of the contract.

Deliverable-based contracts

Deliverable-based contracts typically include fixed price projects (e.g.: system integration or design and development of customised IT systems and related processes, the engineering and automation of industrial processes and the distribution and storage of energy as well as the implementation of new digital platforms integrated into customer processes and applications). Contract terms typically range from 1 to 2 years.
Contract prices might be subject to incentives and penalties, based on achievement of specified performance targets or level of benefits delivered to the customer.

For deliverable-based contracts, revenue is generally recognised over time, because at least one of the following conditions is met:

(i) the Company's performance enhances or creates an asset that the customer controls as the company creates or enhances the asset;
(ii) the Company builds an asset that has no alternative use (e.g. it is customer-specific) and the Company has an enforceable right to payment for performance to date in case of termination by the customer.

The Company applies the "cost-to-cost" method to measure progress to completion.
The percentage of completion is based on costs incurred to date relative to the total estimate of cost at completion of the contract. Estimates of total contract costs are revised when new elements arise and changes in estimates and related percentage of completion are recorded in the income statement.
The related costs on deliverable-based contracts are recorded as incurred.
The Company earns contractually the right to bill upon achievement of specified milestones or upon customer acceptance of work performed.
The difference between the costs incurred at the date of work progress added to the margins recorded and the billing already carried out to certify the progress of the work is recorded as Customer contract assets.
Any up-front fees (non-refundable) received by the customer are recognised over the duration of the service.

Resource-based contracts
This type of contracts generally includes IT consultancy or operational activities on IT systems and applications.
Revenue from Resource-based contracts is recognised based on working hours (or days spent) finalised for the fulfilment of the service.
Each performance obligation is satisfied over time as the client continuously receives and consumes the benefits of the services provided by the Company.
Revenue is recognised over time based on the working hours spent / working days valued on the basis of defined prices.

Service-based contracts
The Company supplies goods (e.g. software) and services (e.g. installation, etc.) to customers.
These revenues are recognised at a point in time, when the control of the goods have passed to the customer and when all the benefits deriving from the performance have been transferred to the customer.

Assistance- and maintenance-based contracts
This type of contract generally includes assistance and maintenance services, innovative cloud services, and licensing granted as a service, therefore on a right-to-access basis.
Each performance obligation is satisfied over time as the client continuously receives and consumes the benefits of the services provided by the Company.
The amount to be invoiced is representative of the service provided monthly/quarterly to the customer.
Any up-front fees (non-refundable) received by the customer are recognised over the duration of the service.

Costs
Costs relating to the acquisition of new knowledge or discoveries, to the study of alternative products or processes, of new techniques or models, to the design and construction of prototypes or incurred for other scientific research activities or technological development are generally considered current costs and recorded to the income statement in the year in which they are incurred.

Expenditure on research activities undertaken with a view to obtaining new technical knowledge is recognised in profit or loss in the period in which it is incurred. These costs are almost entirely attributable to personnel costs.

3.22 Dividends

Dividends are recognised at the date of the deliberation by the shareholders' meeting of the company, unless the sale of shares is reasonably certain before the coupon detachment date.

3.23 Public grants

Grants are recognised when there is reasonable certainty that they will be received and that the conditions required for obtaining them are met.
When grants are related to cost components, they are recorded as revenues, and systematically allocated to different periods in order to offset the costs to which they relate.
When the grants relate to an asset, for example a plant, they are recorded in the income statement under revenues rather than as an adjusted item of the book value of the asset for which it was obtained. Subsequently the useful life of the asset for which it was granted is taken into account using the deferral technique.
Public grants drawn down as compensation of expenses and costs already incurred or with the intention to provide immediate financial aid to the entity without which there would be future costs, are recorded as income in the year in which they become payable.

3.24 Deferred and current taxes

Current income taxes for the financial year are calculated based on an estimate of taxable income in compliance with tax law provisions.
Deferred taxes are recognised with reference to the temporary differences between the book value of the assets and liabilities recorded in the financial statements and the corresponding values recognised for tax purposes.
Deferred tax assets are recognised for tax losses, tax credits not used and carried forward, as well as the deductible temporary differences, as far as there is a probable future taxable income for which the assets can be used. The value of deferred tax assets is revised at the closing date of each financial year, and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Pillar Two Disclosure

With reference to the introduction of the tax regulations relating to the second pillar (known as "Pillar Two"), the Group disclosure provided in the Consolidated Financial Statements as of December 31, 2024 of Engineering Ingegneria Informatica S.p.A. is also reported in these Separate Financial Statements.

In particular, the Group is made up of the companies headed by Engineering Ingegneria Informatica S.p.A. and the companies included in the group headed by OverIT S.p.A., as both are subsidiaries and are included in the same Consolidated Financial Statements prepared by the ultimate consolidating company Centurion TopCo Sàrl, which qualifies as the Ultimate Parent Entity ("UPE") for Pillar Two purposes.

As is well known, in 2021, more than 135 countries (the Inclusive Framework on Base Erosion and Profit Shifting, or more simply, the Inclusive Framework) reached an agreement on an international tax reform that introduces a Global Minimum Tax (GMT) for large multinational companies. In particular, these countries reached a political agreement on a two-pillar international tax model to mitigate some of the tax issues arising from the digitalisation of the economy. The second of these pillars (known as “Pillar Two”) proposes the introduction of the aforementioned Global Minimum Tax.
Within the European Union, the Council therefore adopted a directive (Directive (EU) 2022/2523) on December 12, 2022, which introduces this Global Minimum Tax into EU law, setting a minimum effective tax rate of 15% for national and multinational groups with consolidated revenues exceeding Euro 750 million per year, applicable for tax periods starting on or after December 31, 2023. To date, several third countries (outside the European Union) also implemented a similar regulation based on the work of the Inclusive Framework.

The IASB subsequently published an update to IAS 12 to regulate, in terms of the financial statement disclosure, the radical changes resulting from the introduction of the Global Minimum Tax by so many countries. In particular, the amendments to the accounting standard introduce a mandatory temporary exception, which is effective immediately and has been used by the Group with retrospective effect, to not recognise the deferred tax that would result from the application of Pillar Two. Specific disclosure requirements are also envisaged for the companies to which this regulation applies.

The Italian legislator implemented Directive (EU) 2022/2523 with Italian Legislative Decree 209/2023, introducing three related tax mechanisms: (i) the Income Inclusion Rule ("IIR"), due by controlling companies located in Italy in relation to foreign companies subject to low taxation and forming part of the group; (ii) the Undertaxed Profits Rule (“UTPR”), due by one or more companies of a multinational group located in Italy with reference to the profits of companies not controlled by them, which are part of the group and subject to low taxation, when a sufficient IIR has not been applied in the countries of the parent companies; (iii) the

Qualified Domestic Minimum Top up Tax (“QDMTT”), due in relation to the companies of the group subject to low taxation and located in Italy.

In view of these complex new regulations, the Group (which falls within the subjective scope of application of the GMT) is currently in the process of implementing the internal procedures necessary to manage the requirements imposed by the Pillar Two regulations in the most effective and efficient way, with reference to both Italian and foreign activities. In this context, detailed analyses have been carried out to estimate the probability that the jurisdictions in which the Group operates meet the requirements for the application of the simplified transitional "Safe Harbour" rules (regulated in our legal system by the Italian Ministerial Decree of May 20, 2024). If these requirements are met, they would allow the Group not to apply the more complex regulatory system envisaged when fully operational and to consider the additional taxation that could otherwise arise as zero.

In this regard, analyses have been carried out to estimate whether, in some of these jurisdictions, a GMT is due in relation to the results achieved in the tax period ended on December 31, 2024. It should be noted that the results of this preliminary assessment will need to be refined through specific and detailed analysis.
Based on these analyses, the above assessment shows that the conditions for the application of the Safe Harbour rules are met in respect of all jurisdictions in which the Group operates (including Italy), with the exception of Romania. With regard to the latter jurisdiction, the analysis (which, as mentioned, must be considered as preliminary) concluded that the above-mentioned conditions for the application of the simplified transitional rules were not met. It is therefore possible that profits earned in Romania may be subject to an income inclusion rule there, the amount of which, if due, would in all likelihood be insignificant.

3.25 Conversion of items into foreign currencies

Functional and presentation currency

The financial statements items are valued utilising the currency of the primary economic environment in which the entity operates ("functional currency").
The functional currency of the Company is the Euro.

Operations and balances

Currency operations are translated into the presentation currency by using the exchange rate effective on the transaction date. Exchange gains and losses from the settlement of these transactions and the translation of monetary assets and liabilities into foreign currencies at the date of preparation of the accounts are recorded in the income statement.

3.26 Changes in accounting standards, errors and change of estimates

Changes in accounting standards

Accounting standards are changed from one year to the next only when the change is required by a standard or if it contributes to providing more reliable and significant information about the effects of transactions on financial standing, as well as on the economic results, or cash flows, of the entity. Changes in accounting policies are accounted for retrospectively with the effect recorded in shareholders' equity for the first of the financial years presented. The comparative information is restated accordingly. The prospective approach is made only when it is impractical to reconstruct the comparative information. The application of a new or amended accounting standard is accounted for in accordance with the requirements of the standard itself. If the standard does not provide for transition procedures, the change is booked in accordance with the method described in the previous paragraphs.

Correction of errors from previous periods

In the case of significant errors, the same method that is used for changes in accounting standards illustrated in the previous paragraph is applied. In the case of non-significant errors, these are accounted for in the income statement in the period in which they are noted.

Changes in accounting estimates

Changes in accounting estimates are recognised and are booked to the income statement in the period in which the change occurs, so long as the change only affects this period; where the change also affects future periods, the changes are booked in both the period in which the change occurs and in the future period.

3.27 Financial risk and capital management

As in all businesses, there are risk factors that can have repercussions on the results and for this reason certain procedures have

been implemented in order to prevent them. These procedures concern the commitment and responsibilities undertaken and are subject to maximum transparency and correctness. The Company's risk management policies aim at identifying and analysing risks to which the Company is exposed, establishing appropriate limits and controls and monitoring risks with respect to those limits. These policies and the related systems are regularly revised to reflect any variations in market conditions and Company activities. As regards "Risk management", reference is made to description made in the Report on Operations.
The Company's activities are exposed to the following risks: market risk (defined as exchange and interest rate risks), credit risk and liquidity risk.
The Board of Directors provides for a high level of capital management policies in order to maintain trust among investors, creditors and the market, allowing for future development. The Board also monitors capital returns, understood as the result from operations compared with total shareholders' equity. Furthermore, the Board of Directors monitors the level of dividends to be distributed to holders of ordinary shares. With regard to the Company's debt-to-capital ratio, reference is made to the Directors' Report on Operations.

3.27.1 CREDIT RISK

Credit risk represents the Company's exposure to the risk of potential losses resulting from the non-performance of obligations undertaken by the counterparties.
Allocations to allowance for doubtful accounts reflect actual credit risks through the targeted quantification of the provision itself.
The Company manages credit risk mainly by having relationships with counterparties with a high creditworthiness and does not present significant concentrations of credit risk. Maintaining effective credit risk management is a strategic objective for the Company and in this sense, the type of business and the payment instruments activated guarantee a limited credit risk overall.

The Company recognises an allowance for doubtful account for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.
The Company always recognises lifetime expected credit losses (ECL) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.
Maximum credit risk exposure is examined in more detail in paragraph 15 hereof.

3.27.2 LIQUIDITY RISK

Liquidity risk is understood as the difficulty of fulfilling obligations associated with financial liabilities settled in cash or through another financial asset.
The difficult economic and financial context of the markets requires particular attention to be paid to the management of liquidity risk and in this sense to actions aimed at generating financial resources through operational management and maintaining an adequate level of available liquidity. The Company therefore plans to meet the requirements deriving from financial payables falling due and expected investments through cash flows from operations, available liquidity and centralised management of the Group's treasury.
The Company believes that it has access to sufficient sources of financing to meet its planned financial needs, taking into account its cash and cash equivalents, its ability to generate cash flows, its ability to find sources of financing in the bond market and the availability of credit lines from banks.
A detailed analysis of the due dates for financial liabilities is contained in paragraphs 23 and 28 of these notes.

3.27.3 MARKET RISK

The strategy followed for this type of risk is aimed at mitigating interest rate and exchange rate risks and optimising the cost of debt.
These risks are managed in accordance with the principles of prudence and in line with best market practices.
The main objectives set out in the policy are as follows:

- to pursue the defence of the long-term plan scenario from the effects caused by exposure to exchange rate and interest rate risks, by identifying the optimal combination of fixed and variable rates;

- to pursue a potential reduction of the Company's debt cost;

- to manage transactions in derivative, taking into account the economic and equity impacts that these transactions may have, including in relation to their classification and accounting.

The exposure to interest rate risk arises from the need to finance operations and M&A investments and using available liquidity. Fluctuations in market interest rates can have a negative or positive impact on the Company's economic result, indirectly influencing the costs and returns of financing and investment transactions. The interest rate risk to which the Company is exposed derives from bank loans. The Company constantly monitors the trend in interest rates to mitigate the risk and, when deemed appropriate, makes use of derivative instruments designated as "cash flow hedges". The use of such instruments is governed by written procedures consistent with the Group's risk management strategies, which do not include derivative instruments for trading purposes.

3.28 Related parties

Engineering Ingegneria Informatica S.p.A. adopted on a voluntary basis the Procedure for the regulation of Related Party Transactions of the company, as per resolution of the Board of Directors on June 23, 2023; the same procedure was updated in the year under review by resolution of the Board of Directors on August 2, 2024, with the favourable opinion of the Committee of Independent Directors for related party transactions.
During the financial year the Company carried out transactions with a number of related parties.
All balances with related parties were determined under normal market conditions. The general conditions governing transactions with executives with strategic responsibilities and their related parties do not appear to be any more favourable than those applied, or which may have been reasonably applied, in the event of similar transactions under normal market conditions with executives without strategic responsibility of the same entities.

3.29 Seasonality

The activities of the Company are not subject to seasonality directly related to the type of business involved.

3.30 New IFRS and IFRIC interpretations

For the purposes of drafting the financial statements, the international accounting standards (IFRS) approved by the European Commission and effective on December 31, 2024 were applied.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED AS OF 1 JANUARY 2024

The following accounting standards, amendments and IFRS interpretations were applied for the first time by the Company as of January 1, 2024:

- On January 23, 2020, the IASB published the “Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current” and on October 31, 2022 published the “Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants”. These amendments aim to clarify how payables and other short or long-term liabilities should be classified. In addition, the amendments also improve the information that an entity must provide when its right to defer the settlement of a liability for at least twelve months is subject to compliance with certain parameters (i.e. covenants). The adoption of these amendments had no impact on the Company's financial statements.

- On September 22, 2022, the IASB published the “Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback”. The document requires the seller-lessee to assess the lease liability deriving from a sale & leaseback transaction so as not to recognise an income or a loss that refers to the retained right of use. The adoption of this amendment had no impact on the company's consolidated financial statements.

- On May 25, 2023, the IASB published the “Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements”. The document requires an entity to provide additional information on reverse factoring agreements that allow financial statements users to assess how financial agreements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of such agreements on the entity's exposure to liquidity risk. The adoption of these amendments had no impact on the Company's financial statements.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, NOT YET APPLIED MANDATORILY AND NOT ADOPTED IN ADVANCE BY THE COMPANY AS OF DECEMBER 31, 2024

The following IFRS accounting standards, amendments and interpretations have been endorsed by the European Union but are not yet mandatorily applicable and have not been early adopted by the Company as of December 31, 2024:

- On August 15, 2023, the IASB published the **"Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability"**. The document requires an entity to apply a methodology to be applied consistently in order to verify whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used and the report to be provided in the explanatory notes. The amendment will be applied as from January 1, 2025 but earlier application is permitted. Directors are currently assessing the possible impact of this amendment on the Company's financial statements.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION AS OF DECEMBER 31, 2024

At the reporting date, the competent Bodies of the European Union had not yet completed the approval process required for the adoption of the amendments and principles below.

- On May 30, 2024, the IASB published the document **"Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7"**. The document clarifies some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon the achievement of ESG objectives (i.e. green bonds). In particular, the amendments aim to:

  - Clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test assessment;

  - determine that the settlement date of the liabilities through electronic payment systems is that on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow for the elimination of a financial liability before delivering liquidity on the settlement date if certain specific conditions are met.

  With these amendments, the IASB has also introduced additional disclosure requirements with regard in particular to investments in equity instruments designated at FVOCI.
  The amendments will apply from the financial statements for financial years beginning on or after January 1, 2026. Directors are currently assessing the possible impact of this amendment on the Company's financial statements.

- On July 18, 2024, the IASB published a document called **"Annual Improvements Volume 11"**. The document contains clarifications, simplifications, corrections and amendments to improve the consistency of various IFRS Accounting Standards. The amended standards are:

  - IFRS 1 First-time Adoption of International Financial Reporting Standards;

  - IFRS 7 Financial Instruments: Disclosures and related guidelines on the implementation of IFRS 7;

  - IFRS 9 Financial Instruments;

  - IFRS 10 Consolidated Financial Statements;

  - IAS 7 Statement of Cash Flows.

  The amendments will be applied as from January 1, 2026 but earlier application is permitted. Directors are currently assessing the possible impact of these amendments on the Company's financial statements.

- On December 18, 2024, the IASB published an amendment called **"Contracts Referencing Nature-dependent Electricity - Amendment to IFRS 9 and IFRS 7"**. The purpose of this document is to assist entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as Power Purchase Agreements). Based on these contracts, the amount of electricity generated and purchased can vary due to uncontrollable factors such as weather conditions. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:

- a clarification regarding the application of the "own use" requirements to this type of contracts;
- the criteria for recognising such contracts as hedging instruments;
- new disclosure requirements to enable users of financial statements to understand the impact of these contracts on an entity's financial performance and cash flows.

The amendment will be applied as from January 1, 2026 but earlier application is permitted. Directors are currently assessing the possible impact of this amendment on the Company's financial statements.

- On April 9, 2024, the IASB published a new standard **IFRS 18 Presentation and Disclosure in Financial Statements which will replace IAS 1 Presentation of Financial Statements**. The new standard aims to improve the presentation of financial statements, with particular reference to the income statement. In particular, the new standard requires to:

  - classify revenues and costs in three new categories (operating section, investment section and financial section), in addition to the categories of taxes and discontinued operations already present in the income statement;
  - Present two new subtotals, the operating result and the result before interest and taxes (i.e. EBIT).

  The new standard also:

  - requires more information on the performance indicators defined by management;
  - introduces new criteria for the aggregation and disaggregation of information;
  - introduces some changes to the layout of the cash flow statement, including the requirement to use operating profit as the starting point for the presentation of the cash flow statement prepared using the indirect method, and the elimination of some classification options for certain currently existing items (such as interest paid, interest collected, dividends paid and dividends collected).

  The new standard will be applicable as from January 1, 2027, but earlier application is permitted. Directors are currently assessing the possible impact of the introduction of this new standard.

- On May 9, 2024, the IASB published a new standard **IFRS 19 Subsidiaries without Public Accountability: Disclosures**. The new standard introduces some simplifications with reference to the reporting required by the IFRS Accounting Standards in the financial statements of a subsidiary that meets the following requirements:

  - it has not issued, nor is it in the process of issuing, equity or debt securities listed on a regulated market;
  - its parent company prepares consolidated financial statements in accordance with IFRS.

  The new standard will be applicable as from January 1, 2027, but earlier application is permitted.
  Directors are currently assessing the possible impact of this new standard on the Company's financial statements.

4 Segment information

The disclosure required by IFRS 8 is provided taking into account the company's organisational structure.

The management has identified six operating sectors determined on the basis of the skills and reference market of the company and reflecting the current business model divided into six industry sectors:

- Finance: refers to the IT services provided to banks, insurance companies and financial institutions;
- Public Administration: refers to the IT services provided to central and local public administrations;
- Health: refers to the IT services provided to healthcare;
- Industry & Services: refers to the IT services provided to large and medium-sized corporations;
- Telco & Media: refers to the IT services provided to telecommunication companies and other media corporations;
- Energy & Utilities: refers to the IT services provided to players in the energy and utilities markets.

Total revenues for the 2024 financial year compared with the 2023 financial year are shown below.

It should be noted that there are no revenues common to several sectors.

(in euro)

Description	2024		2023		Change	
					Absolute	%
Total revenues						
Finance	198,380,042	19.5%	173,438,725	17.2%	24,941,317	14.4
Public Administration	192,240,181	18.9%	221,873,346	22.1%	-29,633,166	(13.4)
Health	178,398,925	17.5%	171,361,149	17.0%	7,037,776	4.1
Industry & Services	163,485,008	16.0%	180,886,488	18.0%	-17,401,480	(9.6)
Telco & Media	98,204,757	9.6%	79,047,362	7.9%	19,157,395	24.2
Energy & Utilities	188,890,471	18.5%	179,044,910	17.8%	9,845,560	5.5
Net revenues	1,019,599,384	100.0%	1,005,651,980	100.0%	13,947,403	1.4
Other revenues	59,142,476		47,866,763		11,275,713	23.6
TOTAL REVENUES	**1,078,741,859**		**1,053,518,743**		**25,223,116**	**2.4**

The main services offered by the company are indicated in note 34.

Below is an analysis of the company's *adjusted EBITDA* by operating segment for the 2024 financial year compared with the 2023 financial year.

(in euro)

Description	2024		2023	
Adjusted EBITDA				
Finance	42,691,443	34.1%	32,957,303	17.2%
% of total revenues	21.5%		19.0%	
Public Administration	9,741,635	7.8%	21,716,444	22.1%
% of total revenues	5.1%		9.8%	
Health	31,017,682	24.7%	40,762,960	17.0%
% of total revenues	17.4%		23.8%	
Industry & Services	9,376,043	7.5%	14,998,755	18.0%
% of total revenues	5.7%		8.3%	
Telco & Media	7,024,075	5.6%	2,983,802	7.9%
% of total revenues	7.2%		3.8%	
Energy & Utilities	25,524,195	20.4%	20,716,139	17.8%
% of total revenues	13.5%		11.6%	
TOTAL ADJUSTED EBITDA	**125,375,073**	**100.0%**	**134,135,404**	**100.0%**
% of total revenues	**12.3%**		**13.3%**	

Adjusted EBITDA represents, for the company, the Alternative Performance Measure for the purpose of resource allocation and assessment of segment performance, as well as of targets. Direct revenues and costs are allocated in relation to the related industry. Other income and costs of central structures, not specifically attributable to segments, have been attributed in relation to their net revenues, that represent the most appropriate driver to allocate them.

The alternative performance measure for the period, "*adjusted EBITDA*", is calculated as follows:

(in Euro million)

Description		2023	2024
Net profit for the year	**note**	**(106.3)**	**(117.8)**
Income taxes		(15.9)	(4.6)
(Income)/expenses from equity investment		11.2	(1.6)
Financial (income)		(45.2)	(8.9)
Interest expense (excluding interest on leases)		149.0	166.4
Interest on leases		1.2	0.0
Depreciation of property, plant and equipment		4.3	5.3
Depreciation of right-of-use assets		17.0	15.8
Amortisation of intangible assets		40.0	31.5
Provisions and write-downs		18.8	15.6
Leaving/change management incentives	(1)	31.1	13.9
Charges related to the corporate strategic review process	(2)	20.3	8.5
Charges for corporate transactions and special projects	(3)	1.8	1.1
Charges relating to transactions with subsidiaries in liquidation	(4)	6.7	0.0
Adjusted EBITDA		**134.1**	**125.4**

(1) Charges relating to incentives for employees who left early during the year and/or with whom an agreement was reached for early exit and related charges for change management, incurred as a result of the transformation program mentioned in the paragraph "Outlook". Charges relating to incentives for employees who left early during the year, amounted to Euro 13.4 million.

(2) Charges relating to the corporate strategic review process, incurred in order to guide and support the transformative actions that have impacted the Company in a pervasive manner during the year.

(3) Charges relating to extraordinary corporate transactions and one-off projects.

(4) Charges relating to transactions carried out with subsidiary company in liquidation.

It is noted that adjusted EBITDA is not identified as accounting measure within the IFRS standards adopted by the European Union. As a consequence, the calculation criterion adopted by the company might not be consistent with criteria adopted by other groups. Therefore, the balance obtained might not be comparable with the one calculated by the latter.

Statement of financial position

A) NON-CURRENT ASSETS

5 Property, plant and equipment

(in euro)

Description	12.31.2024	12.31.2023
Property, plant and equipment	23,085,995	23,911,377

(in euro)

Description	Land and buildings	Plant and machinery	Ind. and Comm. Equipment	Other assets	Leasehold improvements	Total
Historical cost as of 12.31.2023	12,959,299	18,559,028	50,247,591	15,874,409	8,223,756	105,864,082
Acc. depreciation as of 12.31.2023	(6,370,779)	(13,467,014)	(42,400,266)	(11,490,890)	(8,223,756)	(81,952,705)
Balance as of 12.31.2023	**6,588,519**	**5,092,014**	**7,847,325**	**4,383,519**	**0**	**23,911,377**
Historical cost as of 12.31.2024	12,959,299	19,378,942	52,916,214	16,809,969	8,220,064	110,284,487
Acc. depreciation as of 12.31.2024	(6,724,960)	(14,676,784)	(45,154,350)	(12,422,334)	(8,220,064)	(87,198,492)
Balance as of 12.31.2024	**6,234,339**	**4,702,158**	**7,761,864**	**4,387,634**	**0**	**23,085,995**

The changes in property, plant and equipment were as follows:

(in euro)

Description	Land and buildings	Plant and machinery	Ind. and Comm. Equipment	Other assets	Leasehold improvements	Total
Balance as of 01.01.2023	**6,815,915**	**3,563,453**	**6,204,615**	**3,816,835**	**0**	**20,400,817**
Increase	124,034	2,369,570	4,181,835	1,254,848	0	7,930,285
Decrease	0	0	(233,651)	(173,182)	(979)	(407,812)
Decrease in accumulated depreciation	0	0	199,467	109,167	979	309,612
Depreciation	(351,429)	(841,008)	(2,504,940)	(624,149)	0	(4,321,525)
Balance as of 12.31.2023	**6,588,519**	**5,092,014**	**7,847,325**	**4,383,519**	**0**	**23,911,377**
Initial change from merger	0	6,580	148,317	20,012	0	174,909
Increase	0	790,895	2,683,397	878,482	0	4,352,774
Decrease	0	(20,634)	(468,091)	(86,185)	(3,693)	(578,602)
Decrease in accumulated depreciation	0	20,118	432,825	82,883	3,693	539,518
Depreciation	(354,180)	(1,186,815)	(2,881,908)	(891,077)	0	(5,313,981)
Balance as of 12.31.2024	**6,234,339**	**4,702,158**	**7,761,864**	**4,387,634**	**0**	**23,085,995**

All property, plant and equipment are operational and effectively utilised in company operations and there are no obsolete assets of a significant value or requiring replacement in the short-term, which were not depreciated.

The increases are substantially due to purchases of assets made during the year, while the decreases relate to the disposal of obsolete assets and reclassifications envisaged by accounting standards.

Property, plant and equipment include the assets of the companies merged by incorporation as from 1 October 2024 with accounting and tax effects backdated to January 1, 2024. These, net of the related provision, are reported as initial change from merger.

Purchases made from January to September 2024 by merged companies are included in the item "Increases" and disposals in the item "Decreases".

"Plant and machinery" increased by Euro 0,8 million due to the installation of new telecommunications and safety systems in a number of company offices.
The increase in "Industrial and commercial equipment", totalling Euro 2.7 million, relates to the purchase of computers for internal use while decreases are due to the disposal and/or donation of obsolete computers.

"Other assets" recorded an increase of Euro 0.9 million, referring to the purchase of furniture and fittings.

6 Intangible assets

(in euro)

Description	12.31.2024	12.31.2023
Intangible assets	660,927,017	652,153,212

(in euro)

Description	Development costs	Industrial patents and intellectual property	Concessions, licenses and trademarks	Assets in progress	Customer relationship/ Customer list	Other assets	Total
Historical cost as of 12.31.2023	70,558,699	183,524,457	515,693,455	53,053,666	142,665,476	83,381,136	1,048,876,889
Acc. amortisation as of 12.31.2023	(46,614,606)	(128,204,001)	(42,902)	0	(138,529,241)	(83,332,928)	(396,723,677)
Balance as of 12.31.2023	**23,944,093**	**55,320,457**	**515,650,553**	**53,053,666**	**4,136,235**	**48,209**	**652,153,212**
Historical cost as of 12.31.2024	105,278,824	192,746,768	515,693,455	50,058,418	144,518,905	83,384,036	1,091,680,405
Acc. amortisation as of 12.31.2024	(61,414,934)	(144,747,732)	(43,018)	0	(141,172,477)	(83,375,228)	(430,753,388)
Balance as of 12.31.2024	**43,863,890**	**47,999,036**	**515,650,437**	**50,058,418**	**3,346,428**	**8,808**	**660,927,017**

The changes in intangible assets are as follows:

(in euro)

Description	Development costs	Industrial patents and intellectual property	Concessions, licenses and trademarks	Assets in progress	Customer relationship/ Customer list	Other assets	Total
Balance as of 01.01.2023	**33,516,088**	**4,691,390**	**453,279,031**	**11,932,079**	**5,170,293**	**87,618**	**508,676,499**
Initial change from merger	0	0	62,371,638	0	17,761,000	0	80,132,638
Increase	0	62,244,973	0	41,121,587	0	0	103,366,560
Amortisation	(9,571,995)	(11,615,906)	(116)	0	(18,795,059)	(39,409)	(40,022,485)
Balance as of 12.31.2023	**23,944,093**	**55,320,457**	**515,650,553**	**53,053,666**	**4,136,235**	**48,209**	**652,153,212**
Initial change from merger	464,550	139	0	244,203	0	0	708,892
Increase	249,388	8,478,006	0	30,377,323	1,853,429	0	40,958,147
Decrease	0	(3,992)	0	0	0	0	(3,992)
Reclass. of Asset classes	33,616,775	0	0	(33,616,775)	0	0	0
Increase in accumulated amortisation	0	0	0	0	(1,364,924)	0	(1,364,924)
Decrease in accumulated amortisation	0	3,992	0	0	0	0	3,992
Amortisation	(14,410,916)	(15,799,567)	(116)	0	(1,278,311)	(39,400)	(31,528,310)
Balance as of 12.31.2024	**43,863,890**	**47,999,036**	**515,650,437**	**50,058,418**	**3,346,428**	**8,808**	**660,927,017**

Intangible assets include the assets of the companies merged by incorporation as from October 1, 2024 with accounting and tax effects backdated to January 1, 2024. These, net of the related provision, are reported as initial change from merger.

Intangible assets recorded an increase of Euro 41 million, details of which are given below.
The change in the item “Development costs” refers to internal investments for the construction of new solutions completed in 2024.
“Industrial patents and intellectual property rights” increased by a total of Euro 8.5 million following the purchase of software programmes.

"Concessions, licences and trademarks", totalling Euro 515.7 million, primarily refer, in the amount of Euro 515.4 million, to fair value of the Engineering brand. This value was recognised in 2017, in the amount of Euro 453 million, upon completion of allocation of the purchase price for the acquisition of control of Engineering Ingegneria Informatica S.p.A. and its subsidiary

companies, by Mic Bidco S.p.A. and subsequent reverse merger of Mic Bidco S.p.A. and in 2023 upon the allocation of Euro 62.4 million for the reverse merger of Centurion Bidco S.p.A. into Engineering Ingegneria Informatica S.p.A..
In the financial statements of previous years, the value of the brand recorded under intangible assets was determined through a process of estimating fair value, carried out with the support of an independent expert and based on assumptions considered reasonable and realistic based on the information that was available at the date of the acquisition of control. The choice of the measurement method applied to estimate the value of the brand was made taking into account the purpose of the transaction and the characteristics of the intangible itself. In particular, in line with academic doctrine and the most commonly used professional practice, the value of the Trademark owned by Engineering was determined by using the income method, based on discounting the future benefits attributable to the asset being valued.

The Trademark is a right, which is legally protected through the registration at the competent authorities. By reason of the fact that this right has no legal, contract, competitive or economic term which limits its useful life, the same is classified as an indefinite life intangible asset and therefore it is not amortised, but it is subject to loss in value when tested for impairment, as provided for by IAS 36.

The impairment test carried out as of December 31, 2024 confirmed that there was no need to write down the value of the trademark with an indefinite useful life expressed in the financial statements. The essential parameters relating to the impairment test of the Engineering trademark correspond to what is illustrated in paragraph "Goodwill" with reference to Engineering's development plan and WACC.

"Assets in progress" increased by Euro 30.4 million due to internal investments in new solutions for the different market areas:

- **In the Health area:**
  - Projects in the area of Telemedicine, CUP, 118, Transfusion, Telemonitoring, Compliance with the MDR (Medical Device Regulation), LIS (Analysis laboratory management) Flow Manager: developments.

- **In the Energy & Utilities area:**
  - EC module for Neta Open Suite; MDM Water module for Neta Open Suite; MDM Sales Energy module for Neta Open Suite; Neta Portal-Regulatory Schedule module for Neta Open Suite; M2C launch for Neta Open Suite; Environmental Hygiene Module for Net@2A; New Net@2D Functions; UDD module for Net@Energy; New Net@Sial Functions; Mini Credit Module for Net@2A.

- **In the Industry area:**
  - Retail Platform and Sav.e integration projects.

- **In the Finance area:**
  - Projects related to the Grace Suite:
    - Basel for CRR3 Regulation
    - Libra BDG: transition of the Libra product to Big Data technologies
    - Smart BDG: transition of the SMART product to Big Data technologies
    - Evolutive activities for other modules: Anacredit, Netting SFT, Standard Modules
    - Easy Developer: web application for creating, modifying and testing the InMind engine rules
  - Projects relating to the CREW - Centrale Rischi (Central Credit Register) product.

- **In the Public Administration area:**
  - Investments, development/adaptation projects for a series of software solutions to support the processing and analysis of large amounts of data in order to support the transparency and traceability of information and to improve the quality of processed data, mainly in the local Public administration area.

- **Corporate**
  - Projects: Enhancement Controlling Model for the implementation of an Enterprise Performance Management system to support Planning&Forecast, Closing Management, Corporate reporting processes, integrated with the transactional systems with Consolidated Financial Statements (Statutory), "Governance Risk & Compliance" Project, Workday Platform Implementation, Digitise Initiatives.

The reclassification of Euro 33.7 million is due to the final capitalisation of projects started in previous years and completed in the current year.

The item "Customer relationship/Customer list" is composed of the "Contract portfolio" and the "Customer Relationship Value" recognised following the allocation of goodwill (Purchase Price Allocation, or PPA) deriving from acquisition of company aggregations carried out by Engineering during previous years and in the year under review.

7 Rights of use

(in euro)

Description	12.31.2024	12.31.2023
Rights of use	68,257,264	121,959,949

(in euro)

Description	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Total
Historical cost as of 12.31.2023	165,996,055	503,767	30,197	16,416,808	182,946,827
Acc. depreciation as of 12.31.2023	(53,173,615)	(209,286)	(27,178)	(7,576,799)	(60,986,878)
Balance as of 12.31.2023	**112,822,440**	**294,481**	**3,020**	**8,840,008**	**121,959,949**
Historical cost as of 12.31.2024	119,612,430	480,449	30,197	18,175,264	138,298,340
Acc. depreciation as of 12.31.2024	(60,113,826)	(286,053)	(30,197)	(9,611,000)	(70,041,076)
Balance as of 12.31.2024	**59,498,604**	**194,396**	**0**	**8,564,264**	**68,257,264**

The following table shows the changes in the rights of use, broken down by category:

(importi in euro)

Description	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Total
Balance as of 01.01.2023	**124,981,557**	**377,806**	**9,059**	**5,598,235**	**130,966,658**
Increase	3,162,881	53,215	0	7,245,606	10,461,701
Decrease	(5,932,241)	(57,347)	0	(5,348,870)	(11,338,459)
Decrease in accumulated depreciation	4,072,061	54,847	0	4,787,552	8,914,459
Depreciation	(13,461,818)	(134,039)	(6,039)	(3,442,514)	(17,044,410)
Balance as of 12.31.2023	**112,822,440**	**294,481**	**3,020**	**8,840,008**	**121,959,949**
Initial change from merger	364,806	0	0	143,919	508,725
Increase	3,558,825	0	0	3,262,415	6,821,240
Decrease	(50,862,947)	(23,318)	0	(1,754,914)	(52,641,179)
Decrease in accumulated depreciation	5,979,092	23,318	0	1,404,584	7,406,994
Depreciation	(12,363,612)	(100,085)	(3,020)	(3,331,749)	(15,798,465)
Balance as of 12.31.2024	**59,498,604**	**194,396**	**0**	**8,564,264**	**68,257,264**

The rights of use of leased assets include the rights of use of the companies merged by incorporation as from October 1, 2024 with accounting and tax effects backdated to January 1, 2024. These, net of the related provision, are reported as initial change from merger.

Increases related to the item "Buildings" (lease payments for real estate properties), amounting to around Euro 3.6 million, refer to new rental contracts or renewals signed in 2024 as well as increases attributable to Istat revaluation during the period under review. Whereas the relevant decrease of Euro 50.9 million is mainly attributable to the updating of the forecast for the exercise of the existing contract renewal option for the Rome Eur office, which should start in 2028, and which is currently no longer considered realistic, as it is not consistent with the efficiency objectives that the Company intends to pursue, as well as the revision of the contract for the Florence office.

"Other assets IFRS 16" refer entirely to cars under operating lease, assigned to employees.

The following table highlights the impact of right of use on the Income Statement.

(in euro)

Description	12.31.2024
Depreciation of rights of use	(15,798,465)
Interest expenses on leasing	(6,009)
Expenses of short-term lease agreements	(386,149)
Expenses of lease agreements with a value <Euro 5 thousand	(99,778)
IFRS 16 economic impact	**(16,290,401)**

8 Goodwill

(in euro)

Description	12.31.2024	12.31.2023
Goodwill	562,212,002	559,531,270

(in euro)

Description	12.31.2024	12.31.2023
GOODWILL - FINANCE	235,213,944	235,213,944
GOODWILL - PA	153,793,526	153,793,526
GOODWILL T&M	44,900,648	44,900,648
GOODWILL I&S	43,242,666	43,242,666
GOODWILL E&U	85,061,218	82,380,486
Total	**562,212,002**	**559,531,270**

The change in goodwill amounting to Euro 2.7 million is attributable to the merger by incorporation of FDL Servizi S.r.l.

The analysis was performed to determine the goodwill recoverable value, which was allocated to the *Cash Generating Units* (CGUs) to which it is related.

CGU is defined as an asset or small group of assets that generate incoming cash flows that are widely independent from the incoming cash flows resulting from other assets or group of assets. The CGUs were determined based on the market segments and the single operating investees, consistently with the corporate Management view in terms of monitoring of results and economic-financial planning.

The *impairment test* carried out on December 31, 2024 on the goodwill allocated to the *Cash Generating Units* (CGUs) to which it relates confirmed that there was no need to make any write-downs to the value of goodwill as recorded in the financial statements.
Based on the impairment test carried out according to the requirements of IAS 36 described above and according to special modalities described hereunder, the aggregate value of the goodwill tested for impairment was deemed as adequately supported in terms of expected economic results and related cash flows.

There is no evidence at the present date for the Company to proceed with any impairment.

For the identification of the recoverable value – the "value in use" of the CGUs – obtained through discounting, of the cash flows (DCF Model) extrapolated from the business plans drawn up by the Management of the divisions, the following elements were considered:

a) estimates of future cash flows generated by the entity;
b) expected possible changes in these cash flows in terms of the amount and time periods;
c) cost of money, comprising the current market risk-free rate of interest;
d) cost to assume the risk related to implicit uncertainty in the management of the CGU;

e) other risk factors concerning the operations of a specific market and changes over time.

The table below represents the main assumptions for impairment and the parameters used to discount cash flows and terminal value from the DCF model.

Parameter	12.31.2024	12.31.2023
Risk free rate	4.26%	3.70%
Market premium (rm - rf)	4.94%	4.77%
Beta Unlevered	0.97	0.97
D/E Target	0.10	0.09
Tax rate	24.00%	24.00%
Beta Levered	1.05	1.03
Cost of equity (Ke)	9.44%	8.62%
Tax rate	24.00%	24.00%
Gross cost of debt	6.42%	8.45%
Cost of debt (Kd)	4.88%	6.42%
Debt/Equity ratio	0.10	0.09
Weighting of equity	90.80%	91.89%
Weighting of onerous payables	9.20%	8.11%
WACC (post-tax)	**9.02%**	**8.44%**

It should be noted that an increase of 160 BPS in the WACC would not lead to a write-down of goodwill for any of the CGUs.

9 Equity investments

(in euro)

Description	12.31.2024	12.31.2023
Equity investments	685,760,502	266,565,494

Changes in equity investments

(in euro)

Equity investments	Value as of 12.31.2023	Increase	Decrease	Value as of 12.31.2024
In subsidiaries	266,558,969	491,066,019	(70,619,211)	685,753,977
In associated companies	6,525	0	0	6,525
Total	**266,565,494**	**491,066,019**	**(70,619,211)**	**685,760,502**

a) Subsidiaries

(in euro)

Description	Value as of 12.31.2023	Increase	Decrease	Write-downs	Value as of 12.31.2024
Municipia S.p.A.	18,667,692	-	-	-	18,667,692
Nexen S.p.A.	5,669,820	-	-	-	5,669,820
Engineering Do Brasil S.A.	19,615,006	-	-	-	19,615,006
Engineering D.Hub S.p.A.	30,908,619	-	-	-	30,908,619
Weberults S.R.L.	4,260,641	-	(4,260,641)	-	-
Engineering Ingegneria Informatica Spain S.L.	103,589	-	0	-	103,589
Livebox S.r.l.	8,077,502	5,000,000	0	-	13,077,502
IT-Soft USA Inc.	30,695,265	130,164	0	-	30,825,429
Engineering Software Lab D.o.o.	47,800	-	0	-	47,800
Digitelematica S.r.l.	6,266,375	-	0	-	6,266,375
F.D.L. Servizi S.r.l.	5,477,178	-	(5,477,178)	-	-
Eng Mexico Informatica S. de R.L.	8,298	-	0	-	8,298
Nexera S.p.a.	1,667,169	2,000,000	0	-	3,667,169
C Consulting S.p.A.	15,029,035	-	0	-	15,029,035
Industries Excellence S.p.A.	5,600,000	-	0	-	5,600,000
Overlord Bidco S.p.A.	60,822,685	-	(60,822,685)	-	-
Atlantic Technologies S.p.A.	50,928,115	-	0	-	50,928,115
Engineering International Belgium SA	270,202	-	0	-	270,202
Engineering Sardegna S.R.L.	58,707	-	(58,707)	-	-
Engineering da Argentina S.A.	2,385,270	-	0	(1,251,800)	1,133,470
Be Shaping The Future Management Consulting S.p.A.	-	440,773,855	-	-	440,773,855
Be Shaping The Future Digitech Solutions S.p.A.	-	43,142,000	-	-	43,142,000
EngX S.r.l.	-	20,000	-	-	20,000
Total	**266,558,969**	**491,066,019**	**(70,619,211)**	**(1,251,800)**	**685,753,977**

The main changes in equity investments in subsidiaries were as follows:

- Increase of Euro 5 million of the subsidiary Livebox S.r.L. through the waiver of receivables.
- Increase of Euro 2 million of the subsidiary Nexera S.p.A through the waiver of receivables.
- The increase of Euro 43.1 million is related to the purchase of 100% of the equity investment in Be Shaping The Future Digitech Solutions S.p.A., sold by the subsidiary Be Shaping Management Consulting S.p.A.
- Increase of Euro 440.8 million relating to Be Shaping The Future Management Consulting S.p.A., formerly an indirect subsidiary and now a direct subsidiary as a result of the merger by incorporation of the company Overlord Bidco S.p.A.
- Write-down of Euro 1.3 million of the subsidiary Engineering da Argentina S.A.

As required by IAS 36, the recoverability of the value of equity investments, where impairment indicators are present, has been tested. The recoverable amount is determined as the higher of the asset's or cash-generating unit's fair value less costs of disposal and its value in use.

The impairment test performed on December 31, 2024 relates to the following equity investments:

- Atlantic Technologies S.p.A.

- Be Shaping The Future Management Consulting S.p.A.
- Nexera S.p.A.
- Livebox S.r.L.
- Engineering da Argentina S.A.

The impairment test, with the exception of the information provided for the investee Engineering da Argentina S.A., confirmed that there was no need to write down the value of the same expressed in the financial statements. Therefore, there are no indications that equity investments may have suffered impairment in 2024. According to requirements envisaged in the international accounting standard IAS 36, as of December 31, 2024 the value of equity investments tested for impairment is equal to Euro 509.6 million.
A partial write-down was also made for the company Engineering da Argentina S.A.

(in euro)

Description	Town	Assets	Liabilities	Share capital	Shareholders' Equity	Revenues	Net profit/ (loss)	Value as of 12.31.2024	%
Engineering Do Brasil S.A.	São Paulo	33,828,858	17,315,021	8,035,426	16,513,837	51,660,558	1,210,115	19,615,006	100
Engineering International Belgium S.A.	Brussels	16,991,532	14,127,901	61,500	2,863,631	27,478,942	361,768	270,202	100
Engineering D.Hub S.p.A.	Pont Saint Martin	186,081,148	119,989,931	2,000,000	66,091,216	190,287,459	19,861,408	30,908,619	100
Engineering da Argentina S.A.	Buenos Aires	2,381,334	1,312,419	799,669	1,068,914	533,914	(588,600)	1,133,470	99
Engineering Software Lab D.o.o.	Beograd	6,976,649	1,993,893	3,870	4,982,757	10,849,733	699,931	47,800	100
Engineering Its GmbH	Berlin	283,492	9,981,168	50,000	(9,697,676)	(29,166)	(1,214,777)	0	100
Engineering Ingegneria Informatica Spain S.L.	Madrid	2,554,814	1,070,282	100,000	1,484,532	1,298,511	29,380	103,589	100
Municipia S.p.A.	Trento	122,497,649	87,252,572	13,000,000	35,245,077	104,909,820	5,613,068	18,667,692	100
Livebox S.r.l.	Rome	24,418,012	20,603,639	100,000	3,814,373	4,724,704	(3,281,986)	13,077,502	100
IT-Soft USA Inc.	Chicago	83,311,577	64,912,944	251,035	18,398,632	53,808,775	4,390,225	30,825,429	94
Nexen S.p.A.	Padua	27,114,227	15,682,870	1,500,000	11,431,357	22,697,499	3,626,428	5,669,820	100
Digitelematica S.r.l.	Lomazzo	8,174,971	3,386,867	100,000	4,788,104	5,551,483	932,118	6,266,375	100
Eng Mexico Informatica S. de R.L.	Nuevo Leon	497,400	383,439	93,508	113,962	1,294,660	91,642	8,298	10
Nexera S.p.a.	Naples	2,812,851	2,101,348	678,750	711,503	1,778,910	(901,097)	3,667,169	100
Sicilia e-Servizi Venture S.c.a.r.l.	Palermo	41,258,790	79,727,692	300,000	(38,468,902)	0	(108,821)	0	65
C Consulting S.p.A.	Genoa	11,052,257	4,094,984	174,395	6,957,273	8,436,373	2,139,804	15,029,035	100
Industries Excellence S.p.A.	Milan	3,331,350	2,015,022	50,000	1,316,329	4,090,903	177,745	5,600,000	100
Atlantic Technologies S.p.A.	Milan	22,982,455	17,307,608	50,000	5,674,848	29,813,241	24,279	50,928,115	100
Be Shaping The Future Management Consulting S.p.A.	Rome	159,513,266	105,763,819	120,000	53,749,447	101,139,982	15,361,812	440,773,855	100
Be Shaping The Future Digitech Solutions S.p.A.	Rome	68,551,469	32,447,720	7,548,441	36,103,750	67,454,603	5,824,025	43,142,000	100
EngX S.r.l.	Milan	21,892	8,011	20,000	13,881	0	(6,119)	20,000	100
Total								**685,753,977**	

(in euro)

Descrizione	Town	Assets	Liabilities	Share capital	Shareholders' Equity	Revenues	Net profit/ (loss)	Value as of 12.31.2024	%
Engineering Do Brasil S.A.	São Paulo	44,329,467	25,855,551	9,629,233	18,473,916	55,240,833	2,003,134	19,615,006	100
Engineering International Belgium S.A.	Brussels	14,340,750	11,838,887	61,500	2,501,863	24,524,891	132,966	270,202	100
Engineering D.Hub S.p.A.	Pont Saint Martin	173,779,679	128,032,630	2,000,000	45,747,049	171,954,270	(680,096)	30,908,619	100
Engineering da Argentina S.A.	Buenos Aires	2,076,269	1,133,907	958,973	942,362	1,132,693	(2,835,839)	2,385,270	99
Engineering Sardegna Srl	Cagliari	5,475,670	469,053	1,000,000	5,006,617	970,824	(240,959)	58,707	100
Weberults S.R.L.	Treviolo	16,736,111	16,370,106	10,000	366,005	21,233,808	448,510	4,260,641	100
Engineering Software Lab D.o.o.	Beograd	6,339,995	2,065,490	3,864	4,274,504	11,698,274	1,727,498	47,800	100
Engineering Its GmbH	Berlin	752,166	9,235,065	50,000	(8,482,899)	7,708,954	(5,521,544)	0	100
Engineering Ingegneria Informatica Spain S.L.	Madrid	2,622,615	1,167,464	100,000	1,455,151	2,068,114	70,320	103,589	100
Municipia S.p.A.	Trento	132,153,009	102,803,235	13,000,000	29,349,774	95,695,169	582,487	18,667,692	100
Livebox S.r.l.	Rome	35,595,906	33,585,032	100,000	2,010,874	11,515,699	(726,696)	8,077,502	100
IT-Soft USA Inc.	Chicago	89,577,125	76,579,515	236,018	12,997,611	50,401,334	2,482,162	30,695,265	94
Nexen S.p.A.	Padua	21,099,814	13,433,240	1,500,000	7,666,574	20,119,020	551,767	5,669,820	100
Digitelematica S.r.l.	Lomazzo	6,572,302	2,924,959	100,000	3,647,344	5,411,767	838,559	6,266,375	100
F.D.L. Servizi S.r.l.	Brescia	2,930,128	490,216	20,800	2,439,912	1,557,973	221,364	5,477,178	100
Eng Mexico Informatica S. de R.L.	Nuevo Leon	476,437	442,334	107,629	34,103	1,137,638	(135,553)	8,298	10
Nexera S.p.a.	Naples	4,813,890	4,598,454	678,750	215,435	2,511,196	(361,067)	1,667,169	60
Sicilia e-Servizi Venture S.c.a.r.l.	Palermo	41,298,667	79,658,748	300,000	(38,360,081)	6,773	(1,136,224)	0	65
C Consulting S.p.A.	Genoa	8,087,180	3,483,609	174,395	4,603,571	6,807,102	2,090,566	15,029,035	100
Industries Excellence S.p.A.	Milan	2,476,957	1,542,961	50,000	933,996	3,409,466	305,598	5,600,000	100
Overlord Bidco S.p.aA.	Milan	444,871,379	423,750,008	50,000	21,121,370	0	(34,386,540)	60,822,685	100
Atlantic Technologies S.p.A.	Milan	19,193,785	13,580,681	50,000	5,613,105	26,902,005	1,770,349	50,928,115	100
Total								**266,558,969**	

b) Associated companies

(in euro)

Description	Value as of 12.31.2023	Value as of 12.31.2024
SI LAB SICILIA SCARL	3,525	3,525
CONSORZIO SANIMED GROUP	3,000	3,000
Total	**6,525**	**6,525**

Equity investments in associated companies are detailed as follows:

(in euro)

Descrizione	TOWN	Assets	Liabilities	Share capital	Shareholders' Equity	Revenues	Net profit/ (loss)	Value as of 12.31.2024	%
SI LAB SICILIA SCARL	Palermo	46,198	892	30,000	45,306	14,750	2,470	3,525	24
CONSORZIO SANIMED GROUP	Terni	n/a	n/a	n/a	n/a	n/a	n/a	3,000	25
Total								**6,525**	

Data relate to the last financial statements approved.

c) Indirectly controlled companies:

(importi in euro)

Description	Town	Assets	Liabilities	Share capital	Shareholders' Equity	Revenues	Net profit/ (loss)	%
Securetech Nordic A.b.	Stockholm	16,741	(0)	4,363	16,741	0	(0)	100
Omnitech It Secur S.L.	Madrid	6,412	0	3,000	6,412	0	343,478	100
Omnitech It GmbH	Geilenkirchen	56,611	(0)	25,000	56,611	0	(7,251)	100
BW Digitronik A.g.	Ulster	15,699	6,256	424,989	9,443	253,679	(420,563)	100
Pragma Management System S.r.l.	Sommacampagna	7,738,916	6,677,324	100,000	1,061,592	4,870,787	262,768	51
Cybertech S.r.l.	Rome	41,745,802	33,761,658	10,000	7,984,144	43,031,866	1,893,869	100
Eng Mexico Informatica S. de R.L.	Nuevo Leon	497,400	383,439	93,508	113,962	1,294,660	91,642	85
Industries Excellence Sasu	Lyon	2,553,662	1,033,261	30,000	1,520,401	2,292,636	222,653	94
Movilitas Cloud Kft	Budapest	310,264	89,529	7,293	220,735	286,898	1,370	94
Movilitas Cloud Bv	Perk	1,549,438	1,044,947	18,550	504,491	2,048,012	89,889	94
Industries Excellence India Llp	New Delhi	725,743	290,446	79,506	435,297	1,968,552	164,853	94
Industries Excellence Ltd	London	725,359	212,109	121	513,250	1,205,337	112,198	94
Industries Excellence GmbH	Mannheim	14,439,829	5,096,928	50,000	9,342,901	18,354,558	963,752	94
Naxxos BV	Brussels	1,775,312	11,247	2,702,440	1,764,066	(1,471)	16,098	94
Industries Excellence Bv	Perk	2,999,912	2,247,817	1,661,706	752,095	4,512,765	(155,183)	94
In Valmalenco S.B. S.r.l.	Rome	1,325,174	1,159,776	95,000	165,398	33,360	(68,957)	60
Atlantic Technologies Europe Ltd	London	370,188	184,515	1,206	185,673	751,200	947,676	100
Parma Valore Comune S.c.a.r.l.	Parma	3,979,617	4,013,310	3,250	(33,694)	4,096,491	(28,369)	46
Napoli Obiettivo Valore S.r.l.	Rome	19,762,358	18,136,865	1,387,062	1,625,493	6,641,139	524,153	100
Extra Red S.r.L.	Pontedera	10,262,620	7,475,036	17,386	2,787,584	11,052,468	1,615,250	100
Engineering Albania Shpk	Tirana	2,722,973	2,706,647	1	16,326	2,436,068	15,897	100
Industries Excellence Canada (Canadian Branch)	Toronto	5,174,989	4,934,984	0	240,006	2,562,726	(86,764)	94
Iquii S.r.l.	Rome	5,628,608	5,612,697	10,000	15,910	3,829,728	(593,401)	100
Quantum Leap S.r.l.	Rome	946,014	894,468	21,276	51,547	510,791	(45,635)	60
Synapsy S.r.l.	Milan	5,707,988	3,789,417	10,000	1,918,571	10,717,999	727,990	51
Be Shaping the Future Management Consulting Ltd	London	6,023,573	2,407,596	110,827	3,615,977	10,321,342	(8,705)	100
Crispy Bacon S.r.l	Bassano del Grappa	4,539,641	2,414,247	12,000	2,125,394	6,993,750	83,180	51
Crispy Bacon Shpk	Tirana	407,522	305,675	102	101,847	553,132	58,533	46
Be Shaping The Future A.g.	Pfäffikon	816,007	144,188	106,247	671,820	510,458	19,293	100
Firstwaters GmbH	Aschaffenburg	10,325,895	3,453,818	40,000	6,872,077	17,680,807	2,752,960	86
Firstwaters GmbH	Vienna	708,836	84,061	125,000	624,774	737,160	26,183	86
Be Shaping The Future Management Con-sulting S.L. (Paystrat)	Madrid	130,093	350,453	23,000	(220,360)	144,079	(248,140)	100
Paystrat Solutions S.L. (Pyngo)	Madrid	12,728	54	10,265	12,674	0	(872)	65
Be Shaping The Future Management Cons. A.g. (former Soranus Ag)	Zurich	2,742,632	948,985	106,247	1,793,646	4,576,025	128,746	70
Be Shaping The Future Czech Republic S.R.O.	Prague	732,607	303,110	3,971	429,497	2,142,983	188,996	100
Be Think Solve Execute Ro s.r.l.	Bucharest	11,316,119	2,397,992	4,423	8,918,127	20,098,373	2,599,849	100
Be Shaping the Future GmbH	Vienna	3,741,979	4,589,937	35,000	(847,957)	6,873,317	(761,878)	100
Be Shaping The Future Sp.Zo.O	Warsaw	11,564,239	3,529,328	233,918	8,034,910	17,693,572	839,517	100
Be Shaping The Future Performance, Transf., Digital GmbH	Munich	34,059,404	10,376,001	102,258	23,683,404	52,103,422	950,370	100
Be Ukraine Think, Solve, Execute Llc	Kiev	853,085	555,372	460	297,713	1,200,411	86,557	100
Be Shaping The Future S.A.R.L.	Luxembourg	1,524,749	1,163,486	12,000	361,263	5,681,703	124,615	100
Smart Land Sud Ovest Milano S.r.l.	Milan	14,005	217	16,250	13,788	0	(2,462)	60
Smart Land CM Calore Salerinitano S.r.l.	Milan	n,d,	n,d,	n,d,	n,d,	n,d,	n,d,	60
Smart Land Saronnese S.r.l.	Salerno	n,d,	n,d,	n,d,	n,d,	n,d,	n,d,	60
Smart Land Area Saviglianese S.r.l.	Saronno	n,d,	n,d,	n,d,	n,d,	n,d,	n,d,	60

10 Deferred tax assets

(in euro)

Description	31.12.2024	31.12.2023
Deferred tax assets	60,393,599	58,876,214

Deferred tax assets were determined by critically assessing the existence of the conditions for future recoverability of these assets by applying the current rates (for Corporate Income Tax (IRES) 24%, and for Regional Income Tax (IRAP) according to regional competence) on the items listed in the table below:

(in euro)

Description	31.12.2024		31.12.2023	
	Amount of temporary differences	Tax effect	Amount of temporary differences	Tax effect
Interest expense Surplus not transferred - Tax consolidation	99,146,213	23,795,091	81,814,142	19,635,394
Allocation to other provisions and charges	1,237,560	297,014	1,428,000	342,720
Property, Plant and Equipment - IAS depreciation	7,838,235	1,881,204	7,839,498	1,884,539
Other current liabilities - Directors' fees	436,331	104,720	346,233	83,096
Doubtful debt provision	32,211,976	7,730,874	39,239,884	9,417,572
Provision for risks	23,624,563	6,574,541	19,548,159	5,432,956
Tax losses	53,716,362	12,891,927	56,304,282	13,513,028
Adjustments for IAS 19	16,236,144	3,896,675	21,814,895	5,235,575
Goodwill, exemptions pursuant to Law Decree 104/2020	11,280,120	3,147,153	11,525,340	3,215,570
Other	310,000	74,401	482,352	115,764
Total	**246,037,505**	**60,393,599**	**240,342,785**	**58,876,214**

The following table provides details of deferred tax assets.

(in euro)

Description	Doubtful debt provision	Goodwill, exemp-tions pursuant to Law Decree 104/2020	Adjustments for IFRS 19	Other temporary differences	Total
Balance as of 01.01.2023	**12,650,441**	**3,283,987**	**4,861,269**	**4,783,097**	**25,578,794**
Change from merger	84,166	0	0	17,214,558	17,298,724
Impact on the Income Statement	(3,317,036)	(68,416)	0	19,009,843	15,624,391
Impact on the Comprehensive Income Statement	0	0	374,305	0	374,305
Balance as of 12.31.2023	**9,417,572**	**3,215,570**	**5,235,574**	**41,007,498**	**58,876,214**
Change from merger	42,399	0	192,144	5,158,243	5,392,786
Impact on the Income Statement	(1,729,097)	(68,416)	0	(546,844)	(2,344,357)
Impact on the Comprehensive Income Statement	0	0	(1,531,044)	0	(1,531,044)
Balance as of 12.31.2024	**7,730,874**	**3,147,154**	**3,896,674**	**45,618,897**	**60,393,599**

As of December 31, 2024, deferred tax assets were recognised on residual previous tax losses, considering all the conditions for their recognition, i.e. a going concern assumption of their probable future recovery, estimated over the explicit plan 2025-2029.

With regard to non-deductible interest expense, deferred tax assets were recognised only on the portion transferable to the consolidation.

During the financial year under review, deferred tax assets of Euro 4 million were released on additional surplus interest expense recognised in previous financial years on the basis on the basis of the updated tax forecasts provided for within the recoverability plan 2025-2029 of these surpluses .

As of December 31, 2024, total deferred tax assets not recognised on additional surplus interest expense amounted to Euro 37.7

million, of which Euro 20.8 million relating to the 2024 financial year and Euro 16.9 million relating to previous financial years, of which Euro 7.5 million attributable to the company Overlord Bidco S.p.A. merged during the period under review.

11 Other non-current assets

(in euro)

Description	12.31.2024	12.31.2023
Other non-current assets	11,439,441	4,985,099

The balance is broken down as follows:

(in euro)

Description	12.31.2024	12.31.2023
Investments in other companies	11,439,441	4,985,099
Total	**11,439,441**	**4,985,099**

a) Investments in other companies

Investments in other companies are shown hereunder:

(in euro)

Description	Value as of 12.31.2023	Increase	Decrease	Value as of 12.31.2024
B.ca Popolare Di Credito e Servizi	7,747			7,747
B.Ca Cred. Cooperativo Roma	1,033			1,033
Tecnoalimenti S.C.P.A.	65,832			65,832
Dhitech Distretto Tecnologico High-Tech S.C.A.R.L.	237,404			237,404
Distretto Tecnol.Micro E Nanosistemi Scrl	34,683			34,683
Wimatica S.C.A.R.L.	6,000			6,000
Consorzio Cefriel	191,595			191,595
Consorzio Abi Lab	1,000			1,000
Partecipazione Ce.R.T.A.	360			360
Consorzio Arechi Ricerca	5,000			5,000
EHEALTHNET SCARL	10,800			10,800
DISTRETTO TECNOLOGICO CAMPANIA BIOSCIENCE SCARL	20,000			20,000
CAF ITALIA 2000 S.r.l	260			260
M2Q Scarl	3,000			3,000
sedApta S.R.L	750,000		(750,000)	-
ISTELLA S.R.L.	1,000,000			1,000,000
PALANTIR DIGITAL MEDIA SRL	500			500
DITECFER S.c.ar.l.	3,000			3,000
SIIT S.C.P.A	30,963		(6,000)	24,963
FONDAZ. I.T.S. M. GAET.AG. INNNOV. ACADEMY	10,000			10,000
AGRITECH CENTRO NAZ. RICERCA PER LE TECN. AGRIC.	50,000			50,000
FONDAZIONE CENTRO NAZIONALE DI RICERCA IN HIGH P.	250,000			250,000
FONDAZ. ICT CAMPUS ITS ACADEMY	12,000			12,000
FONDAZIONE NEST	35,000			35,000
FONDAZIONE HEAL ITALIA	20,000			20,000
FONDAZIONE RETURN	20,000			20,000
FONDAZIONE CHANGES	10,000			10,000
FONDAZIONE DARE	25,000			25,000
SPV PNT Italia S.r.l.	2,150,880	7,210,342		9,361,222
Seta S.R.L.	33,041			33,041
Total	**4,985,099**	**7,210,342**	**(756,000)**	**11,439,441**

With reference to the increase in the equity investment in SVP PNT Italia S.r.l. of Euro 7.2 million, it should be noted that this is a jointly controlled equity investment. This is a SPV company and operates in the telemedicine sector. In this regard, it should be noted that even in the presence of an equity investment of more than 50% of the share capital, control is exercised jointly on the basis of the company's governance rules.

The decrease in the equity investment in Sedapta S.r.L. is attributable to the sale of the equity investment.

12 Non-current financial assets

(in euro)

Description	12.31.2024	12.31.2023
Non-current financial assets	765,650	284,355,832

The item includes the recognition of the fair value of assets related to the exercise of options to purchase non-controlling interests and various financial receivables.
The decrease compared to the previous year is due to the merger by incorporation into Engineering Ingegneria Informatica S.p.A. of the subsidiary Overlord Bidco S.p.A. , from which the company claimed financial receivables.

C) CURRENT ASSETS

13 Customer contract assets

(in euro)

Description	12.31.2024	12.31.2023
Customer contract assets	174,866,963	175,392,630

Customer contract assets, recorded net of the doubtful debt provision of Euro 7.5 million, underwent the following changes:

(in euro)

Description	12.31.2024	12.31.2023
Initial customer contract assets	175,392,630	165,827,452
Initial change from merger	1,698,361	373,015
Adjustments and changes in customer contract assets	1,183,143	(1,253,912)
Amounts of costs incurred increased by profits recorded based on the completion percentage, net of losses	488,861,861	539,261,627
Invoicing actual progress in customer contract assets	(492,269,032)	(528,815,552)
Total	**174,866,963**	**175,392,630**

Customer contract assets represent ongoing projects relating to long-term contracts and include, inter alia, adjustments for projects for which critical issues have emerged in terms of feasibility of the value; the relevant amount representing the best estimate based on information in our possession.
The Company also applies the simplified approach of IFRS 9 to measure the expected credit loss on trade receivables and customer contract assets. Customer contact assets refer to invoices to be issued for contracts in progress and have substantially the same risk characteristics as trade receivables for the same type of contracts. The Company has therefore concluded that the expected credit loss for trade receivables represents a reasonable approximation of the losses on customer contract assets. The allocation for the period related to ECL is included under item "Adjustments and changes in customer contracts assets".
There were no significant changes in the contractual conditions and the Company was not subject to penalties for non-fulfilment of contractual obligations or withdrawal by customers.
For further information on the ways to calculate the ECL, reference is made to the following paragraph "Trade receivables".

14 Deferred contract costs

(in euro)

Description	12.31.2024	12.31.2023
Deferred contract costs	13,139,742	4,338,592

During the year 2024, the Company recognised deferred contract costs related to the fulfilment of contracts, represented by the

so-called transition costs (Euro 11.6 million). These are costs that are directly associated with the performance of the services offered and, in particular, refer to the costs incurred for the taking over of orders that will have benefits over their duration (*transition cost*).
The portions of cost pertaining to 2024, recognised in the income statement in the period, were determined on the basis of the ratio between the revenues accrued for the activities carried out at the reporting date and the total estimated revenues until the end of the contracts. These costs amounted to Euro 2.8 million.

The increase is due to the acquisition of a number of contracts in the Finance and Public Administration area that required a particularly significant initial effort.

Total deferred costs, equal to Euro 13.1 million, will be released in the income statement in the amount of Euro 2.0 million within one year, and Euro 11.1 million after one year.

15 Trade receivables

The book value of trade receivables and other receivables is shown at amortised cost and the value approximates the fair value. The value refers to receivables from banking institutes, utilities, industry, services, public administration and companies operating in the telecommunications market.

(in euro)

Description	12.31.2024	12.31.2023 Restated
Trade Receivables	305,809,441	288,096,577

Trade receivables as of December 31, 2024 are broken down as follows:

(in euro)

Description	12.31.2024	12.31.2023 Restated
Customers	222,214,782	210,306,467
Subsidiaries	83,033,141	77,036,775
Associated companies	552,504	552,504
Parent companies	0	197,776
Others	9,014	3,055
Total	**305,809,441**	**288,096,577**

a) Customers

(importi in euro)

Descrizione	12.31.2024	12.31.2023
Crediti per fatture emesse	161,252,784	159,588,542
Crediti per fatture da emettere	73,013,208	68,465,736
Note credito da emettere a clienti	(1,737,363)	(1,237,626)
Fondo svalutazioni crediti	(9,700,372)	(16,261,028)
Fondo svalutazioni per interessi di mora	(870,283)	(870,283)
Altri	256,807	621,126
Totale	**222,214,782**	**210,306,467**

It is noted that in 2024 the Company transferred through factoring trade receivables for the total amount of Euro 795.5 million (Euro 814.1 million in 2023). The transfer was non-recourse, so risks and benefits related to receivables were transferred to the transferee; receivables were therefore derecognised from the Assets in the Statement of Financial Position, according to the consideration received by factoring companies.

The closing balance of the doubtful debt provision for trade receivables is reconciled with the opening balance as shown below:

(in euro)

Trade Receivables	12.31.2024
Doubtful debt provision as of 2023	(16,261,028)
Change from merger	(37,715)
Provision for the period	(5,274,870)
Decrease in the period	11,873,242
Doubtful debt provision as of 12.31.2024	**(9,700,372)**

However, there are currently no risks of irrecoverability, except for the portion covered by the doubtful debt provision, which is allocated after each customer is assessed individually.

The Company applies the simplified approach of IFRS 9 to measure the *expected credit loss ("ECL")* on all trade receivables and customer contract assets.

As already indicated in the paragraph "Use of estimates and assumptions", in 2024, the Company updated the estimation model relating to the calculation of the expected credit loss, which supports the specific provisions. In particular, on the basis of the historical series recorded, write-down percentages have been defined for overdue credit. These percentages are applied to the ageing brackets regardless of the type of customer and/or segment and are calculated automatically on a monthly basis on the loan portfolio open at that date.

According to the model described above, it is specified that the doubtful debt provision as of December 31, 2024 includes the expected credit loss for a total of Euro 4.2 million.

Information on credit risk in respect of total Customer contract assets and Trade receivables from third parties is provided in the table below.

The diversification of the sectors in which the Company's customers operate (Public Administration, Finance, Health, Industry, Transportation, Telco & Media, Energy & Utilities) constitutes an element mitigating the potential risk of credit solvency.
It should be noted, for the sole purpose of clarity, that the amounts overdue relate exclusively to invoices issued and not to the other categories of receivables.
The value as of December 31, 2023 was restated for comparative purposes following the reclassification of some accounts.

(in euro)

Customer contract assets, Trade receivables from third parties	Not expired	Days falling due					Total as of 12.31.2024
		30	60	90	120	over 120	
Public Administration	95,587,286	1,082,684	1,509,575	1,301,826	996,442	3,809,777	104,287,590
Health	113,801,763	1,637,081	588,299	30,537	207,464	1,972,150	118,237,294
Finance	56,230,379	483,587	432,840	77,192	50,704	814,787	58,089,488
Industry & Services	34,676,669	1,050,317	1,902,335	417,537	109,001	3,013,034	41,168,893
Energy & Utilities	33,229,761	1,758,120	1,148,198	0	489,790	35,029	36,660,898
Telco & Media	20,161,713	766,041	19,808	6,337	0	100,114	21,054,012
Total net receivables	**353,687,571**	**6,777,830**	**5,601,054**	**1,833,429**	**1,853,401**	**9,744,890**	**379,498,175**
ECL rate	0.20%	0.92%	2.00%	2.36%	6.99%	24.04%	1.09%
of which: Doubtful debt provision - Expected credit loss	719,580	62,625	114,442	44,375	139,361	3,084,635	4,165,018

Total net receivables of Euro 379.5 million represent trade receivables and customer contract assets from third parties. Therefore, trade receivables and customer contract assets from subsidiaries, parent companies and associated companies of Euro 83.6 million and Euro 17.6 million, respectively, are not included.

In addition to the expected credit loss provision indicated above, there are specific provisions for an amount of Euro 13.9 million. Therefore, the total net receivables as of December 31, 2024 is shown net of the total doubtful debt provision of Euro 18.0 million.

(in euro)

Customer contract assets, Trade receivables from third parties	Not expired	Days falling due					Total as of 12.31.2023 Restated
		30	60	90	120	over 120	
Public Administration	119,235,859	620,932	2,568,866	1,385,214	1,879,158	4,689,861	130,379,891
Health	62,302,722	1,171,303	2,008,800	485,934	312,968	1,825,486	68,107,212
Finance	36,672,265	1,818,704	227,768	218,015	201,805	2,964,190	42,102,747
Industry & Services	43,630,022	3,720,979	1,180,217	2,146,811	545,585	5,771,530	56,995,144
Energy & Utilities	50,071,458	1,637,725	549,012	647,932	1,221,945	918,005	55,046,077
Telco & Media	20,363,341	820,339	97	704	18,307	284,226	21,487,014
Total net receivables	**332,275,668**	**9,789,982**	**6,534,758**	**4,884,611**	**4,179,769**	**16,453,297**	**374,118,085**
ECL rate	0.29%	1.00%	2.00%	5.00%	7.00%	22.12%	1.69%
of which: Doubtful debt provision - Expected credit loss	957,115	98,609	133,362	257,085	314,606	4,673,502	6,434,279

Total net receivables of Euro 374.1 million represent trade receivables and customer contract assets from third parties. Therefore, trade receivables and customer contract assets from subsidiaries, parent companies and associated companies of Euro 77.8 million and Euro 11.6 million, respectively, are not included.

b) Subsidiaries

These receivables can be broken down as follows:

(in euro)

Description	12.31.2024	12.31.2023
Receivables on invoices issued	37,302,217	41,585,043
Invoices to be issued	69,935,929	59,459,342
Doubtful debt provision	(25,004,786)	(24,934,053)
Credit notes to be issued	(26,675)	(26,675)
Others	826,456	953,118
Total	**83,033,141**	**77,036,775**

For further details on receivables from subsidiaries, reference should be made to the section herein "Transactions with related parties", which lists the subsidiaries and the related receivables by kind and amount.

Receivables from subsidiaries include the exposure as of December 31, 2024 to Sicilia e Servizi Venture S.c.a.r.l. in liquidation ("SISEV") of Euro 49.7 million (of which Euro 9.0 million of customer contract assets) which, net of the related allowance for doubtful accounts of Euro 25.0 million, amounted to Euro 24.7 million. These receivables resulted from the IT activities connected with the building of an integrated IT platform for the Sicilian Region Administration within specifications and provisions set out in the convention signed between the Sicilian Region Administration, Sicilia Digitale S.p.A. (former Sicilia E-Servizi S.p.A.) and Sicilia e Servizi Venture S.c.a.r.l. in liquidation on May 21, 2007. The convention expired on December 22, 2013.

Given the non-payments of Società Mista Sicilia e-Servizi S.p.A., now Sicilia Digitale S.p.A. ("Sicilia Digitale"), on June26, 2013, Sicilia e-Servizi Venture S.c.a.r.l. ("SISEV") filed a petition for a payment order before the Court of Palermo against Sicilia Digitale and obtained the payment order for Euro 30,052 thousand (in addition to interests, expenses and remunerations of the proceeding, VAT and CPA).

As regards the judgement of opposition to said payment order, filed by Sicilia Digitale, the competent Judge ordered office technical experts to evaluate, inter alia, the actual services rendered by SISEV in favour of Sicilia Digitale. With judgement of August 30, 2018, the Judge, based on the assessments of the technical expertise, sentenced Sicilia Digitale to the payment, in favour of SISEV, of Euro 19,509 thousand, in addition to interest. In this context, Sicilia Digitale S.p.A. first filed an appeal against the judgement and then requested an indictment due to the ongoing negotiations. On June 12, 2019, the Company and Sicilia Digitale S.p.A. reached an agreement providing for the transfer of the entire amount of the payment order to the shareholders of Sicilia e Servizi Venture S.c.a r.l. in liquidation ("Shareholders") and the signing of a transaction between the latter and Sicilia

Digitale S.p.A. for (*i*) the recognition of the total amount of Euro 19,508 thousand, (*ii*) the waiver of the interest on arrears and (*iii*) the definition of a repayment plan for the receivable transacted. The Liquidator informs that, due to the failure of Sicilia Digitale S.p.A. to comply with said repayment plan, the Shareholders have ordered the dissolution of the aforementioned transaction. Moreover, in 2022, the Region paid the remaining amounts due following the enforcement proceedings initiated by the Shareholders as transferees of the receivable, which were followed by judgements of opposition of Sicilia Digitale S.p.A. The additional actions relating to the amount subject to the transaction involve the Shareholders as transferees of the receivable. In a judgement notified on October 31, 2024, the Court of Appeal almost upheld the first judgement, albeit on different assumptions from those examined by the Court of First Instance, recognising a receivable of Euro 19,060,275 to SISEV.
Moreover, as regards the involvement of the Sicilian Region Administration in these proceedings, the judgement of the Court of Appeal (i) annulled the judgement of the Court of First Instance only as regards the claims against the Sicilian Region Administration, on the ground that the Court of First Instance had failed to comply with the obligation to grant an extension of the deadline for renewing the summons and proper establishment of a cross-examination, and (ii) referred back to the Court of First Instance only the settlement of the claims brought by SISEV and Sicilia Digitale SpA against the Sicilian Region Administration.
On January 31, 2025, in compliance with the terms indicated by the judgement of the Court of Appeal, SISEV resumed the proceedings before the Court. In addition to what has just been described, on February 18, 2016, SISEV sent a writ of summons for Sicilia Digitale and the Sicilian Region Administration to obtain the payment of further receivables (around Euro 79.7 million, including the works recognised in the financial statements and to complete the amount already requested with an appeal for a payment order), which were not the object of the first proceeding. Both the defendants, namely the Sicilian Region Administration and Sicilia Digitale, appeared and alleged several exceptions. In response to this claim, the Sicilian Region Administration and Sicilia Digitale S.p.A. appeared in court raising objections such as, among other things, the nullity of the service contracts and related orders, as well as a claim for damages totalling Euro 95,643 thousand. The competent Judge ordered a technical expertise at the outcome of which the office technical expert (i) highlighted a receivable assessed from SISEV for only Euro 4.2 million against a claim of Euro 79.7 million and (ii) provided the Judge, as a possible alternative assessment criterion, with a second calculation certifying a total receivable of Euro 26.2 million from SISEV. Considering the report to be seriously omissive and erroneous, SISEV filed a new request for the renewal of the technical expertise. The request was rejected by the Judge.
On September 4, 2020, the Civil Court of Palermo issued judgement no. 3343/2020, rejecting in full (i) the judicial claim proposed by SISEV, therefore excluding the existence of any receivable from the defendants and (ii) all the counterclaims brought by the defendants.

With writ of summons served on November 23, 2020, SISEV challenged judgement no. 3343/2020 before the Court of Appeal of Palermo. The first hearing was held on March 19, 2021; lifting the reserve assumed in said hearing, the Judge adjourned the hearing to October 21, 2022 and then to January 12, 2024 for the specification of the conclusions, reserving the right to make any decision on the request for the renewal of the technical expertise to an overall examination of merit. The hearing for the specification of the conclusions was postponed to November 22, 2024 and then to July 4, 2025, as by official rule.

Please note that, as part of the proceedings, no specific critical issues or formal claims related to the correct execution of services and good quality of products delivered by SISEV were highlighted by Sicilia Digitale S.p.A. and/or the Sicilian Region Administration. Moreover, the above-mentioned claims do not seem suited to stop the aggregate claims of SISEV.

In light of the above, also following the assessment of the external lawyer appointed, it is believed that the outcome of the appeal may be positive, except for the determination on appeal of the actual receivables of SISEV.

The Liquidator, considering the legitimacy of the credit lines and the correct performance of the services rendered, and assessing the appraisal delivered by the office technical experts, within the first instance procedure, as seriously omissive and erroneous, stated, also based on the opinion of the lawyer in charge, that SISEV receivables due from Sicilia Digitale S.p.A. are collectable. Moreover, the above-mentioned claims do not seem *prima facie* suited to stop the aggregate claims of SISEV.
In any case, considering the continuous change of institutional counterparts and the legal dispute underway, considering the above-mentioned claims filed by Sicilia Digitale S.p.A. and the Sicilian Region Administration, having regard, also, to the rationale of the said settlement reached between its Shareholders and Sicilia Digitale S.p.A., as of December 31, 2024 SISEV recognised the statutory interest pertaining to the period considered (Euro 9 million) in the income statement under financial income, in addition to the amount already recognised until December 31, 2023 (for a total amount of Euro 69.5 million), and accrued an allocation to doubtful debt provision for interest on arrears amounting to Euro 9 million, in addition to the previous year's provision, for a total doubtful debt provision of Euro 108.4 million, which includes the total impairment of the statutory interest shown above and recognised in the financial statements and, for the remaining portion, the write-down of the nominal value of the receivable and

Euro 2.9 million in Customer contract assets.

c) Receivables from associated companies

(in euro)

Description	12.31.2024	12.31.2023
Receivables on invoices issued	552,504	552,504
Total	**552,504**	**552,504**

d) Parent companies

(in euro)

Description	12.31.2024	12.31.2023
Others	0	197,776
Total	**0**	**197,776**

e) Others

(in euro)

Description	12.31.2024	12.31.2023 Restated
Others	9,014	3,055
Total	**9,014**	**3,055**

16 Other current assets

(in euro)

Description	12.31.2024	12.31.2023 Restated
Other current assets	62,006,053	68,646,701

Other current assets are broken down as follows:

(in euro)

Description	12.31.2024	12.31.2023 Restated
Other assets and tax receivables	5,673,897	12,773,724
Others	56,332,156	55,872,977
Total	**62,006,053**	**68,646,701**

a) Other assets and tax receivables

The item is broken down as follows:

(n euro)

Description	12.31.2024	12.31.2023
Tax receivables	5,291,462	12,409,146
Social security institutions	382,435	364,578
Total	**5,673,897**	**12,773,724**

Tax receivables mainly include the following:

- Euro 0.5 million relating to the advance for IRES;
- Euro 1.1 million relating to the advance for IRAP;
- Euro 0.8 million relating to receivables for taxes paid abroad;

- Euro 2.2 million in tax refunds receivable.

b) Others

The item "Others" mainly includes:

(in euro)

Description	12.31.2024	12.31.2023 Restated
Applied research grants	22,568,051	30,433,336
Prepaid expenses	21,286,955	13,525,069
Receivables for tax consolidation with related parties	8,552,297	9,884,757
Others	3,924,854	2,029,814
Total	**56,332,156**	**55,872,977**

Receivables from applied research related to projects financed by national public entities or by the European Union.
The item "Prepaid expenses" refers to advances for fee-based activities mainly related to software package maintenance, rentals, sureties and insurance.

The item “Receivables for tax consolidation with related parties” includes the receivable of the Company from the company Centurion Newco S.p.A. having joined the national tax consolidation with the same.

The item "Others" mainly includes advances on sureties paid as representatives on behalf of other members of the Temporary Company Consortium.

17 Current financial assets

(in euro)

Description	12.31.2024	12.31.2023
Current financial assets	88,686,177	284,377,629

(in euro)

Description	12.31.2024	12.31.2023
Subsidiaries	88,686,177	284,377,629
Total	**88,686,177**	**284,377,629**

Receivables from subsidiary companies are mainly attributable for Euro 44.2 million to short-term loans granted to group companies and for Euro 44.5 million euro to receivables from cash pooling. The change is mainly due to the receivable that the company claimed from the subsidiary Overlord Bidco S.p.A., which was merged by incorporation into Engineering Ingegneria Informatica S.p.A. during the financial year under review.

18 Cash and cash equivalents

(in euro)

Description	12.31.2024	12.31.2023
Cash and cash equivalents	136,523,076	152,565,746

The balance includes cash and cash equivalents and bank and postal current accounts. Bank and postal deposits are remunerated at interest rates in line with the market.

Cash and cash equivalents consist of the following:

(in euro)

Description	12.31.2024	12.31.2023
Banks	136,520,079	152,558,607
Cash	2,996	7,139
Total	**136,523,076**	**152,565,746**

For further information, please refer to the Cash Flow Statement present in these financial statements.

D) SHAREHOLDERS' EQUITY

19 Information on Shareholders' Equity

(in euro)

Description	12.31.2024	12.31.2023
Shareholders' Equity	377,170,909	528,794,712

All changes are shown in the table below:

(in euro)

Shareholders' Equity	12.31.2024	12.31.2023
Share capital	34,095,537	34,095,537
Total Share capital	**34,095,537**	**34,095,537**
Legal reserve	6,825,000	6,825,000
Share premium reserve	30,650,262	30,650,262
Other reserves	525,184,862	526,504,862
Total reserves	**562,660,124**	**563,980,124**
Prior years' undistributed profits/(losses)	(89,422,992)	53,612,561
IAS 19 actuarial gains/(losses)	(12,342,014)	(16,598,352)
Retained earnings/(Losses carried forward)	**(101,765,006)**	**37,014,209**
Profit/(loss) for the year	**(117,819,746)**	**(106,295,158)**
Total Shareholders' Equity	**377,170,909**	**528,794,712**

20 Share capital

The subscribed and fully paid-up share capital is Euro 34,095,537, divided into 13,003,677 shares each without nominal value.

21 Reserves

In relation to the possible utilisation and distribution of reserves, the following should be noted:

- **Legal reserve:**
  The legal reserve of Euro 6,825,000 is available for the covering of losses but is not distributable.

- **Share premium reserve:**
  The share premium reserve, amounting to Euro 30,650,262, is available and distributable, after covering negative reserves.

- **Other reserves equal to Euro 525,184,862 relate to:**
  - **Exemption reserve under Italian Law Decree 104/2020:**
    equal to Euro 471,414,528 was established in 2021 following the application of the realignment procedure for all differences in the financial statements as of December 31, 2019 resulting from Schedule RV of the corporate tax return form UNICO SC, and in particular with regard to trademarks, goodwill and other intangible assets, as provided for in Italian Law Decree no. 104 of August 14, 2020 ("August Decree"), converted into Italian Law No. 126 of October 13, 2020, (Article 110, paragraph 8), and 2021 Budget Law - Italian Law No. 178 of December 30, 2020 (Article 1, paragraph 83).

The reserve is neither available nor distributable.

- **Reserve for future share capital increase**
  of Euro 53,770,334 attributable to the payment for future share capital increase by the parent company Centurion Bidco S.p.A., which took place in 2022.

22 Retained earnings/(Losses carried forward)

Retained earnings/(Losses carried forward) are equal to Euro (101,765,006) and include:

- **Prior years' profit (loss) of Euro (89,422,992)**
  - Changes in the item are as follows:
    - Decrease of Euro 106,295,158 due to the allocation of the 2023 loss
    - Decrease of Euro 38,060,395 due to the mergers by incorporation of the companies Engineering Sardegna S.r.L., Overlord Bidco S.p.A., F.D.L. S.r.L. and Webresult S.r.L.
    - Increase of Euro 1,320,000 following the reclassification of other reserves, previously restricted and now available and distributable.

- **IAS 19 actuarial gains/(losses) amounting to Euro (12,342,014)**
  - Changes in the item are as follows:
    - decrease of Euro 4,848,306 due to the actuarial gain net of deferred taxes
    - increase of Euro 591,968 due to the recovery of the balances of the companies merged by incorporation.

E) NON-CURRENT LIABILITIES

23 Non-current financial liabilities

(in euro)

Description	12.31.2024	12.31.2023
Non-current financial liabilities	1,444,651,193	1,286,113,528

Non-current financial liabilities relate to "Bank loans" and "Other non-current financial liabilities".

(in euro)

Description	12.31.2024	12.31.2023
Bank loans	375,678,178	322,996,300
Other non-current financial liabilities	1,068,973,016	963,117,228
Total	**1,444,651,193**	**1,286,113,528**

Total current and non-current Bank loans as of December 31, 2024 are broken down as follows:

(in euro)

Lender	Year of maturity	Interest rate	Total	Within 1 year	Over 1 year	of which:				
						From 12 to 24 months	From 24 to 36 months	From 36 to 48 months	From 48 to 60 months	after 5 years
BAPP-LTL-2 - BANCO-BPM-10-M	2025	0,008 plus Euribor 3MMMP	2,623,896	2,623,896	0	0	0	0	0	0
BAPP-LTL-3 - BIDCO_EII 08.10	2026	0,05 plus Euribor 6M 360	38,101,007	0	38,101,007	38,101,007	0	0	0	0
MISE-LTL-1 - MISE-FINDUSTRY	2029	0,0018	1,214,592	242,045	972,547	242,481	242,918	243,355	243,793	0
MISE-LTL-2 - MISE_MCC-SUMMIT	2028	0,0017	227,838	64,958	162,879	65,069	65,179	32,631	0	0
MISE-LTL-3 - MISE_PROTECTID	2029	0,0018	645,481	128,632	516,849	128,864	129,096	129,328	129,561	0
MISE-LTL-4 - MISE_SCREAM	2031	0,0013	303,046	46,456	256,590	46,516	46,577	46,637	46,698	70,161
GEBA-RCF-1	2025	0,05868	20,000,000	20,000,000	0	0	0	0	0	0
GEBA-RCF-1	2025	0,05775	20,000,000	20,000,000	0	0	0	0	0	0
NEWC-PIK-1	2028	0,13	335,668,305	0	335,668,305	0	0	335,668,305	0	0
			418,784,165	**43,105,987**	**375,678,178**	**38,583,937**	**483,770**	**336,120,257**	**420,053**	**70,161**

Bank loans amounted to Euro 418.8 million including amortised cost, of which Euro 375.7 million is due after one year and Euro 43.1 million is due within one year, the latter classified as current financial liabilities.

Some information and characteristics of the existing loans, disclosed at the value initially granted, are shown hereunder:

- Loans by BNP Paribas amount to a total of Euro 40 million, consisting of no. 02 RCF of Euro 20 million each.

- Loans disbursed by Banco BPM:
  - on October 8, 2020 for Euro 38.4 million and a duration of six years;
  - on December 22, 2021 for Euro 10 million and duration of four years;

- The loans granted by MISE (Summit, Findustry, ProtectID and Scream) are at a subsidised fixed rate and are linked to the implementation of research and technological development projects. The Summit loan was disbursed on October 23, 2019, Findustry on June 3, 2021. In addition to these, there are those disbursed in the first half year of 2023: the Protect ID loan had a first disbursement on February 10, 2023 and finally the Scream loan had a first disbursement on March 14, 2023.

- PIK loan of Euro 266 million granted by the parent company Centurion NewCo S.p.A. on July 22, 2020 with a duration of 8 years, amended in February 2025 as described in more detail in the paragraph "Events occurring after December 31, 2024".

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

(in euro)

Description	12.31.2024	12.31.2023
Financial instruments	1,068,857,266	963,001,478
Security deposits	115,750	115,750
Total	**1,068,973,016**	**963,117,228**

The breakdown of the item “Financial instruments” including the amortised cost is shown below:

(Importi in euro)

Lender	Year of maturity	Interest rate	Over 1 year	of which: From 12 to 24 months	From 24 to 36 months	From 36 to 48 months	From 48 to 60 months	after 5 years
Eng.Ing.Inf. 30.09.2026 (XS2241098909)	2026	0,05875	599,946,565	599,946,565		0	0	0
Eng.Ing.Inf. 15.05.2028 Reg S (XS2620212386)	2028	0,11125	468,910,701	0		468,910,701	0	0
			1,068,857,266	**599,946,565**	**0**	**468,910,701**	**0**	**0**

Below is the information on financial instruments, shown at the granted value:

Listed fixed-rate bonds:

- on October 8, 2020 for Euro 605 million and a duration of six years;
- on May 17, 2023 for Euro 385 million, increased on May 16, 2024 by an additional Euro 100 million for a total of Euro 485 million and a duration of 5 years.

For further details, please refer to the paragraph "Events occurring after December 31, 2024".

The following table represents the movement of Financial Liabilities:

(in euro)

Description	December 2022	Cash flows: New loans - Third parties	Cash flows: Repayment of loans - Third parties	Cash flows: Reclassifica-tions	Cash flows: New loans/ Repayment of loans - Group	Non-monetary changes: Other Group changes	Non-monetary changes: Other changes	December 2023
Non-current financial liabilities	470,425,259	1,166,469	(6,752,601)	1,754,910	0	(181,303,246)	1,000,822,738	1,286,113,528
Non-current lease liabilities	120,215,163	0	0	700,744	0	0	(10,200,166)	110,715,742
Current financial liabilities	153,334,136	351,000,000	(309,500,000)	(1,754,910)	0	22,181,119	48,908,966	264,169,311
Current lease liabilities	16,092,194	0	(17,756,496)	(700,745)	0	0	17,258,543	14,893,497
Total	**760,066,752**	**352,166,469**	**(334,009,097)**	**(0)**	**(0)**	**(159,122,127)**	**1,056,790,080**	**1,675,892,077**

(in euro)

Description	December 2023	Cash flows: New loans - Third parties	Cash flows: Repayment of loans - Third parties	Cash flows: Reclassifica-tions	Cash flows: New loans/ Repayment of loans - Group	Non-monetary changes: Other Group changes	Non-monetary changes: Other changes	December 2024
Non-current financial liabilities	1,286,113,528	101,947,729	(4,862,903)	1,604,023	0	54,875,529	4,973,287	1,444,651,193
Non-current lease liabilities	110,715,742	0	0	150,899	0	0	(55,526,155)	55,340,485
Current financial liabilities	264,169,311	826,000,000	(865,922,124)	(1,604,023)	44,730,208	(18,975,035)	(16,912,115)	231,486,222
Current lease liabilities	14,893,497	0	(16,244,226)	(150,899)	0	0	16,625,494	15,123,865
Total	**1,675,892,077**	**927,947,729**	**(887,029,253)**	**0**	**44,730,208**	**35,900,494**	**(50,839,490)**	**1,746,601,765**

24 Non-current lease liabilities

(in euro)

Description	12.31.2024	12.31.2023
Non-current lease liabilities	55,340,485	110,715,742

With regard to the portion due within 12 months of lease liabilities, amounting to Euro 15.1 million, please refer to the paragraph on Current lease liabilities.
The decrease is mainly attributable to the updating of the forecast for the exercise of the existing contract renewal option for the

Rome Eur office, scheduled for 2028, and which is currently no longer considered realistic, as well as the revision of the contract for the Florence office.

The table below shows the breakdown of lease liabilities into current and non-current payables:

(in euro)

Description	Total	Within 1 year	Over 1 year	of which:				
				From 12 to 24 months	From 24 to 36 months	From 36 to 48 months	From 48 to 60 months	Over 5 years
Amounts due for finance lease (former IAS 17)	45,366	37,101	8,265	8,265	-	-	-	-
Payables for lease offices and branches	62,603,530	13,006,455	49,597,075	13,990,103	13,683,344	6,351,339	6,216,460	9,355,829
Payables for vehicle financing	7,708,989	2,077,279	5,631,710	3,090,036	1,906,560	590,408	44,704	-
Payables for hardware and software lease	106,466	3,030	103,436	79,419	22,995	1,022	-	-
Total	**70,464,350**	**15,123,865**	**55,340,485**	**17,167,823**	**15,612,900**	**6,942,769**	**6,261,165**	**9,355,829**

25 Deferred tax liabilities

Deferred tax liabilities were calculated on the following items based on current rates, 24% for IRES and, for IRAP, based on regional competence.

(in euro)

Description	12.31.2024	12.31.2023
Deferred tax liabilities	44,149,886	47,439,512

(importi in euro)

Description	12.31.2024		12.31.2023	
	Amount of temporary differences	Tax effect	Amount of temporary differences	Tax effect
Goodwill	16,499,631	4,603,397	15,770,830	4,400,062
Trademark	98,613,987	27,513,302	89,553,400	24,985,399
Other revenues - Research grants	184,564	51,493	184,564	51,493
Other income - Research grants taxed in 5 years	44,335,710	10,640,570	67,993,940	16,318,546
Property, plant and equipment / Intangible assets	1,455,675	406,133	1,564,851	436,593
Customer relationship - Allocation of goodwill	3,351,215	934,989	4,422,186	1,233,790
Other	0	0	55,083	13,630
Total	**164,440,783**	**44,149,886**	**179,544,853**	**47,439,512**

The following table shows details of the impact of deferred tax liabilities on the Income Statement:

(in euro)

Description	Trademark	Allocation of goo-dwill	R&D grants	Other temporary differences	Total
Balance as of 01.01.2023	**5,055,808**	**1,532,591**	**15,157,740**	**4,813,314**	**26,559,453**
Change from merger	17,401,687	4,955,319	0	0	22,357,006
Impact on the Income Statement	2,527,904	(5,186,690)	1,212,299	(30,460)	(1,476,947)
Balance as of 12.31.2023	**24,985,399**	**1,301,220**	**16,370,039**	**4,782,854**	**47,439,512**
Change from merger	0	0	0	147,069	147,069
Impact on the Income Statement	2,527,904	(298,801)	(5,677,976)	12,177	(3,436,695)
Balance as of 12.31.2024	**27,513,303**	**934,989**	**10,692,063**	**5,009,531**	**44,149,886**

26 Other non-current liabilities

(in euro)

Description	12.31.2024	12.31.2023
Other non-current liabilities	12,760,152	35,616,908

The item “Other non-current liabilities” mainly refers to the non-current payable of Euro 11.3 million, relating to the purchase of the technological platform to provide services as part of the Finance segment acquired in the previous year.

27 Post-employment benefits

(in euro)

Description	12.31.2024	12.31.2023
Post-employment benefits	45,661,000	53,216,203

Due to the introduction of Italian Law no. 296 of December 27, 2006 and subsequent decrees and regulations issued at the beginning of 2007, post-employment benefits from January 1, 2007 changed from a "defined benefit plan" to a "defined contribution plan" as a consequence of the application of differing accounting treatment of post-employment benefits accrued before or after December 31, 2006.
Post-employment benefits, accrued after January 1, 2007, represent a "defined contribution plan". Periodically, the Company pays post-employment benefits accrued to a separate entity (e.g. INPS and/or Fund) and with payment of the contributions it fulfils the obligation to its employees. For accounting purposes, it is included under other contributions, therefore the post-employment benefit matured is recorded as a cost in the period with the payable recognised under short-term payables.

Post-employment benefits accrued up to 31 December 2006 continue to represent a "defined benefit plan" which is more certain in terms of their existence and sum, but uncertain in terms of manifestation.
The total amount of the benefit obligation is calculated and certified on an annual basis by an independent actuary by using the "Projected Unit Credit" method.

A summary of the actuarial assumptions adopted in measuring post-employment benefits is provided below:

Financial Assumptions:

- Future annual rates of inflation were set according to the average rates of inflation in Italy in recent years, based on ISTAT data;
- future annual revaluation rates of existing provisions and subsequent payments fixed, as established by regulations in force at 75% of the inflation rate +1.50% net of statutory taxes;
- the annual discount rates were established as variable from 1.8588% to 2.9239% and were deducted adopting a rate curve combining the effective yield rates movements of the Euro Bonds of primary companies with AA rating or higher.

Demographic assumptions:

- To evaluate length of employment with the Company, the "Tavola di permanenza nella posizione di attivo" RG48 (a table for company service length prepared by the Italian Treasury Department based on data for those born in 1948) was used, selected, projected and separated by gender, supplemented with the probability of additional reasons for leaving (resignations, advances which are a financial-based cause for leaving, measurable in terms of cancellation probability, and other).

The following table show the absolute and relative changes in liabilities measured according to IAS 19 (DBO), while assuming a 10% negative or positive change in the revaluation and/or discounting rates.

(in euro)

Description		Discounting				
			-10%		100%	10%
Infla	-10%	46,006,850	837,782	45,169,068	(811,659)	44,357,409
		(506,112)	345,850	(491,932)	(1,303,591)	(478,318)
	100%	46,512,962	851,962	45,661,000	(825,274)	44,835,726
		513,724	1,365,687	499,255	(339,909)	485,365
	10%	47,026,687	866,432	46,160,255	(839,164)	45,321,091

Description		Discounting				
			-10%		100%	10%
Infla	-10%	100.76%	1.83%	98.92%	-1.78%	97.15%
		-1.11%	0.76%	-1.08%	-2.85%	-1.05%
	100%	101.87%	1.87%	100.00%	-1.81%	98.19%
		1.13%	2.99%	1.09%	-0.74%	1.06%
	10%	102.99%	1.90%	101.09%	-1.84%	99.26%

Actuarial gains and losses are recognised under Shareholders' equity on an accrual basis.

Changes are detailed below:

(in euro)

Descrizione	
Saldo al 01.01.2023	**52,849,905**
Accantonamenti del fondo	26,857,173
Importi erogati a fondi previdenziali diversi + Inps	(25,421,771)
(Utili)/Perdite attuariali	1,559,604
Benefici Pagati	(3,270,577)
TFR da acquisizione ramo d'azienda	357,602
TFR da acquisizione Infragruppo	397,703
Cessione Debito Infragruppo	(113,436)
Saldo al 12.31.2023	**53,216,203**
Variazione saldi iniziali per fusione	2,992,497
Accantonamenti del fondo	26,959,596
Importi erogati a fondi previdenziali diversi + Inps	(25,480,672)
(Utili)/Perdite attuariali	(6,379,350)
Benefici Pagati	(5,532,227)
TFR da acquisizione Infragruppo	339,814
Cessione Debito Infragruppo	(454,859)
Saldo al 12.31.2024	**45,661,000**

G) CURRENT LIABILITIES

28 Current financial liabilities

(in euro)

Description	12.31.2024	12.31.2023
Current Financial Liabilities	231,486,222	264,169,311

(in euro)

Description	12.31.2024	12.31.2023
Bank loans	99,605,987	116,210,010
Other current financial liabilities	59,987,856	101,822,096
Subsidiaries	71,892,379	30,930,541
Parent Companies	0	15,206,664
Total	**231,486,222**	**264,169,311**

"Bank loans" amounted to Euro 99.6 million, of which Euro 43.1 million relates to the short-term portion of bank loans, the details of which are shown in the table “Non-current financial liabilities” herein and Euro 56.5 million of which relates to short-term loans with a duration lower than six months.

"Other current financial liabilities" refer to:

(in euro)

Description	12.31.2024	12.31.2023
Other payables and Grants to be repaid	59,987,856	101,822,096
Total	**59,987,856**	**101,822,096**

"Other grants" refer to the following:

- Euro 29.4 million for collections received from customers for invoices transferred to factoring companies;
- Euro 30.6 million for interest to be paid for loans/bonds.

Current financial liabilities to Subsidiaries are primarily attributable to cash pooling.

29 Current lease liabilities

(in euro)

Description	12.31.2024	12.31.2023
Current lease liabilities	15,123,865	14,893,497

“Current lease liabilities” relate to the short-term portion of leases described in paragraph “Non-current financial liabilities”.

30 Current tax payables

(in euro)

Description	12.31.2024	12.31.2023
Current tax payables	4,100,000	0

The breakdown is as follows:

(in euro)

Description	12.31.2024	12.31.2023
Other tax payables	4,100,000	0
Total	**4,100,000**	**0**

The item “Other tax payables” is exclusively attributable to the allocation of the tax burden relating to the minutes report of findings notified to the company during the year under review relating to the 2018-2020 tax periods.
There were no other payables for provision for income taxes as the payments on account were greater than the payable at that date.

31 Current provisions for risks and charges

(in euro)

Description	12.31.2024	12.31.2023
Current provisions for risks and charges	16,008,589	11,955,377

(in euro)

Description	12.31.2024	12.31.2023
Provision for risks and charges	5,288,411	2,592,664
Provision for losses on projects	10,720,178	9,362,712
Total	**16,008,589**	**11,955,377**

The item “Provision for risks and charges” includes sundry risks to third parties. For 2024, there is a significant impact of provisions due to certain legal disputes.
The item "Provision for losses on projects" refers to the risks for probable future losses on some existing projects.
Provisions are the best estimate made based on the information available to us at the reporting date.
The changes in the current provisions for risks and charges during the years in question are as follows:

(in euro)

Description	
Balance as of 01.01.2023	**6,179,308**
Initial change from merger	888,637
Increase	10,527,562
Decrease	(5,640,130)
Balance as of 12.31.2023	**11,955,377**
Initial change from merger	1,345,341
Increase	11,712,079
Decrease	(9,004,208)
Balance as of 12.31.2024	**16,008,589**

It should also be noted that there are a number of pending civil and administrative disputes, both public and private, relating to the normal course of business of the Company, for which the risk of loss has been classified as "possible" by the external lawyers appointed. No provisions were made for these cases to the provision for risks and charges as of December 31, 2024 and a precise estimate of the potential economic/financial impact is not currently possible. In particular, it should be noted that a local public authority has filed a counterclaim concerning the execution of activities carried out by one of the subsidiaries as part of a temporary business association (RTI) with Engineering Ingegneria Informatica S.p.A..

32 Other current liabilities

(in euro)

Description	12.31.2024	12.31.2023
Other current liabilities	160,173,833	173,636,529

(in euro)

Description	12.31.2024	12.31.2023
Directors and Statutory Auditors	690,319	459,577
Consultants	11,109	432
Withholding taxes	126,033	147,781
Tax payables	17,649,565	12,950,843
Due to RTI partners	593,096	496,274
Social security institutions	20,630,070	20,828,038
Others	34,441,290	43,545,698
Employees	65,627,121	82,043,375
Partners for research projects	20,345,183	12,995,644
Accrued m/l loan interest	60,048	168,866
Total	**160,173,833**	**173,636,529**

The line "Others" mainly includes the short-term payable of Euro 22.6 million, relating to the purchase of the technological platform to provide services as part of the Finance segment acquired in the previous year.

The most significant changes relate to tax payables, the details of which are shown in the following table.

(in euro)

Description	12.31.2024	12.31.2023
VAT	2,525,629	12,512
Suspended VAT	431,702	607,842
IRPEF	14,692,207	12,330,463
Other	26	26
Total	**17,649,565**	**12,950,843**

33 Trade payables

(in euro)

Description	12.31.2024	12.31.2023
Trade payables	447,246,787	419,205,004

The balance is broken down as follows:

(in euro)

Description	12.31.2024	12.31.2023
Suppliers	254,890,527	255,385,025
Subsidiaries	95,888,735	87,724,062
Parent Companies	117,681	13,320
Others	96,349,844	76,082,597
Total	**447,246,787**	**419,205,004**

a) Payables due to suppliers

(in euro)

Description	12.31.2024	12.31.2023
Due to suppliers	172,775,798	177,355,038
Due to foreign suppliers	8,975,125	6,377,015
Invoices to be received	73,450,766	72,764,137
Credit notes to be received	(311,162)	(1,111,165)
Total	**254,890,527**	**255,385,025**

b) Payables due to subsidiaries

(in euro)

Description	12.31.2024	12.31.2023
Invoices to be received	51,133,107	56,297,088
Invoices received	44,517,137	31,404,663
Deferred income	238,490	22,311
Total	**95,888,735**	**87,724,062**

c) Payables due to parent companies

(in euro)

Description	12.31.2024	12.31.2023
Invoices to be received	4,272	4,272
Invoices received	113,410	9,048
Total	**117,681**	**13,320**

d) Others

(in euro)

Description	12.31.2024	12.31.2023
Advances for future work	96,349,844	76,082,597
Total	**96,349,844**	**76,082,597**

The amounts due to others relate to net advances made by customers that exceed the value of customer contract assets.

INCOME STATEMENT

A) TOTAL REVENUES

(in euro)

Description	12.31.2024	12.31.2023
Total revenues	1,078,741,859	1,053,518,743

34 Total revenues

(in euro)

Description	12.31.2024	12.31.2023
Revenues from sales and services	1,023,006,555	995,205,905
Cgs. finished products and construction contracts	(3,407,171)	10,446,075
Other revenues	59,142,476	47,866,763
Total	**1,078,741,859**	**1,053,518,743**

The Company records revenues from the fulfilment of the obligation to do both "at a point in time" and "over time", as summarised in the table below, per type of product/service:

(in euro)

Fulfilment of obligations	Type of goods and services				Total 2024
	Deliverable-based contracts	Resource-based contracts	Service-based contracts	Assistance- and maintenance- based contracts	
At a point in time			66,648,922		66,648,922
Over time	542,511,679	117,010,769		293,428,014	952,950,462
Total	**542,511,679**	**117,010,769**	**66,648,922**	**293,428,014**	**1,019,599,384**

35 Other revenues

(in euro)

Description	12.31.2024	12.31.2023
Other revenues	59,142,476	47,866,763

The breakdown of "Other revenues" is as follows:

(in euro)

Description	12.31.2024	12.31.2023
Grants	26,974,343	23,154,416
Other	12,234,608	7,772,041
Sundry revenues from subsidiaries	19,933,525	16,940,306
Total	**59,142,476**	**47,866,763**

The item "Other revenues" mainly refers to grants for research projects financed by national bodies and by the European Union, claims compensation and the charging of overheads to subsidiaries.

36 Disclosure pursuant to Article 1, paragraphs 125-129, Italian Law 124/2017

As required by Italian Law no. 124 of 2017, in relation to transparency obligations envisaged by Article 1, paragraphs 125-129, information is provided below on amounts collected over the year in relation to grants, contributions, paid assignments and economic benefits of any kind received by public administrations and/or companies directly or indirectly controlled by them.
In order to avoid the accumulation of irrelevant information, the Company has made use of the possibility of not providing information on benefits received of less than Euro 10,000 in the period considered.

(in euro)

Project title	Description	Lender	Collection date	Total
IPCEI-CIS-AVANT	"AVANT aims to develop tools for the construction of digital twins, combining standard components with customised solutions. The aim is to reduce technical debt and allow users to work in federated clouds, free from the constraints of a single provider. AVANT's solutions make the most of resources acquired from different providers, with a particular focus on ""edge"" services, which are fundamental to new services and digital twins. AVANT's goal is to create a ""cognitive"" cloud that adapts to user needs and reduces the time it takes to deploy advanced analytics and predictive resources. The ultimate goal is to develop a platform that integrates models for the analysis, simulation and planning of complex systems, with applications in strategic sectors such as public administration, smart cities, cultural heritage, manufacturing, energy and digital healthcare."	MIMIT (Ministry of Enterprises and Made in Italy)	11/21/2024	24,768,000
			Totale	**24,768,000**
BISS F3	Target detection and tracking system with non-cooperative Bistatic Sonar System: Platform for the identification and tracking of targets detected with the help of bi-static sonar sensors in non-collaborative configuration.	MINISTRY OF DEFENCE	3/14/2024	37,566
			5/29/2024	74,793
			Totale	**112,359**
C.O.S.A.	The aim of the project is to make service architectures business-oriented by extending traditional SOA in order to manage (model, negotiate, monitor) electronic contracts.	MUR (Ministry of University and Research)	12/23/2024	3,273,808
			Totale	**3,273,808**
FINDUSTRY	Study and definition of a prototype aimed at building an ecosystem of ICT services based on an Open Digital Platform for Industry 4.0. The resulting platform will provide access to open source software components and services that are certified, guaranteed and supported by FIWARE, thanks also to the creation of new tools specific to the manufacturing world.	MIMIT (Ministry of Enterprises and Made in Italy)	2/5/2024	1,070,243
			Totale	**1,070,243**
HEAL ITALIA	"The HEAL ITALIA partnership aims to create an expanded health alliance for innovative therapies, advanced laboratory research and integrated approaches to precision medicine. HEAL ITALIA is based on a multidisciplinary network of laboratories, clinical research centres and companies that share knowledge and technologies to achieve rapid results, improve the quality of healthcare services and bring our National Health Service into the modern era of Precision Medicine. National Health Service into the modern era of Precision Medicine. In this context, the HEAL ITALIA programme has been conceived with a holistic, interdisciplinary vision, combining basic and translational research with technology transfer, exploiting the technology transfer capacities of the main players in the academic, clinical and private sectors. With a One Health approach, HEAL ITALIA will enable research groups and infrastructures to meet the challenges of identifying new phenotypes, analysing the complexity of a wide range of environmental, lifestyle factors and genotypic determinants of multigenic/multifactorial diseases, and responding to the health needs of the most vulnerable populations."	MUR (Ministry of University and Research)	11/27/2024	239,930
			Totale	**239,930**
ICOSAF	Engineering is responsible for both defining a distributed data management proposal (edge vs. cloud) capable of enabling process/product quality monitoring by processing data from heterogeneous sources, and enabling Digital Services and related validation models. It also helped provide cognitive and ergonomic analysis for interaction with HMIs by defining the development of advanced HMIs and ICT system integrators.	MUR (Ministry of University and Research)	4/24/2024	70,665
			Totale	**70,665**
IDEHA	IDEHA will create an integrated platform for the preservation and promotion of cultural heritage sites.	MUR (Ministry of University and Research)	5/10/2024	116,477
			Totale	**116,477**
Inf@nzia Digitales	Innovation of educational processes by equipping classrooms with a combination of tablets and ICT laboratories that implement creative educational approaches (Maria Montessori, Bruno Munari).	MUR (Ministry of University and Research)	5/22/2024	177,428
			10/15/2024	49,017
			Totale	**226,445**
MY PasS	"MyPasS (Mobility for Passengers as a Service) Analysis and definition of the logical-functional architecture of reference for the creation of a platform for the provision of MaaS and Travel planning services."	MUR (Ministry of University and Research)	9/23/2024	531,450
				531,450

(in euro)

Project title	Description	Lender	Collection date	Total
Ok-Insaid	"OK-INSAID offers scientific, technological and application innovation in the analysis of industrial data to help redesign effective production networks and processes, using data and analysis to achieve a radical change in value creation, transforming existing production processes and business models. It will integrate and demonstrate the potential of Big Data technologies to deliver new digital services in the industrial sector. OK-INSAID recognises the potential of industrial data, which is still far from being exploited by Italian (and even EU) industry: the data are potentially available; industry is not sufficiently able to extract the (sometimes hidden) value ""inside"" it. To this end, OK-INSAID will adopt and develop cutting-edge technologies (mainly open source) and define new Data Driven methods for industrial applications. OK-INSAID proposes a new approach to industrial analytics based on coordination, synchronisation and collaboration between analytics in the cloud and at the edge. The approach will be supported by a reference architecture and a reference implementation to be employed to develop a new hybrid cloud-edge industrial analytics for Industry 4.0."	MUR (Ministry of University and Research)	11/13/2024	117,149
			Totale	**117,149**
RECITY	The ReCity solution is a social, economic and technological system built together with the community to enhance the resilience practices already in place, and to provide tools and methodologies that amplify their effectiveness and scope to provide the necessary support to the individual and the community in situations of emergency and imbalance.	MUR (Ministry of University and Research)	8/2/2024	1,116,412
			Totale	**1,116,412**
SAMOTHRACE	"The SAMOTHRACE Ecosystem for Innovation aims to build on Sicily's consolidated vocation in the field of microelectronics and micro and nano technologies, taking it to a higher and more widespread level that can have a significant and tangible impact on the island's industrial scenario and on society as a whole. "	MUR (Ministry of University and Research)	9/5/2024	251,379
			Totale	**251,379**
SATIN	Study and definition of a software architecture to support innovation in oncological treatments and development of the software prototype to support innovation in oncological treatments.	CAMPANIA REGION	10/16/2024	104,999
			11/11/2024	70,000
			Totale	**174,999**
Scream	The main objective of the SCREAM project is to support manufacturing companies in the implementation of smart manufacturing processes through the creation of an advanced monitoring and predictive maintenance software platform that will enable the remote control, maintenance and management of production plants and machine tools in a secure and real-time manner. SCREAM supports the development and implementation of complete solutions for Industry 4.0, exploiting the new paradigms of Big Data, Artificial Intelligence and Analytics and allowing to maximise production while at the same time reducing operating and maintenance costs.	MIMIT (Ministry of Enterprises and Made in Italy)	2/5/2024	491,040
			Totale	**491,040**
SERVIFY FORMAZIONE	Empowering Knowledge Intensive Business Services (KIBS): "Innovators/Entrepreneurs specialised in KIBS" - Training project related to the Research Project.	MUR (Ministry of University and Research)	11/20/2024	126,306
			Totale	**126,306**
SERVIFY	Design, analysis and definition of advanced software components for the creation of a software infrastructure for the provision of ubiquitous and continuous services over time, with a strong focus on advancing the state of the art in techniques, models and methods for the provision of software services in different application domains.	MUR (Ministry of University and Research)	11/20/2024	542,776
				542,776
Total collections for the year				**33,229,439**

B) OPERATING EXPENSES

37 Operating expenses

(in euro)

Description	12.31.2024	12.31.2023
Operating expenses	1,045,197,744	1,059,588,074

The breakdown of "Operating expenses" is as follows

(in euro)

Description	12.31.2024	12.31.2023
Raw materials and consumables	34,741,659	43,902,554
Service costs	427,521,237	416,848,677
Personnel costs	510,294,562	507,927,484
Amortisation and Depreciation	52,640,756	61,388,420
Provisions	15,636,472	18,800,686
Other costs	4,363,057	10,720,253
Total	**1,045,197,744**	**1,059,588,074**

38 Raw materials and consumables

(in euro)

Description	12.31.2024	12.31.2023
Raw materials and consumables	34,741,659	43,902,554

Below is a breakdown of Costs for raw materials and consumables:

(in euro)

Description	12.31.2024	12.31.2023
Hardware	907,980	2,359,538
Software	32,343,166	31,475,808
Consumables and other goods	1,490,513	10,067,208
Total	**34,741,659**	**43,902,554**

39 Service costs

(in euro)

Description	12.31.2024	12.31.2023
Service costs	427,521,237	416,848,677

Service costs are listed hereunder:

(in euro)

Description	12.31.2024	12.31.2023
EDP purchases, services and data lines	351,523	318,888
Insurance	4,403,752	4,379,992
Bank commissions	3,216,486	2,054,240
Technical support and consultancy	237,274,077	214,853,557
Consultancy from subsidiaries	96,935,861	98,248,982
Legal and administrative consultancy	10,375,093	21,330,723
Training and refresher courses	2,778,051	3,223,658
Consultants	279,518	419,938
Cost of corporate boards	1,305,231	1,069,697
Building rental	583,326	535,689
Maintenance of property, plant and equipment and intangible assets	13,893,222	13,949,925
Canteen and other personnel costs	10,519,981	11,651,604
Automotive expenses	6,405,674	6,008,283
Hardware and software rental	79,507	57,430
Services from parent companies	40,459	112,619
Services from subsidiaries	17,290,852	13,543,555
Maintenance and security services	3,204,821	3,715,856
Advertising and sales rep. expenses	2,820,338	2,553,108
Travel costs	8,634,394	9,428,962
Postage and shipping expenses	1,554,465	751,108
Utilities	3,272,127	4,696,463
Other	2,302,480	3,944,399
Total	**427,521,237**	**416,848,677**

The main changes are attributable to the operating performance of the year.

The increase in the item "Technical support and consultancy" is attributable to the increase in production activities, which made the use of external resources necessary.

The table below shows the fees paid to the Auditing Company for these financial statements, pursuant to Article 149-duodecies of the Consolidated Law on Finance.

(in euro)

Service	Provider	Beneficiary	Remuneration
Audit	Deloitte & Touche S.p.A.	Engineering Ingegneria Informatica S.p.A.	376,000
Other certification services	Deloitte & Touche S.p.A.	Engineering Ingegneria Informatica S.p.A.	72,000

Fees are net of expenses.

40 Personnel costs

(in euro)

Description	12.31.2024	12.31.2023
Personnel costs	510,294,562	507,927,484

Personnel costs include:

(importi in euro)

Description	12.31.2024	12.31.2023
Salaries and wages	356,402,534	343,873,667
Social security expenses	114,365,968	111,584,937
Post-employment benefits	25,762,438	25,416,442
Restructuring and reorganising personnel	13,763,622	27,052,438
Total	**510,294,562**	**507,927,484**

The item “Salaries and wages” saw an increase due to salary increases and welfare benefits, as well as an increase in performance bonuses compared to the prior year. Moreover, during the period under review, approximately Euro 3 million less were capitalised for internal projects, which contributed to this increase.

The item "Restructuring and reorganising personnel" contains the cost of incentives for employees that went into early retirement during the year.

The item “Salaries and wages” is shown net of capitalisations for internal project development of approximately Euro 20 million (approximately Euro 23 million in 2023). For further details, please refer to the Intangible Assets paragraph of these notes.

The **average** number of employees is as follows:

Average number of employees	2024	2023
Executives	311	348
Managers	1,772	1,851
Other employees	6,211	6,387
Total	**8,294**	**8,585**

41 Amortisation and Depreciation

(in euro)

Description	12.31.2024	12.31.2023
Amortisation and Depreciation	52,640,756	61,388,420

The breakdown is as follows:

(in euro)

Description	12.31.2024	12.31.2023
Depreciation of property, plant and equipment	5,313,981	4,321,525
Amortisation of intangible assets	31,528,310	40,022,485
Depreciation and amortisation IFRS 16	15,798,465	17,044,410
Total	**52,640,756**	**61,388,420**

The decrease in the item "Amortisation of intangible assets" is mainly due to the completion of the amortisation of the customer relationships referring to 2023 following the reverse merger of the company Centurion Bidco S.p.A.

42 Provisions and write-downs

(in euro)

Description	12.31.2024	12.31.2023
Provisions	15,636,472	18,800,686

The breakdown is as follows:

(in euro)

Description	12.31.2024	12.31.2023 Restated
Allocation to Doubtful debt provision	1,924,859	5,257,218
Customer contract assets	3,425,935	3,015,907
Risk provision	10,285,679	10,527,562
Total	**15,636,472**	**18,800,686**

Amounts recognised in the financial statements are the best estimates and assumptions based on the best information available at the reporting date.

The item "Allocation to Doubtful debt provision" refers to provisions for the year for risks on receivables on invoices issued and on invoices to be issued net of releases for discontinued risks.
In addition to the specific provisions, the Group applies the simplified approach of IFRS 9 to measure the expected credit loss on all trade receivables and customer contract assets to determine the bad debt provision.

The item "Risk provision" refers to tax risks and disputes with third parties.

43 Other costs

(in euro)

Description	12.31.2024	12.31.2023
Other costs	4,363,057	10,720,253

Other costs are broken down as follows:

(in euro)

Description	12.31.2024	12.31.2023
Dues and subscriptions	2,522,996	1,793,933
Taxes	1,216,635	917,586
Gifts and donations	33,173	89,553
Charges for social causes	64,509	574,462
Other	525,743	7,344,721
Total	**4,363,057**	**10,720,253**

44 Net Financial income/(expenses)

(in euro)

Description	12.31.2024	12.31.2023
Net Financial income/(expenses)	(157,495,057)	(104,962,171)

Financial income is broken down as follows:

(in euro)

Description	12.31.2024	12.31.2023
Interest income	5,124,931	44,797,691
Gain on exchange differences	3,816,760	440,325
Total	**8,941,690**	**45,238,015**

Interest income is mainly attributable to interest accrued with related parties.

Other income mainly refers to exchange gains on loans in foreign currency to subsidiaries.

Financial expenses consist of:

(in euro)

Description	12.31.2024	12.31.2023
Interest expense	150,285,698	132,440,727
Other	16,151,049	17,759,460
Total	**166,436,747**	**150,200,186**

Interest expense is due principally to loans detailed in paragraph "Non-current financial liabilities" hereof.

It should be noted that the item “interest expense” includes interest accrued with related parties of Euro 41.4 million.

The item “Other” mainly includes financial expenses attributable to factoring receivables and exchange rate losses.

45 Income/(expenses) from equity investments

(in euro)

Description	12.31.2024	12.31.2023
Income/(expenses) from equity investments	1,570,037	(11,171,104)

The breakdown is as follows:

(in euro)

Description	12.31.2024	12.31.2023
Gains on equity investments	2,821,837	3,043,800
Write-downs of equity investments	(1,251,800)	(14,214,904)
Total	**1,570,037**	**(11,171,104)**

Gains on equity investments recognised in the financial year derive from the adjustment of the payables recognised for the acquisition of shares held by non-controlling shareholders following the remeasurement of the fair value of the same based on the updated plans and of the payments due to third party shareholders.

The write-down of the equity investments is attributable to the subsidiary Engineering da Argentina S.A.

46 Income taxes

(in euro)

Description	12.31.2024	12.31.2023
Income taxes	(4,561,159)	(15,907,449)

The breakdown of taxes is as follows:

(in euro)

Description	12.31.2024	12.31.2023
Current	(3,468,820)	1,193,889
Deferred	(1,092,338)	(17,101,338)
Total	**(4,561,159)**	**(15,907,449)**

For details on temporary differences giving rise to deferred taxation, reference is made to the previous paragraphs "Deferred tax assets" and "Deferred tax liabilities" herein.

(in euro)

	December 31, 2024		December 31, 2023	
PROFIT BEFORE TAXES	**(122,380,904)**		**(122,202,607)**	
Ordinary rate applied	**(29,371,417)**	**24.0%**	**(29,328,626)**	**24.0%**
Income taxable in prior years	14,178,508	-11.6%	5,242,164	-4.29%
Income not taxable	(8,606,651)	7.0%	(6,832,141)	5.59%
Expenses not deductible	33,808,936	-27.6%	21,675,854	-17.74%
Deductible expenses not charged to Income Statement	(9,953,459)	8.1%	(4,270,278)	3.49%
Utilisation of previous years tax losses	(55,917)	0.0%	0	0.00%
Total assessable IRES	**0**		**(56,304,282)**	
Tax/Tax rate	**0**	**0.0%**	**(13,513,028)**	**11.1%**

Deferred taxes were calculated taking into consideration the accumulated sum of all temporary differences on the basis of the average expected rate for successive tax periods when these differences will reverse.

The Company exercised the option relating to the Patent Box facility pursuant to Article 6 of Italian Law Decree no. 146/2021, amended by Article 1, paragraph 10, letter a) of Italian Law no. 234 of December 30, 2021, which provides for a tax exemption for IRES and IRAP purposes on the notional income to the super deduction of research and development costs incurred in relation to certain intangible assets (software, patents, models and designs). The benefit provides for a 110 per cent increase in research and development expenses starting from the tax period in which the intangible asset obtains an industrial property right. For 2022, the Company obtained a deduction for IRES and IRAP purposes of approximately Euro 2.5 million and for 2023 a deduction of approximately Euro 4.3 million.

47 Other information

Commitments undertaken

Disclosures relating to commitments undertaken by the Company:

(in euro)

Description	12.31.2024
Third party sureties	397,164,324
Guarantees in favour of other companies	9,467,143
Bid Bond and Performance Bonds	15,575,101
Total commitments undertaken	**422,206,567**

48 Breakdown of financial instruments by category

For all transactions the (financial or non-financial) balances for which an accounting standard requires or permits measurement at fair value and which fall within the scope of IFRS 13, the Company applies the following criteria:

a) identification of the unit of account, i.e. the level at which an asset or liability is aggregated or disaggregated to be recognised for IFRS purposes;
b) identification of the main market (or, in the absence thereof, the most advantageous market) in which transactions could take place for the asset or liability being valued; in the absence of evidence to the contrary, it is assumed that the market currently used coincides with the main market or, in the absence thereof, with the most advantageous market;
c) definition, for non-financial assets, of the highest and best use: in the absence of evidence to the contrary, the highest and best use coincides with the current use of the asset;
d) definition of the most appropriate valuation techniques for estimating fair value: these techniques maximise the use of observable data, which market participants would use in determining the price of the asset or liability;
e) determination of the fair value of the assets, as the price that would be received for their sale, and of the liabilities and equity instruments, as the price that would be paid for their transfer in a regular transaction between market participants at the valuation date;
f) inclusion of "non-performance risk" in the valuation of assets and liabilities and, in particular for financial instruments, determination of an adjustment factor in the measurement of fair value to include, in addition to counterparty risk (CVA - credit valuation adjustment), own credit risk (DVA - debit valuation adjustment).

On the basis of the data used for fair value measurements, a fair value hierarchy is identified on the basis of which assets and liabilities measured at fair value or for which fair value is indicated in the financial statement disclosures are classified:

a) level 1: includes prices quoted in active markets for assets or liabilities identical to those being valued;
b) level 2: includes observable data, different from those included in level 1, such as: (i) prices quoted in active markets for similar or identical assets or liabilities; (ii) prices quoted in non-active markets for similar or identical assets or liabilities; (iii) other observable data (interest rate curves, implicit volatilities, credit spreads);
c) level 3: uses non-observable data, which may be used if no observable input data is available. The non-observable data used for fair value measurement purposes reflects the assumptions that market participants would make when pricing the assets and liabilities being measured.

Please refer to the table below for the definition of the fair value hierarchy level on the basis of which the individual instruments measured at fair value have been classified.
No transfers between the different levels of the fair value hierarchy took place during the year.

The fair value of derivative instruments is determined by discounting expected cash flows, using the market interest rate curve at the reference date and the listed credit default swap curve of the counterparty and Group companies, to include the non-performance risk explicitly provided for by IFRS 13.
For medium/long-term financial instruments, other than derivative instruments, where market prices are not available, the fair value is determined by discounting expected cash flows, using the market interest rate curve at the reference date and considering the counterparty risk in the case of financial assets and its credit risk in the case of financial liabilities.

Therefore, the following table highlights the measurement hierarchical level of fair value, for financial assets and liabilities measured at fair value as of December 31, 2024:

(in euro)

12.31.2024	Assets at Amortised Cost	Assets at FVOCI	Assets at FVPL
Other non-current assets	11,439,441	0	0
Non-current financial assets	519,650	246,000	0
Trade Receivables	305,809,441	0	0
Other current assets	62,006,053	0	0
Current financial assets	88,686,177	0	0
Cash and cash equivalents	136,523,076	0	0
Total assets	**604,983,838**	**246,000**	**0**

(in euro)

12.31.2023	Assets at Amortised Cost	Assets at FVOCI	Assets at FVPL
Other non-current assets	4,985,099	0	0
Non-current financial assets	283,250,832	1,105,000	0
Trade Receivables	288,096,577	0	0
Other current assets	68,646,701	0	0
Current financial assets	284,377,629	0	0
Cash and cash equivalents	152,565,746	0	0
Total assets	**1,081,922,584**	**1,105,000**	**0**

(in euro)

12.31.2024	Assets at Amortised Cost	Assets at FVOCI	Assets at FVPL
Non-current financial liabilities	1,444,651,193	0	0
Non-current lease liabilities	55,340,485	0	0
Other non-current liabilities and Post-employment benefits	12,760,152	45,661,000	0
Current financial liabilities	231,486,222	0	0
Current lease liabilities	15,123,865	0	0
Other Current Liabilities	160,173,833	0	0
Trade payables	447,246,787	0	0
Total liabilities	**2,366,782,538**	**45,661,000**	**0**

(in euro)

12.31.2023 Restated	Assets at Amortised Cost	Assets at FVOCI	Assets at FVPL
Non-current financial liabilities	1,286,113,528	0	0
Non-current lease liabilities	110,715,742	0	0
Other non-current liabilities and Post-employment benefits	35,616,908	53,216,203	0
Current financial liabilities	264,169,311	0	0
Current lease liabilities	14,893,497	0	0
Other Current Liabilities	173,636,529	0	0
Trade payables	419,205,004	0	0
Total liabilities	**2,304,350,518**	**53,216,203**	**0**

Assets and liabilities measured at fair value, as shown in the table above, are included in Level 2 (iii)

49 Transactions with related parties

During the year, transactions were carried out with related entities under normal market conditions. These transactions relate to trade activities carried out in favour of primary customers which produced profitability in line with the company's profitability parameters.
The table below summarises both the trade and financial exchanges.

(in euro)

Description	Total revenues	Operating expenses	Financial income (expenses)	Trade receivables	Trade payables	Financial receivables	Financial payables
Be Shaping The Future Digitech Solutions S.p.A.	2,224,273	6,779,624	24,153	985,717	6,491,755	2,770	668,201
Be Shaping The Future Management Consulting S.p.A.	6,590,353	14,406,759	(245,317)	3,757,797	9,351,573	0	27,257,765
Be Think Solve Execute Ro Srl	0	908,430	0	0	517,638	0	0
Iquii S.r.l.	47,148	603,442	0	75,759	630,292	0	0
BE Shaping th Future Corporate Services S.p.A.	0	10,285	0	9,238	10,285	0	0
SYNAPSY S.R.L.	1,001	0	0	5,279	0	0	0
Quantum Leap S.R.L.	3,357	30,000	0	2,332	34,400	0	0
Crispy Bacon S.R.L.	0	169,758	0	4,219	182,078	0	0
Municipia S.p.A	9,342,837	4,432,177	1,771,345	9,518,029	4,532,493	17,612,974	11,294
Nexen S.p.A.	5,736,140	8,518,921	(478,785)	5,797,143	7,199,177	0	12,490,304
Engineering Do Brasil S.A.	288,825	382,155	22,591	685,807	105,063	0	0
Sicilia e-Servizi Venture S.c.a.r.l.	60,000	0	4,237	24,737,800	33,295	862,207	0
Engineering International Belgium S.A.	9,483,029	333,645	16,142	9,571,286	753,763	0	0
Engineering D.Hub S.p.A.	25,262,973	41,141,792	(226,894)	25,054,846	31,734,680	236,264	12,815,171
Engi Da Argentina S.A.	0	0	0	189,734	0	0	0
Engineering Software Lab D.o.o.	229,388	10,523,460	0	371,304	5,541,692	19,992	0
Engineering Its GmbH	0	0	433,597	(3,353)	0	10,048,849	0
Engineering Ingegneria Informatica Spain S.L.	215,114	784,479	0	511,412	1,130,303	0	0
Livebox S.r.l.	1,919,747	2,788,738	1,403,669	1,929,247	8,724,325	13,066,228	0
IT-Soft USA Inc.	1,739,359	1,031,240	933,316	3,944,042	501,090	41,867,729	0
Pragma Management System S.r.l.	131,569	1,163,586	0	302,025	899,970	0	0
Cybertech S.r.l.	6,481,791	14,649,603	(33,000)	7,110,671	11,294,913	0	3,998,987
Digitelematica S.r.l.	421,493	2,849,739	(174,041)	445,948	993,617	0	4,617,261
Eng Mexico Informatica S. de R.L.	0	9,011	0	24,966	19,482	0	0
Nexera S.p.a.	43,798	281,232	(1,633)	45,404	268,755	769,205	805,784
C Consulting S.p.A.	37,634	0	(71,693)	37,634	0	0	2,442,623
Industries Excellence S.p.A.	343,420	1,126,342	0	246,280	1,071,342	0	0
Movilitas Cloud BV	991	0	0	991	270,000	0	0
Industries Excellence GmbH	1,853,060	63,721	0	953,651	64,011	0	0
Industries eXcellence BV	0	0	0	3,029	0	0	0
In Valmalenco S.B. S.r.l.	3,515	0	0	7,657	0	0	0
Atlantic Technologies S.p.A.	1,187,939	729,477	(71,132)	1,071,900	509,478	0	5,144,025
Parma Valore Comune S.c.a.r.l.	55,705	0	0	80,196	0	0	0
Napoli Obiettivo Valore S.r.l.	239,470	0	46,154	239,801	0	4,199,959	0
CENTURION Newco S.p.A.	0	0	(39,723,228)	0	4,272	0	335,668,305
CENTURION Topco S.a.r.l.	0	40,208	0	0	108,991	0	0
Extra Red S.r.L.	31,643	2,947,931	(35,603)	48,344	2,004,459	0	1,640,963
Industries Excellence Canada (Canadian Branch)	1,960,084	0	0	2,756,453	71,260	0	0
Engineering Albania Shpk	103,136	2,073,895	0	103,136	951,965	0	0
Overit S.p.A.	838,000	21,800,343	0	719,931	3,054,833	0	0
Total	**76,876,791**	**140,579,996**	**(36,406,123)**	**101,345,656**	**99,061,250**	**88,686,177**	**407,560,684**

Financial receivables and payables include the use of the cash pooling system.

The value of loans entered at the date is broken down below:

(in euro)

Granted to:	12.31.2024
ENGINEERING USA Inc.	41,389,932
NEXERA SPA	300,000
SICILIA E-SERVIZI VENTURE S.C.A.R.L.	845,000
Total granted	**42,534,932**
Received from:	
Centurion Newco S.p.A.	318,420,527
Nexera S.p.A.	100,000
Total Received	**318,520,527**

It should be noted that the cost recognised for the Board of Directors for the current period is Euro 0.6 million. With regard to the stability pact in place with certain senior managers, please refer to the section "Other non-current liabilities" hereof.

50 Events occurring after December 31, 2024

In February, the company launched an Offer on the market, which ended on February 10, 2025, relating to two bonds with a total value of Euro 650 million, one of which has a variable rate and one a fixed rate.

The variable rate bond, issued at par for a nominal amount of Euro 350.0 million and maturing in 2030, will pay interest at a rate equal to the three-month EURIBOR (subject to a floor of 0%) plus 5.75% per annum.

The fixed-rate bond, issued at par for a nominal amount of Euro 300.0 million and maturing in 2030, will pay interest at a fixed rate of 8.625% per annum.

The gross proceeds of the Offer will be used, together with available cash and cash equivalents, to repay in full the Company's covered senior bonds of Euro 605.0 million at 5.875% maturing in 2026 (including any accrued and unpaid interest thereon), to repay in full and cancel the borrowing incurred under a senior secured term credit facility of Euro 38.4 million (including any accrued and unpaid interest thereon) and to pay the fees and expenses in connection with the foregoing transactions and the increase and extension of the maturity of the existing revolving credit facility.

On February 7, 2025, an amendment was signed to the loan agreement in place between the parent company Centurion Newco Spa and Engineering Ingegneria Informatica S.p.A. (known as Shareholder Loan Agreement - "PIK"); the amendments mainly concern the expiry of the contract, which will be February 15, 2031, and the interest that will be calculated for all interest periods starting from January 30, 2025 to January 30, 2028 on the portion of the loan not repaid at an interest rate of 13.5%; subsequently, the interest rate will be increased by 0.5% for each subsequent interest period until the expiry of the contract.

51 Information on the members of the Board of Directors and the Board of Statutory Auditors

On April 21, 2023, the Shareholders' Meeting of Engineering Ingegneria Informatica S.p.A. appointed the new administrative body and the new control body, which will remain in office for three financial years and more precisely until the approval of the financial statements as of December 31, 2025.
On May 5, 2023, the Board of Directors of Engineering Ingegneria Informatica S.p.A. appointed the new Supervisory Body which will remain in office for three financial years and more specifically until the approval of the financial statements as of December 31, 2025.
On May 23, 2023, Maria Cristina Messa was also appointed as an additional Board Member.

On June 23, 2023, the Board of Directors of Engineering Ingegneria Informatica S.p.A. appointed the Control, Risk and Sustainability Committee and the Related Party Transactions Committee, which will remain in office for three financial years and more precisely until approval of the financial statements as of December 31, 2025.
On August 2, 2024, Giovanni Camisassi was also appointed as an additional Board Member.

With effect from January 31, 2025, the Director Maria Cristina Messa resigned from her position as Board Director and member of the Control, Risk and Sustainability Committee.

On February 20, 2025, the Board of Directors approved the appointment of Aurelio Regina as a member of the Control, Risk and Sustainability Committee.

In light of the above, the new breakdown of the corporate bodies is as follows:

Board of Directors

Gaetano Micciché	Chairman
Maximo Ibarra	Director and Chief Executive Officer
Maria Andrisani	Director
Luca Bassi	Director
Giovanni Camera	Director
Fabio Cosmo Domenico Cané	Director
Pietro Galli	Director
Michaela Castelli	Director
Vito Cozzoli	Director
Aurelio Regina	Director
Carlo Achermann	Director
Giovanni Camisassi	Director

Board of Statutory Auditors

Maurizio Salom	Chairman
Domenico Muratori	Standing Auditor
Bettina Solimando	Standing Auditor
Cristiana Tironi	Alternate Auditor
Guido Riccardi	Alternate Auditor

Supervisory Body

Alessandra Stabilini	Chairwoman
Michelangelo Schiano Di Cola	Member
Roberto Fiore	Member

Control, Risk and Sustainability Committee

Michaela Castelli	Independent Chairwoman
Aurelio Regina	Independent Member
Vito Cozzoli	Independent Member
Giovanni Camera	Non-executive member
Pietro Galli	Non-executive member

Related Party Transactions Committee

Vito Cozzoli	Chairman
Michaela Castelli	Member
Aurelio Regina	Member

Independent Auditors

Deloitte & Touche S.p.A.

52 Conclusions and Shareholders' Meeting proposals

The net loss for the year amounted to Euro 117,819,746.

The Board of Directors proposes to the Shareholders to approve the financial statements for the year 2024 and to carry forward the net loss for the year of Euro 117,819,746.

The Chairman, on behalf of the Board of Directors, points out that the financial statements are audited by the Independent Auditors Deloitte & Touche S.p.A..

53 Summary table of Centurion Holdco S.à.r.l.

As required by Article 2497-bis, paragraph 4, a data summary is provided below relating the last approved financial statements of Centurion Holdco S.à.r.l., which carries out activities of management and coordination on our Company:

Registre de Commerce et des Sociétés
Numéro RCS : B241329
Référence de dépôt : L240145347
Déposé et enregistré le 15/07/2024

CAC [illegible]

RCSL Nr. : B241329	Matricule : 2019 2483 426
	eCDF entry date : 10/07/2024

ABRIDGED BALANCE SHEET

Financial year from 01/01/2023 **to** 31/12/2023 (in EUR)

Centurion Holdco S.à r.l.
13, rue Edward Steichen
L-2540 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid			
I. Subscribed capital not called			
II. Subscribed capital called but unpaid			
B. Formation expenses			
C. Fixed assets	2.3	627.476.892,00	627.476.892,00
I. Intangible assets			
II. Tangible assets			
III. Financial assets	3.1	627.476.892,00	627.476.892,00
D. Current assets	2.4	2.487.658,07	2.917.830,99
I. Stocks			
II. Debtors	4.1	34.292,41	5.627,94
a) becoming due and payable within one year	4.1	34.292,41	4.814,50
b) becoming due and payable after more than one year	4.2	0,00	813,44
III. Investments			
IV. Cash at bank and in hand	2	2.453.365,66	2.912.203,05
E. Prepayments		0,00	
TOTAL (ASSETS)		629.964.550,07	630.394.722,99

The notes in the annex form an integral part of the annual accounts

CAC [illegible]

RCSL Nr. : B241329	Matricule : 2019 2483 426

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves	5	629.932.240,55	629.250.047,44
I. Subscribed capital	5.1	12.000,00	12.000,00
II. Share premium account	5.2	651.195.815,00	651.195.815,00
III. Revaluation reserve			
IV. Reserves			0,00
V. Profit or loss brought forward	5.3	-21.957.767,56	-20.125.384,90
VI. Profit or loss for the financial year	5.3	682.193,11	-1.832.382,66
VII. Interim dividends			
VIII. Capital investment subsidies			
B. Provisions			
C. Creditors	2.6	32.309,52	1.144.675,55
a) becoming due and payable within one year	6.1	32.309,52	1.144.675,55
b) becoming due and payable after more than one year			
D. Deferred income			
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		629.964.550,07	630.394.722,99

The notes in the annex form an integral part of the annual accounts

Registre de Commerce et des Sociétés
Numéro RCS : B241329
Référence de dépôt : L240145347
Déposé le 15/07/2024

CAC JAXXXX20240702T14104701_002

RCSL Nr. : B241329	Matricule : 2019 2483 426
	eCDF entry date : 10/07/2024

ABRIDGED PROFIT AND LOSS ACCOUNT

Financial year from 01/01/2023 **to** 31/12/2023 (in EUR)

Centurion Holdco S.à r.l.
13, rue Edward Steichen
L-2540 Luxembourg

	Reference(s)	Current year	Previous year
1. to 5. Gross profit or loss	7	706.867,31	-1.818.483,87
6. Staff costs			
a) Wages and salaries			
b) Social security costs			
i) relating to pensions			
ii) other social security costs			
c) Other staff costs			
7. Value adjustments			
a) in respect of formation expenses and of tangible and intangible fixed assets			
b) in respect of current assets			
8. Other operating expenses			

The notes in the annex form an integral part of the annual accounts

RCSL Nr.: B241329	Matricule: 2019 2483 426

	Reference(s)	Current year	Previous year
9. Income from participating interests			
a) derived from affiliated undertakings			
b) other income from participating interests			
10. Income from other investments and loans forming part of the fixed assets			
a) derived from affiliated undertakings			
b) other income not included under a)			
11. Other interest receivable and similar income	9	18,43	166,91
a) derived from affiliated undertakings			
b) other interest and similar income	9.1	18,43	166,91
12. Share of profit or loss of undertakings accounted for under the equity method			
13. Value adjustments in respect of financial assets and of investments held as current assets			
14. Interest payable and similar expenses	10	-2.617,63	-9.250,70
a) concerning affiliated undertakings			
b) other interest and similar expenses	10.1	-2.617,63	-9.250,70
15. Tax on profit or loss			
16. Profit or loss after taxation		704.268,11	-1.827.567,66
17. Other taxes not shown under items 1 to 16	11	-22.075,00	-4.815,00
18. Profit or loss for the financial year		682.193,11	-1.832.382,66

The notes in the annex form an integral part of the annual accounts

Report of the Board of Statutory Auditors to the Financial Statement as of December 31, 2024.

Engineering Ingegneria Informatica spa

Piazzale dell'Agricoltura, 24 - 00144 Rome

Share Capital: 34.095.537,11 fully paid-up

Sole Shareholder: Centurion Newco S.p.A.

Rome Register of Companies and Tax Code 00967720285, VAT 05724831002

Company Subject to management and coordination by Centurion Holdco S.à r.l.

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REPORT OF THE BOARD OF STATUTORY AUDITORS
TO THE FINANCIAL STATEMENT AS OF DECEMBER 31, 2024
pursuant to art.2429, comma 2, of Italian Civil Code

Dear Shareholders,

During the financial year ended December 31, 2024, our activity was inspired by the provisions of the law and the Rules of Conduct of the Board of Statutory Auditors of unlisted companies issued by the National Council of Chartered Accountants and Accounting Experts.

We inform you of this activity and the results achieved with this report.

The financial statements of Engineering Ingegneria Informatica S.p.A. as of December 31, 2024, drawn up in accordance with the Italian regulations governing their preparation and international accounting principles ("IFRS"), which show a loss for the year of €117,819,746, were submitted to our examination.

The financial statements were made available to us within the legal deadline.

The Board of Auditors is not responsible for the legal audit, consequently it carried out the supervisory activities on the financial statements provided for in Rule 3.8. of the "Rules of Conduct for the Board of Auditors of Unlisted Companies" consisting of an overall synthetic check aimed at verifying that the financial statements have been correctly drawn up. In fact, the verification of compliance with the accounting data is the responsibility of the indipendent legal auditor and our control activity on the financial statements was limited to the correctness of the general approach and overall compliance with the law.

The statutory auditor Deloitte & Touche S.p.A. has delivered to us its Report dated 3 April 2025 containing a judgement without any remarks.

Therefore, as reported in the Report of the statutory auditor, the financial statements as of 31 December 2024 represent truthfully and correctly the financial position, the economic result and the cash flows of your Company and have been prepared in accordance with the regulations that govern their preparation.

The company draws up the consolidated financial statements prepared in accordance with international accounting principles ("IFRS").

With this report we inform you about the most significant aspects of the activity performed by us during the 2024 financial year and the related outcomes, as well as the result of the financial year ended 31 December.

The Luxembourg company Centurion Holdco S.à.r.l. exercises management and coordination activities over your Company. The share capital is by contrast 100% owned by Centurion Newco S.p.A., which is therefore the Sole Shareholder.

MONITORING ACTIVITIES PERFORMED BY THE BOARD OF STATUTORY AUDITORS PURSUANT TO ART. 2403 OF THE ITALIAN CIVIL CODE

In particular, we:

- monitored compliance with the law and the bylaws and with the principles of proper administration;
- regularly held and minuted the meetings pursuant to art. 2404 of the Italian Civil Code;
- took part in the Shareholders' meetings and meetings of the Board of Directors, held in compliance with the bylaws, laws and regulations that govern their functioning;
- took part in the meetings of the internal Board committees, the Control, Risk and Sustainability Committee and the Related Party Transactions Committee, with advisory and support tasks for the Board of Directors;
- obtained information from the directors, during the meetings held, on the general operating performance and its outlook, as well as on the most significant transactions, in terms of size or characteristics, carried out by the Company. Therefore, we can reasonably ensure that the decisions taken are in accordance with the law and the articles of association and are not manifestly imprudent, risky, do not involve in potential conflict of interest or in conflict with the resolutions adopted by the shareholders'meeting or are as such as to compromise the integrity of the company's assets;
- monitored, for matters within our competence, the adequacy of the organizational structure of the Company, also by collecting information from those responsible for organizational positions, and have no observations to report;
- monitored the adequacy of the administrative and accounting system of the Company and its suitability in correctly represent the management fevents, by requesting and obtaining all

necessary information from the managers of the competent company functions and conducting all necessary checks, without finding any exception worthy of note;

- engaged, according to the provisions of art. 2409-septies of the Italian Civil Code, in a periodic exchange of information with the Independent Auditors, Deloitte & Touche, and no information came to light that needs to be highlighted in this report;
- also examined the financial statements of the subsidiaries, within the limits deemed necessary for the drafting of this report and for the purposes of expressing our considerations on the financial statements of the Company as of 31 December 2024, but not also on the individual financial statements of the subsidiaries;
- we met with the Supervisory Body and acknowledged of its report pursuant to Italian Legislative Decree 231, relating to the control activity for the 2024, which does not contain any especially significant criticalities;
- we have not received any complaints pursuant to art. 2408 of the Italian Civil Code;
- we have not made any reports to the administrative body pursuant to and for the purposes of art. 25-octies of Legislative Decree no. 14 of 12 January 2019. We have not received any reports from the independent auditors pursuant to and for the purposes of art. 25-octies of Legislative Decree no. 14 of 12 January 2019. We have not received any reports from public creditors pursuant to and for the purposes of art. 25-novies of Legislative Decree no. 14 of 12 January 2019;
- furthermore, during our monitoring activities as described above, no other significant facts emerged that needed to be mentioned in this report.

OBSERVATIONS AND PROPOSALS REGARDING THE FINANCIAL STAMENTENT AND THEIR APPROVAL

We have examined the draft financial statements for the financial year ended as of 31 December 2024, regarding which we report as follows:

- given we were not tasked with the analytical control of the merits of the content of the financial statement, we focused on the general approach given to the financial statement, to the overall compliance with the law with regard to its formation and structure, as well as to its consistency with the facts and information of which we are aware;
- the financial statements as of December 31, 2024 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as defined below, issued by the International Accounting Standards Board (hereinafter "IASB") and adopted by the European Commission in accordance with the procedure set out in art. 6 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, applied consistently to the periods reported;
- we also verified the compliance with the legal provisions relating to the preparation of the management report on operation;
- we monitored the accounting approach of the main extraordinary transactions approved or carried out during the 2024 financial year; in particular:
    - With legal effect from 1 October 2024 and with accounting and tax effect from 1 January 2024, the mergers by incorporation of the companies Overlord Bidco S.p.A., F.D.L. Service S.r.l., WebResults S.r.l. and Engineering Sardegna S.r.l. into the parent company Engineering Ingegneria Informatica S.p.A. was completed.

- During the year under review, the entire shareholding of the company Be Shaping The Future, Digitech Solutions S.p.A. was acquired from the indirect subsidiary Be Shaping The Future Management Consulting S.p.A.

- in accordance with the aforementioned IFRS, and in particular with the criteria and methodologies set forth in IAS 36 – Impairment of assets, the Company performed the impairment test on intangible assets with an indefinite useful life, recorded for €515,650,437 under the item "Trademarks" and for €562,212,002 under the item "Goodwill", providing evidence of this in the report approved by the Board of Directors on 17 March 2025. The analysis carried out confirmed the sustainability of the values recorded under assets, given no evidence of impairment emerged. As required by the IFRS, the basic assumptions, the key data and the results relating to the performance of the impairment test are described in details in the explanatory notes. During our supervisory activity, we have examined the Directors' report on the impairment test and the information reported on that point in the explanatory notes and we have no comments on this matter;
- pursuant to art. 2426, no. 5, of the Italian Civil Code, we expressed our consent to the recognition, under balance sheet assets, of the item "Development costs" of intangible assets, equal to Euro 48,863,890 net of amortization. As reported in the explanatory notes, development costs are amortized based on their useful life or, when this cannot be determined precisely, in a period not exceeding 5 years. Furthermore, additional development costs for Euro 30,377,323 were booked to fixed assets in progress relating to intangible assets, given incurred as a part of projects for the creation of new IT solutions still not completed.
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INDEPENDENT AUDITOR'S REPORT

The independent auditors Deloitte & Touche S.p.A. today prepared its report pursuant to art. 14 of Legislative Decree no. 39 of 27 January 2010, in which it expresses a judgement without any remarks and certifies that the financial statements for the year ended as 31 December 2024 represent a truth and fair view of the financial position, the economic result and the cash flows of the Company, also certifying that the management report on operation is consistent with the financial statements for the year ended as 31 December 2024.

CONCLUSIONS

Based on the checks carried out and in consideration of what has been highlighted above, taking into account that the report issued by independent auditors does not contains any remarks and/or reservations, we propose that you approve the draft financial statements for the financial year ended 31 December 2024 prepared by the Directors and the proposal formulated by them to carry forward the generated net loss year amounting to Euro 117,819,746.

Rome, Milan April 3, 2025

THE STATUTORY AUDITORS

Maurizio Salom

Domenico Muratori

Bettina Solimando

Resolutions of the Shareholders' Meeting.

On April 15, 2025, at 9.30, the Shareholder's Meeting of Engineering Ingegneria Informatica S.p.A., resolved:

(1) to approve the Financial Statements of Engineering Ingegneria Informatica S.p.A. closed as of December 31, 2024, as a whole and in each item, which reports a loss for the year of Euro 117,819,746;

(2) to approve the proposal of the Board of Director to carry forward the net loss incurred for the year.

ENGINEERING

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Engineering Group

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