2023 Annual Financial Report(*)

(*) *this document constitutes a copy, in PDF format, of the Annual Financial Report of Maire Tecnimont S.p.A. at December 31, 2023 and does not constitute the document in ESEF format required by the ESEF Technical Standards as per Delegated Regulation (EU) 2019/815 (the "ESEF Regulation").*

The Annual Financial Report of Maire Tecnimont S.p.A. at December 31, 2023 in the ESEF format required by the ESEF Regulations, including the required markings, is available on the Company's website www.mairetecnimont.com ("Investors" - "Financial Results") and on the authorized storage mechanism "1info" (www.1info.it).

Contents

Directors' Report

1. Board of Directors, Board of Statutory Auditors and Independent Audit Firm

Board of Directors	
Chairperson	Fabrizio DI AMATO
Chief Executive Officer	Alessandro BERNINI (1)
Independent Director	Gabriella CHERSICLA (** Chairperson) (*** Chairperson)
Independent Director	Isabella Maria NOVA (1) (*)
Independent Director	Cristina FINOCCHI MAHNE (2) (***)
Director	Luigi ALFIERI (*)
Director	Stefano FIORINI (**)
Independent Director	Paul Alberto DE ANGELIS (* Chairperson) (***)
Independent Director	Maurizia SQUINZI (**)

The Board of Directors was appointed by the Shareholders' Meeting of April 8, 2022 and will remain in office until the approval of the 2024 Annual Accounts

(1) Appointed by the Board of Directors on May 24, 2023 by co-option following the resignation of Non-Executive Director Francesca Isgrò from the positions of Director, member of the Remuneration Committee and Lead Independent Director of the Company. In accordance with the law, Isabella Nova will remain in office until the Company's next Shareholders' Meeting.

(2) Appointed by the Board of Directors on June 28, 2023 in implementation of recommendation 13 of the Corporate Governance Code as MAIRE's new Lead Independent Director.

(*) *Member of the Remuneration Committee*

(**) *Member of the Control, Risks and Sustainability Committee*

(***) *Member of the Related Parties Committee*

Board of Statutory Auditors	
Chairperson	Francesco FALLACARA
Statutory Auditor	Andrea BONELLI
Statutory Auditor	Marilena CEDERNA
Alternate Auditor	Massimiliano LEONI
Alternate Auditor	Mavie CARDI
Alternate Auditor	Andrea LORENZATTI

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of April 8, 2022 and will remain in office until approval of the 2024 Annual Accounts

Independent audit firm
PricewaterhouseCoopers S.p.A.

The company's Shareholders' Meeting of December 15, 2015 awarded the audit of accounts for the years 2016-2024 to the independent audit firm PricewaterhouseCoopers S.p.A..

2. Key Events in the year

The Group's key operating events in 2023 were as follows:

NEW ORDERS AND COMMERCIAL AGREEMENTS

The flexible organizational model, accompanied by an advanced technology portfolio, together with strong collaboration with partners and clients, has enabled the acquisition of new contracts and existing contract extensions worth approx. Euro 11,174.1 million. This is the highest level ever recorded by the MAIRE Group.

The order intake concerns licensing, engineering services and EP (Engineering and Procurement) and EPC (Engineering, Procurement and Construction) activities.

The main contracts contributing to the record Group order intake are the Amiral project, acquired in the first half of 2023 and concerning two EPC contracts for the petrochemical expansion of the SATORP refinery (a JV comprising Saudi Aramco and TotalEnergies), the Jubail project in Saudi Arabia, for a total value of approx. USD 2 billion, and the acquisition of a contract to build an on-shore treatment plant for the Hail and Ghasha project in Abu Dhabi, for approx. USD 8.7 billion, awarded to MAIRE through the subsidiary Tecnimont by the client ADNOC on October 5, 2023.

The Sustainable Technology Solutions business unit acquired new orders worth Euro 299.1 million, almost double the figure for 2022. The major projects awarded to this business unit include: contracts for the licensing and supply of proprietary equipment for an ammonium and urea plant in sub-Saharan Africa with a total value of Euro 100 million; engineering work and supply of equipment for the modification of an existing hydrogen unit (Steam Methane Reformer) in order to reduce its environmental impact; and a pre-feasibility study to define the process configuration of a green ammonium plant based on proprietary technology in the Middle East.

The Backlog at December 31, 2023 was Euro 15,024.4 million, increasing by approx. Euro 6,410.4 million (+74.4%) on the figure at December 31, 2022. The figure at December 31, 2023 is the highest year-end figure in the MAIRE Group's history.

Awarded by some of the most prestigious international clients, these contracts and other commercial agreements are outlined in the section "Backlog by Business Unit and Region".

CORPORATE EVENTS

MAIRE TECNIMONT GROUP INDUSTRIAL REORGANIZATION APPROVED

In the fourth quarter of 2022, the Group launched an industrial reorganization (the "Project") against the backdrop of the broader social and industrial transformation underway globally, which has led to a reshaping of its long-term strategies. This led to, following the Board of Directors' approval on March 1, 2023, the Group's industrial reorganization into two business units ("BU's"). Specifically: i) "Integrated E&C Solutions", covering executive general contractor operations, so as to achieve economies of scope and synergies on projects with integrated technologies and processes, in addition to greater operational efficiency and reduced overheads; and ii) "Sustainable Technology Solutions", covering all of the Group's sustainable technology solutions/operations, in addition to the high value-added/innovative services primarily focused on the energy transition and the "green acceleration".

As part of the Project and in particular for the purposes of setting up the "Sustainable Technology Solutions" business unit, the Board of Directors of Maire Tecnimont approved the transfer to the newly-incorporated subsidiary NextChem Holding S.p.A. ("NextChem Holding") of 100% of the share capital of the Dutch subsidiary Stamicarbon B.V. ("Stamicarbon") and of 56.67% of the share capital of the subsidiary NextChem S.p.A. ("NextChem" and the "Maire Tecnimont Shareholdings"). Maire Investments S.p.A. ("MI"), owner of the remainder of NextChem (43.33%), also transferred its holding to NextChem Holding.

A paid-in and indivisible share capital increase was therefore undertaken of NextChem Holding (initially 56.67% and 43.33% held by Maire Tecnimont and MI respectively) for a total of Euro 648,450,000, excluding the pre-emption rights pursuant to Article 2441, paragraph 4, of the Civil Code and reserved for Maire Tecnimont and MI shareholders, to be paid-in by means of the simultaneous contribution of the above-mentioned shareholdings.

As a result of the increase, 78.37% of the share capital of NextChem Holding is now held by Maire Tecnimont and 21.63% by MI, while NextChem Holding wholly-owns NextChem and Stamicarbon.

The contribution transaction qualified as a significant related party transaction pursuant to Consob Regulation No. 17221/2010 (the "Consob Regulation") and the current "Related Party Transactions Policy" adopted by the Company (the "Policy"), as NextChem Holding is a Maire Tecnimont subsidiary and in which MI has a stake, and subject therefore to common control. The Board of Directors' motion was therefore taken after a reasoned binding favorable opinion of the Related Parties Committee on Maire Tecnimont's interest in the completion of the capital increase transaction, having moreover verified the satisfaction of the benefit and substantial and procedural correctness requirements.

Deloitte Financial Advisory S.r.l. S.B. - in its capacity as independent expert appointed by the Company's Board of Directors, after preliminary investigation for this purpose carried out by the Related Parties Committee - issued two expert opinions pursuant to Article 2343-*ter*, paragraph 2, letter b) of the Civil Code concerning the value of the shareholdings in NextChem and Stamicarbon to be contributed, in addition to the fairness opinion in order to identify the exchange value, i.e. the ratio between the share values of MI and Maire Tecnimont in NextChem Holding following the contribution transaction.

The Related Parties Committee was also supported by the Tombari D'Angelo e Associati Law Firm, in the person of Mr. Umberto Tombari, as its independent legal advisor and by the company WEpartner, in the person of Mr. Pietro Mazzola, as its independent economic advisor, for the purposes of the Committee's contacts with Deloitte Financial Advisory S.r.l. S.B.

The disclosure document for the conferment transaction, drawn up as per Article 5 and in accordance with the template as per Annex 4 of the Consob Regulation, in addition to the policy, was made available to the public in accordance with the deadlines and means established by the applicable law and regulations, together with the Related Parties Committee opinion, in addition to the above-stated expert reports and fairness opinion.

CHANGE OF NAME OF NEXTCHEM HOLDING S.P.A. and NEXTCHEM S.P.A

The Extraordinary Shareholders' Meetings of NextChem Holding S.p.A. and NextChem S.p.A. were held on July 25, 2023, at which it was resolved to change the names of both companies as follows: NextChem Holding S.p.A to NextChem S.p.A. and NextChem S.p.A to NextChem Tech S.p.A. The new company names were effective upon registration of the respective Shareholders' Meeting resolutions, together with the new By-Laws, with the Companies Register.

MAIRE ANNOUNCES 2023-2032 STRATEGIC PLAN "UNBOX THE FUTURE"

On March 2, 2023, Maire S.p.A.'s Top Management outlined "Unbox the Future" at the Capital Markets Day, the 2023-2032 Maire Strategic Plan and reflecting Maire's new industrial cycle, building on its engineering capacity and technologies based on over 100 years of involvement in the chemicals industry. The Group accelerates its Energy Transition positioning, leveraging Sustainable Technologies and an Integrated Engineering & Construction approach. The Strategic Plan was presented together with the rebranding, in order to strengthen the business identity and vision of Maire.

Maire has identified the following 4 clusters which are already part of its core business and affected by the ongoing Energy Transition transformation: 1. Nitrogen Fertilizers; 2. H2 and Circular Carbon; 3. Fuels and Chemicals and 4. Polymers.

The industrial sector is facing structural changes and rapid shocks in its various core businesses, seeking new production paradigms to preserve performance while meeting the major global challenges. The market is now looking for an integrated approach based on the following 5 key pillars: 1. Technological Know-How; 2. Broad portfolio of Solutions; 3. Enabling innovation; 4. Flawless execution in complex environments and 5. Expertise in managing larger ecosystems.

These 5 pillars enable us to go beyond the traditional EPC value chain and are the foundation of Maire Tecnimont's strategic approach.

Following the reorganization, a new reporting structure was adopted and is based on two Business Units:

- **Sustainable Technology Solutions (STS):** in which all of NextChem's sustainable technology solutions are concentrated, as well as high value-added services aimed primarily at the energy transition. This business unit, given its technological nature, will express low volumes but with significantly high margins, also accompanied by a low level of risk.

- Integrated E&C Solutions (IE&CS): which features executive expertise and synergies on projects with integrated technologies and processes, as well as greater operational efficiency. Given the nature of these activities, high volumes for this business unit are expected and margins in line with the average for EPC contracts.

The expected growth set out in the 2023-2032 Strategic Plan is expected to emerge not only organically, but also through a major investment plan over its duration for over Euro 1 billion, which shall broaden the current and future technology portfolio, acquiring enabling technologies on which to scale up, co-investing in project development initiatives for projects based on proprietary or exclusive to the Group sustainable technology solutions, in addition to recurring investments to support digitalization and organic investments for the growth of Maire Tecnimont's human capital. The recent acquisitions of CatC from BioRenova and Conser are within this scope.

The new strategy, together with the new organizational and reporting model, allows the intrinsic value of technology to be fully realized.

MAIRE ACQUIRES MAJORITY STAKE IN CONSER, AN ITALIAN BIODEGRADABLE PLASTICS INTERMEDIATES AND HIGH VALUE-ADDED DERIVATIVES TECHNOLOGY COMPANY, THROUGH NEXTCHEM S.p.A. (formerly Nextchem Holding S.p.A), EXPANDING ITS TECHNOLOGY PORTFOLIO IN BIODEGRADABLE PLASTICS

On January 23, 2023, Maire S.p.A. announced its expansion, through the subsidiary NextChem S.p.A (formerly Nextchem Holding S.p.A.), into the markets for biodegradable plastics intermediates and high value-added derivative product technologies thanks to the acquisition of an 83.5% stake in Conser, a Rome-based proprietary technology and process engineering company. Founded more than 50 years ago, Conser was developed by engineer Flavio Simola, who guided the company to the technological excellence it showcases today.

Closing of the deal is subject to typical conditions for this type of transaction and occurred on April 12, 2023.

The transaction is worth approx. Euro 35.8 million, of which Euro 28.4 million settled on closing and Euro 7.4 million deferred and subject to a number of conditions. The acquisition contract also stipulates an earn-out clause on the basis of the achievement of set operating results for FY 2023 and 2024 and a put and call options structure on the remaining 16.5%, to be exercised within the coming three years.

Founded over 50 years ago, Conser boasts an extremely diverse portfolio of technology patents relating to the energy transition and processes for high value-added fine chemical products, including flexible and cost-effective technologies for maleic anhydride, butanediol and dimethyl succinate, key building blocks for the production of biodegradable plastics. Featuring excellent biodegradation properties, these plastics present very promising market prospects due to growing demand and particularly in Asia. Conser's portfolio also includes technologies for fine chemistry for lithium battery production and bio-based derivatives (plant glycerin).

Conser will benefit from the Maire Tecnimont Group's technological expertise and experience to further optimize its current and future technologies and develop, among other products, a fully biodegradable or bio-based polymer.

With this transaction, MAIRE strengthens its energy transition and circular economy leadership, adding innovative and sustainable technologies for biodegradable plastics intermediates and high value-added specialty chemicals to its portfolio. These technologies can be developed in new markets thanks to MAIRE's global sales network and integrated project execution capability. Further growth opportunities may come from the development of a fully biodegradable or bio-based polymer, in line with the Group's decarbonization strategy.

The acquisition of Conser, which developed total expected revenues of about Euro 25 million in 2022, is strategically significant in that it allows the Group to enter new markets. The expected contribution from Conser to EBITDA in 2023 is over Euro 11 million, consolidating a net cash position of over Euro 10 million.

In the transaction Conser was assisted by FAI ADVISORY and the Foschiani law firm in Rome, while for MAIRE the transaction was handled by the Group's legal, corporate and M&A team.

NEXTCHEM ACQUIRES CATC, AN INNOVATIVE PLASTIC CHEMICAL RECYCLING TECHNOLOGY

On April 27, 2023, following the announcement on February 6, 2023, Maire S.p.A. announced that NextChem Tech S.p.A (formerly NextChem S.p.A.), the subsidiary that is part of the Sustainable Technology Solutions business unit, has acquired 51% of MyRemono S.r.l., a new company to which Biorenova S.p.A. has transferred patents, assets, including a pilot plant, and contracts related to CatC, an innovative catalytic depolymerization technology for plastics. CatC is a continuous chemical recycling process to recover highly pure monomers (basic components for the plastics value chain) from sorted plastic waste, particularly polymethyl methacrylate (PMMA, also known as Plexiglass®).

The first CatC technology demonstration plant, with a processing capacity of about 1,600 tons of plastic waste per year, is operating in Abruzzo, Italy, and monomer samples have been fully validated by potential customers. The results achieved indicate that CatC represents a cost-effective, efficient (about 95% plastic conversion) and competitive alternative to other Plexiglass® depolymerization technologies, even considering that the monomers can be reprocessed in a circular approach.

MyRemono will build the first industrial plant with a treatment capacity of up to a maximum of approx. 5,000 tons per year, scheduled to start operation in the second half of 2025, when commercial licensing, process engineering, and critical equipment supply activities will also be launched.

MyRemono also plans to expand the application of this technology to other value-added plastics, including the depolymerization of polystyrene, a widely used plastic with numerous industrial uses from food packaging to electronics and automotive, among others.

Further optimization of the technology would provide access to the broader polyolefin market.

This acquisition adds another important aspect to the execution of MAIRE's strategy, which identifies the expansion of NextChem's sustainable technology portfolio as a key growth driver over the next 10 years.

The price of the 51% stake acquired by NextChem Tech S.p.A. (formerly Nextchem S.p.A) is Euro 6.12 million, of which Euro 4.12 million was paid on closing and Euro 2.0 million is to be paid within 36 months upon the fulfillment of certain conditions. The shareholders NextChem and Biorenova, simultaneous to closing, made a capital increase of Euro 2.2 million and also subscribed to a shareholder loan of an additional Euro 2.0 million, to be disbursed within 12 months from the closing date to support planned investments, including the construction of the first industrial plant. MyRemono's revenues are expected to grow gradually from 2025 to reach a cumulative amount of Euro 30 million by 2028. After this period, the expected revenue is approx. Euro 15-20 million per year, with an EBITDA margin of approx. 40% when fully operational.

MAIRE STRENGTHENS FINANCIAL STRUCTURE WITH NEW SACE-BACKED LOAN

On March 13, 2023, MAIRE S.p.A. announced the signing of a new Euro 150 million loan, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Maire Tecnimont Group's financial structure.

This loan was issued by a syndicate of leading Italian banks, comprising Banco BPM, MPS Capital Services and Intesa Sanpaolo (IMI Corporate & Investment Banking Division). This latter acts also as the "SACE Agent" and Agent Bank for the transaction.

In accordance with Decree-Law No. 50 of May 17, 2022, the loan is mainly to support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the MAIRE Group's main operating company headquartered in Italy.

The new loan shall have 6-year duration, of which 3 years grace period, a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

MAIRE STRENGTHENS FINANCIAL STRUCTURE WITH NEW SACE-BACKED LOAN

On May 25, 2023, MAIRE S.p.A. announced the signing of a new Euro 40 million loan with BPER Corporate & Investment Banking, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Group's financial structure.

In accordance with Decree-Law No. 50 of May 17, 2022, the loan is mainly to support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the Group’s main operating company headquartered in Italy.

The loan matures in December 2028 and has a three-year grace period. It provides for a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

MAIRE TECNIMONT S.P.A. “SENIOR UNSECURED SUSTAINABILITY-LINKED NOTES DUE 5 OCTOBER 2028" BONDS

On September 12, 2023, MAIRE S.p.A. announced the approval of the launch of the issuance of a fixed-rate, unrated Senior Unsecured Sustainability-Linked¸ non-convertible bond for a minimum of Euro 120 million and a maximum of Euro 200 million. This is MAIRE’s second bond issue, following the successful placement of a bond totaling Euro 165 million in 2018 with leading Italian and European institutional investors, and also on the Italian retail market.

The Company continues to integrate its sustainability goals into its financial management, as it did in 2019 with the ESG-linked Schuldschein Loan.

In fact, the new Bond will take into account the Sustainability-Linked Financing Framework approved by the Board of Directors. The Framework, drafted in line with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles, has been certified by Sustainalitycs as a Second-Party Opinion Provider, and is available along with the certification on the Company's website (www.mairetecnimont.com), in the "Investors" - "Investors and Sustainability" section. The transaction further strengthens MAIRE's commitment to the energy transition, as already represented in the 2023-2032 strategic plan.

In fact, the new Bond stipulates an interest rate increase if specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO2 emissions (“Scope 1 and Scope 2”) by 35% compared to the 2018 level, and reduce the CO2 emissions of its suppliers by 9%, particularly through the “Scope 3” emission intensity related to purchased technology-content goods and services, measured as tons of CO2 relative to value added, compared to the 2022 level.

These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN’s SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

The new Bond also includes an incurrence covenant, non-compliance with which would result in debt restrictions and default events in line with the Group's existing medium to long-term debt.

On September 28, 2023, the public offering in Luxembourg and Italy of the Maire Tecnimont S.p.A. "Senior Unsecured Sustainability Linked Notes due 5 October 2028" Bonds was concluded in advance, with a total nominal value of Bonds subscribed of Euro 200 million, at an issue price of 100% of their nominal value, represented by 200,000 Bonds with a nominal value of Euro 1,000 each. The gross proceeds from the Offering amounted to Euro 200 million.

The interest rate of the Bonds, corresponding to the yield at issuance, is 6.50% per annum gross. It should also be noted that there is a maximum interest rate increase of 0.50% overall where the specific CO2 emission reduction targets by December 31, 2025, as outlined above, are not met.

Consequently, 200,000 Bonds were issued on October 5, 2023. On the same date, the Bonds began accruing interest, which shall be settled, in arrears, on April 5 and October 5 of each year beginning April 5, 2024; the Bond provides the option of voluntary early redemption from the third year.

The trading commencement date of the Bonds on the MOT set by Borsa Italiana S.p.A., pursuant to Article 2.4.3 of its Regulation, was October 5, 2023. On the same date, the Bonds were also admitted to listing on the official list of the Regulated Market of the Luxembourg Stock Exchange, with the commencement of trading.

The net income from the offer was mainly used to refinance a portion of the existing debt. In particular, on November 28, 2023 the Euro 165 million non-convertible bond, with maturity in April 2024, was repaid in advance (as detailed below). Surplus proceeds may be used for general company needs.

Equita SIM. S.p.A., Banca Akros S.p.A. - Group Banco BPM and PKF Attest Capital Markets SV. SA, acted as joint bookrunners. Equita SIM. S.p.A. also acted as placement agent.

The Prospectus, in addition to further information regarding the Offering and the Bonds, are available on the Company's website, www.mairetecnimont.com ("Investors" - "Debt" - "Bonds" - "MAIRE SLB TF, Oct28 Call Eur" section) and on the website of the Luxembourg Stock Exchange www.luxse.com.

MAIRE SETTLES IN ADVANCE THE "165,000,000 FIXED RATE SENIOR UNSECURED NOTES DUE 2024" BOND

On November 28, 2023, following on from that announced on October 26, 2023, Maire Tecnimont S.p.A. communicated that the Company had fully repaid in advance (the "Reimbursement") the "165,000,000 Fixed Rate Senior Unsecured Notes due April 2024" bond, issued on May 3, 2018, ISIN XS1800025022 with consequent delisting of the bonds from the markets organized and managed by Borsa Italiana S.p.A. and from the Luxembourg Stock Exchange.

The Reimbursement price of Euro 165,333,173.08 reflects 100% of the nominal amount of the Bond, together with the interest matured by the last coupon payment date.

OTHER ASPECTS OF GOVERNANCE

MAIRE TECNIMONT S.P.A. ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING: STATUTORY FINANCIAL STATEMENTS AT DECEMBER 31, 2022 AND DISTRIBUTION OF A DIVIDEND APPROVED. ALESSANDRO BERNINI CONFIRMED AS DIRECTOR AND CHIEF EXECUTIVE OFFICER; PROPOSAL TO AMEND THE BY-LAWS APPROVED.

On April 19, 2023, the Ordinary Shareholders' Meeting of Maire Tecnimont S.p.A. met and approved: the Statutory Financial Statements at December 31, 2022 of the Company; the proposal to distribute a dividend totaling Euro 40,737,860.74 and as per Article 2386 of the Civil Code the meeting confirmed Alessandro Bernini as a Non-independent Director of the Company. The Ordinary Shareholders' Meeting, in addition, approved the 2023 Remuneration Policy, the adoption of the "Maire Tecnimont Group 2023-2025 Long-Term Incentive Plan" and the adoption of the "Maire Tecnimont Group 2023-2025 General Share Plan".

The Ordinary Shareholders' Meeting also approved the authorization to acquire treasury shares up to a maximum 10,000,000 ordinary shares, 3.04% of the shares currently in circulation.

Finally, the Extraordinary Shareholders' Meeting also approved the proposals to amend Article 1 (Name), 4 (Duration), 10 (Attendance and voting at the Shareholders' Meeting), 14 (Appointment of the Board of Directors), 16 (Calling and meetings of the Board of Directors) and 21 (Appointment of the Board of Statutory Auditors) of the Company's By-Laws. The new company By-Laws, as amended by today's Shareholders' Meeting, are available on the company website www.mairetecnimont.com ("Governance" "Corporate Documents Archive" section) and on the 1info authorized storage mechanism (www.1info.it) in accordance with law.

REPLACEMENT OF A DIRECTOR

On May 24, 2023, the Board of Directors of MAIRE S.p.A. accepted the resignation of Non-Executive Director Francesca Isgrò from her positions as Board Member, member of the Remuneration Committee and Lead Independent Director of the Company, due to new upcoming professional positions that were incompatible with these roles. Having ascertained that there were no further unelected candidates belonging to the slate from which Ms Isgrò had been elected, the Board co-opted Isabella Nova (Chief Executive Officer of the Polytechnic University of Milan) as MAIRE S.p.A.'s new Non-Executive Director, pursuant to Article 2386 of the Civil Code and Article 14 of the By-Laws and with the approval of the Board of Statutory Auditors.

In accordance with the law, Isabella Nova will remain in office until the Company's next Shareholders' Meeting. The Board of Directors then assessed and, on the basis of the information available and the declarations provided, confirmed that Isabella Nova meets the requirements of the applicable rules and regulations, in addition to the By-Laws of MAIRE S.p.A., to hold the position of company Director, and that - taking account of recommendation No. 7 of the Corporate Governance ("Code") and the quantitative-qualitative criteria defined by the Board of Directors in implementation of this recommendation - she meets the independence requirements set out under law and the Code by the Directors. Francesca Isgrò and Isabella Nova do not currently hold any ordinary shares in MAIRE S.p.A.

We note that, following the termination of the positions held, Francesca Isgrò is not entitled to any indemnity or other benefits, with the exception of the payment of the pro-rata fees due to her for the positions and any reimbursement of expenses due.

MAIRE S.P.A: REMUNERATION COMMITTEE SUPPLEMENTED AND NEW LEAD INDEPENDENT DIRECTOR APPOINTED

On June 28, 2023, the MAIRE S.p.A. Board of Directors supplemented the Company's Remuneration Committee by appointing Independent Non-Executive Director Isabella Maria Nova as its new member.

Consequently, the Remuneration Committee currently comprises the Non-Executive Independent Directors Paolo Alberto De Angelis (Chairperson) and Isabella Maria Nova and the Non-Executive Director Luigi Alfieri. The Directors Paolo Alberto De Angelis and Luigi Alfieri have appropriate knowledge and experience in finance or remuneration policy.

Enacting Recommendation 13 of the Corporate Governance Code, MAIRE's Board of Directors also appointed Non-Executive Independent Director Cristina Finocchi Mahne as MAIRE's new Lead Independent Director, effective today.

MAIRE JOINS EURONEXT TECH LEADERS SEGMENT FOR LEADING AND HIGH-GROWTH EUROPEAN TECH COMPANIES

On June 15, 2023, MAIRE S.p.A. announced that it has joined Euronext Tech Leaders, the new initiative for leading and high-growth Tech companies developed by Euronext, the leading pan-European market infrastructure that manages the regulated stock markets in Belgium, France, Ireland, Italy, Norway, the Netherlands and Portugal.

MAIRE was included in the "Green Production Practices" subsector of the Cleantech cluster, which includes companies that develop production processes, products or services to reduce natural resource consumption.

Euronext's Tech ecosystem unites more than 700 Tech companies listed on Euronext markets, with a wide international investor base that finances growth of all types at Tech companies.

Euronext Tech Leaders is an initiative that includes over 100 leading, high-growth companies, each meeting a specific range of criteria. It complements Euronext's existing Tech offering and seeks to strengthen the sector at the European level, in addition to being a catalyst for the next generation of Tech leaders.

As a Euronext Tech Leader, MAIRE will benefit from a range of services that Euronext and its partners offer to the technology sector. One of these is inclusion in the Euronext Tech Leaders index, which covers all the companies in the segment.

COMPLETION OF THE TREASURY SHARE BUY-BACK PLAN IN SERVICE OF THE THIRD CYCLE (2022) OF THE "MAIRE TECNIMONT GROUP EMPLOYEE 2020-2022 GENERAL SHARE PLAN"

On June 21, 2023, Maire Tecnimont S.p.A. launched the treasury share buyback program as per Article 5 of Regulation (EU) No. 596/2014 (the "MAR"), in service of the Maire Tecnimont share-based remuneration and incentive plans adopted by the Company and specifically to service the Third Cycle (2022) of the "2020-2022 General Share Plan for Maire Tecnimont Group employees" adopted by the Company. As part of the share buy-back program, between June 21, 2023 and July 7, 2023 inclusive, 1,100,000 treasury shares were acquired (corresponding to 0.335% of the total number of ordinary shares), at an average weighted price of Euro 3.476, for a total amount of Euro 3,824,103, and the program was therefore completed.

In light of the purchases made and the treasury shares already held in portfolio before the start of the Program, on the completion of the buy-back program on July 7, 2023, the Company held a total of 1,209,297 treasury shares.

Subsequently, 1,086,211 shares were delivered to the beneficiaries of the Third Cycle (2022) of the "2020-2022 General Share Plan".

As of December 31, 2023, the Company, by virtue of the remaining treasury shares from the previous year, the new purchases in 2023 and related deliveries, thus holds a residual 123,086 treasury shares to be used for the next cycle of the long-term general share plan.

3. Investor information

MAIRE TECNIMONT S.P.A. SHARE CAPITAL AT DECEMBER 31, 2023

	Expressed in No. of shares	Expressed in No. of voting rights
Share capital	Euro 19,920,679.32	Euro 19,920,679.32
Total	328,640,432	508,429,944
Floating share capital	160,975,298	n.a.(1)
Floating share capital %	49%	n.a.(1)

(1) Following the amendments to Article 2.2.1. of the "Regulation for markets organized and managed by Borsa Italiana", in force since March 4, 2019, the calculation of the free float was made only on the basis of the number of shares and not on the number of votes.

MAIRE SHARE PERFORMANCE

ECONOMIC OVERVIEW

In 2023, the market was shaped by the continued international geopolitical tensions, in particular the conflicts in Ukraine and in Israel. The financial markets reflected expectations on the monetary policy outlook for the major central banks, and their potential impacts on economic growth and inflation.

The stock market gains in 2023 were slowed by the crises affecting a number of local banks in the United States and the Chinese economic slowdown. The main stock markets however ended the year higher, supported by expectations of a soft landing for the developed economies following the containment of inflation in the United States and in Europe.

The Nasdaq, supported by the technology stocks, gained 43%, while the FTSE MIB and Euro Stoxx 600 were respectively up 28% and 13% in 2023.

MAIRE

Maire's stock in 2023 performed the strongest among its main European competitors, up approx. 58% on annual basis.

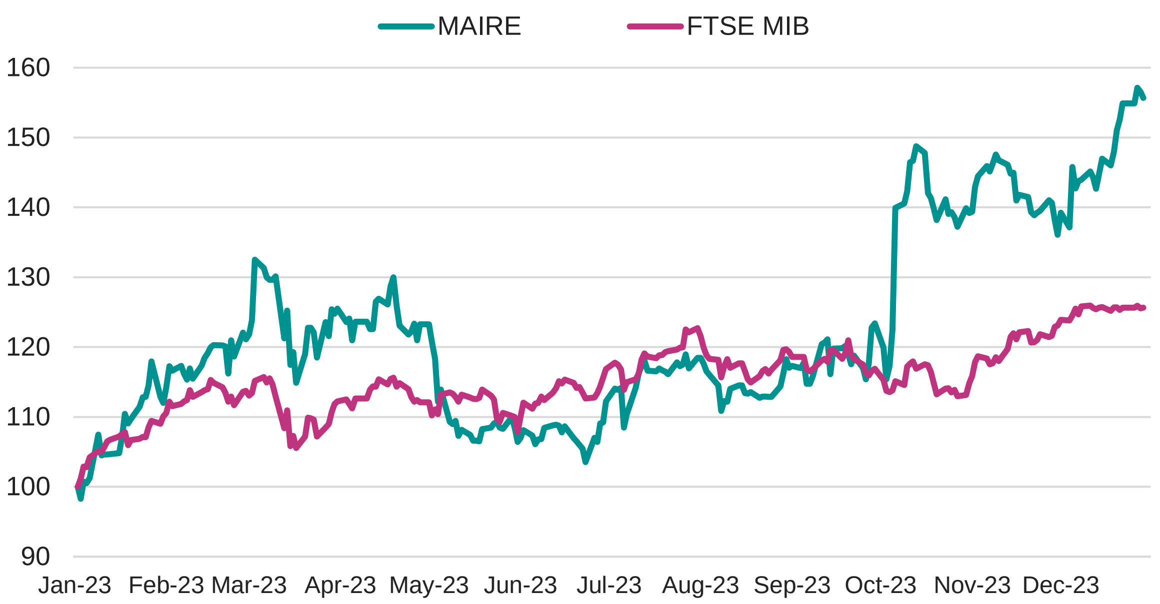
Against a positive backdrop for the Energy Services sector, the increase in the Maire share price was driven by the strong order intake, the continuous improvement in profitability and the Group's positioning in terms of the technological development of Energy Transition and Green Chemistry technologies, along with an integrated business model firmly rooted in the creation of Sustainable Value.

Maire in 2023 maintained ongoing investor relation activities, using hybrid methods of interaction, i.e. both virtual and in-person. In 2023, there were around 200 meetings with investors at the world's major stock exchanges.

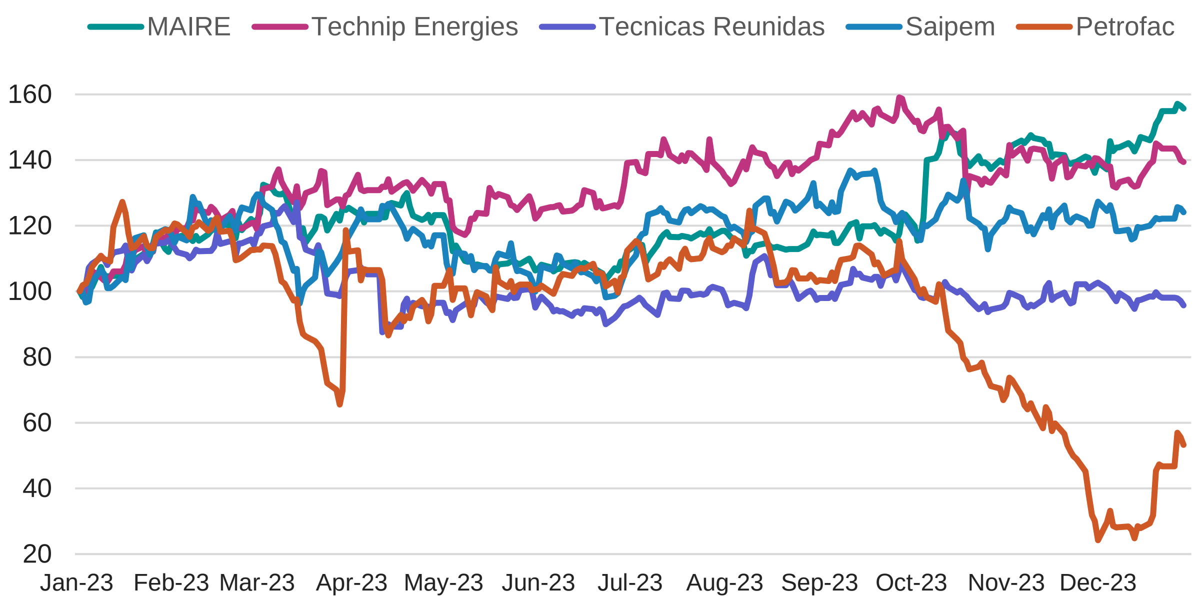
The average daily trading volume in 2023 was 0.7 million shares, at an average price of Euro 3.855.

Milan Stock Exchange ordinary share price (Euro)	01/01 - 31/12/2023
Maximum (December 27, 2023)	4.956
Minimum (January 3, 2023)	3.100
Average	3.855
Year-end (December 31, 2023)	4.910
Stock market capitalization (at December 31, 2023)	1,613,624,500

Maire Tecnimont 2023 share performance against the FTSE MIB



Maire Tecnimont 2023 share performance against our main peers



4. Group operating performance

The Maire Tecnimont Group 2023 key financial highlights (compared to the previous year) are reported below:

(YTD in Euro thousands)	NOTE (*)	2023	%	2022	%	Change	
Performance indicators:							
Revenues	27.1-2	4,259,511		3,463,723		*795,788*	*23.0%*
Business Profit (**)	27.3	362,872	8.5%	298,694	8.6%	*64,178*	*21.5%*
EBITDA (***)	27.3	274,407	6.4%	209,317	6.0%	*65,090*	*31.1%*
Amortization, depreciation, write-downs and provisions	27.8-9	(57,866)	(1.4%)	(51,328)	(1.5%)	*(6,539)*	*12.7%*
EBIT		216,540	5.1%	157,989	4.6%	*58,552*	*37.1%*
Net financial expense	27.10-11-12	(30,325)	(0.7%)	(28,891)	(0.8%)	*(1,434)*	*5.0%*
Income before tax		186,215	4.4%	129,097	3.7%	*57,117*	*44.2%*
Income taxes	27.13	(56,707)	(1.3%)	(38,744)	(1.1%)	*17,963*	*46.4%*
Tax rate		(30.5%)		(30.0%)		*N/A*	
Net income		129,508	3.0%	90,353	2.6%	*39,155*	*43.3%*

(*) The notes refer to the paragraphs of the Explanatory Notes to the consolidated financial statements where the respective accounts are analyzed in detail.

(**) "Business Profit" is the industrial margin before the allocation of general and administrative costs and research and development expenses; its percentage of revenues is the Business Margin.

(***) EBITDA is net income for the year before taxes (current and deferred), net financial expenses, gains and losses on the valuation of holdings, amortization and depreciation and provisions. EBITDA is a measure utilized by management to monitor and assess the operating performance. Management consider EBITDA a key parameter in measuring the Group's performance as not impacted by the effects of differing criteria applied to taxable income, the amount and characteristics of the capital utilized and by amortization and depreciation. As EBITDA is not governed by the Group's accounting standards, the Group calculation criteria may not be uniform with those adopted by other groups and, therefore, may not be comparable.

The Maire Tecnimont Group in 2023 reported revenues of Euro 4,259.5 million, up 23% on the previous year, mainly thanks to the progress of the projects towards stages with higher volumes.

The Group reports a Business Profit of Euro 362.9 million for 2023, up 21.5% on Euro 298.7 million in the previous year, as a consequence of the higher volumes in the year. The consolidated Business Margin in 2023 was 8.5%, substantially in line with the previous year.

General and administrative costs amounted to Euro 77.8 million (Euro 80 million in 2022), a decrease on the previous year but originally forecast to increase following the strengthening of the structure to support the overall growth in Group operations. In 2023 they accounted for 1.8% of consolidated revenues, significantly down from the 2.3% reported in 2022.

Thanks also to efficient overhead cost management, net of R&D costs of approx. Euro 10.7 million (Euro 9.4 million in 2022), the Group reports 2023 EBITDA of Euro 274.4 million, up 31.1% on the previous year (Euro 209.3 million), essentially due to higher volumes and an altered production mix. The margin was 6.4%, increasing 40 basis points on the previous year and representing consistent quarter after quarter growth in 2023, due to a higher contribution from technology solutions and high value-added services.

Amortization, depreciation, write-downs and provisions totaled Euro 57.9 million (Euro 26.9 million concerning the depreciation of the right-of-use - leasing recognized as per IFRS 16), an increase on the previous year (Euro 51.3 million), following the beginning of depreciation on new assets for the digitalization of industrial processes, new patents and technological developments and amortization of some intangible assets recorded on the acquisition of Conser S.p.A. in 2023 and accounted in accordance with IFRS 3.

Based on that outlined above, 9M 2023 EBIT was Euro 216.5 million, up 37.1% on the previous year (Euro 158 million) and with a margin of 5.1%, up 50 basis points on the previous year.

Net financial expense of Euro 30.3 million is reported, increasing on the Euro 28.9 million in 2022, due to the increased interest rates affecting the variable rate financial debt on the new credit lines granted in the year, partially offset by increased interest income on liquidity and the positive valuation of some derivative financial instruments.

Income before taxes amounted to Euro 186.2 million, with estimated income taxes of Euro 56.7 million, increasing approx. Euro 18 million, essentially due to higher income before taxes than the previous year, driven by a strong operating performance in 2023. The effective tax rate was approx. 30.5%, in line with the average tax rate reported for the preceding quarters and based on the various localities in which Group operations are carried out.

2023 consolidated net income was Euro 129.5 million (Euro 90.4 million in 2022), up 43.3% as a result of that outlined above. The consolidated revenue margin in 2023 was 3%.

Group net income amounted to Euro 125.4 million, up 39.5% on 2022 (Euro 89.9 million).

ALTERNATIVE PERFORMANCE INDICATORS

In compliance with CONSOB Communication No. 0092543 of December 3, 2015, indications are provided below in relation to the composition of the performance measures utilized in this document and in the institutional communications of the Maire Tecnimont Group.

BUSINESS PROFIT is the industrial margin before the allocation of general and administrative costs and research and development expenses and therefore reflects the sum of total revenues, order costs and commercial costs included in the income statement.

BUSINESS MARGIN is the percentage of the BUSINESS PROFIT, as defined above, on total revenues included in the income statement.

EBITDA is net income for the year before taxes (current and deferred), net financial expenses, gains and losses on the valuation of holdings, amortization and depreciation and provisions.

This indicator is also presented in 'percentage' form as a ratio between EBITDA and Total Revenues included in the income statement.

EBITDA is a measure utilized by management to monitor and assess the operating performance. Management consider EBITDA a key parameter in measuring the Group's performance as not impacted by the effects of differing criteria applied to taxable income, the amount and characteristics of the capital utilized and by amortization and depreciation. As EBITDA is not governed by the Group's accounting standards, the Group calculation criteria may not be uniform with those adopted by other groups and, therefore, may not be comparable.

EBIT or Operating Result: is the net income for the year before taxes (current and deferred), net financial expenses, gains and losses on the valuation of holdings.

5. Performance by Business Unit

INTRODUCTION

Maire Tecnimont S.p.A. heads an integrated industrial group providing engineering services and large works in various industrial sectors on the domestic and international markets.

The BU figures are in line with the new internal reporting structure utilized by company Top Management and in particular with the reporting used by the highest decision-making level for the taking of business decisions, identified as the chief executive officer (CODM) at December 31, 2023.

In the fourth quarter of 2022, the Group launched an industrial reorganization against the backdrop of the broader social and industrial transformation underway globally, which has led to a reshaping of its long-term strategies. This led to, following the Board of Directors' approval on March 1, 2023, the Group's industrial reorganization into two business units ("BU's"). Specifically: i) "Integrated E&C Solutions", covering executive general contractor operations; and ii) "Sustainable Technology Solutions", covering all of the Group's sustainable technology solutions/operations, in addition to the high value-added/innovative services primarily focused on the energy transition and the "green acceleration", so as to achieve economies of scope and synergies on projects with integrated technologies and processes, in addition to greater operational efficiency and reduced overheads

The features of these sectors are outlined below:

I. **Sustainable Technology Solutions (STS):** in which all of NextChem Holding's sustainable technology solutions are concentrated, as well as high value-added services aimed primarily at the energy transition. This business unit, given its technological nature, expresses low volumes but with significantly high margins, also accompanied by a low level of risk. The BU therefore focuses on four separate industrial clusters of interest to the Group, namely: 1) Nitrogen Fertilizers (sustainable and green fertilizers); 2) Hydrogen and Circular Carbon (hydrogen and CO2 capture and utilization); 3) Fuels and Chemicals (circular economy bio or synthetic fuels and e-fuels), and 4) Polymers (recycled and bio polymers);

II. **Integrated E&C Solutions (IE&CS):** covering the general contractor executive responsibilities and all typical EPC (Engineering, Procurement and Construction) project activities and synergies on projects with integrated technologies and processes. Given the nature of these activities, high volumes for this business unit are expected and margins in line with the average for EPC contracts. This BU may provide services or operate in partnership with the "STS" BU, given the growing demand for investments with sustainability features.

The Group assesses the performance of the operating segments based on the segment operating result. Segment revenues are those directly deriving from or attributable to the Segment and from core operations and include revenues from agreements with third parties. Segment costs are charges from segment operations incurred from third parties. For Group operations, amortization, depreciation, provisions for risks, financial income and expense and income taxes are borne by the corporate entity as excluded from operating activities and are presented in the total column.

The Maire Tecnimont Group 2023 key financial highlights by Business Unit (compared to the previous year) are reported below, although restated according to the new reporting used from the beginning of 2023 also in order to facilitate the financial market's understanding of the evolution of the operating/financial performance:

Segment disclosure is reported in the following tables:

(in Euro thousands)	Integrated E&C Solutions		Sustainable Technology Solutions		Total	
	Total	% on Revenues	Total	% on Revenues	Total	% on Revenues
2023						
Revenues	3,997,732		261,780		**4,259,511**	
Business Margin	278,947	7.0%	83,925	32.1%	**362,872**	**8.5%**
EBITDA	209,261	5.2%	65,146	24.9%	**274,407**	**6.4%**
2022						
Revenues	3,280,824		182,900		**3,463,723**	
Business Margin	248,856	7.6%	49,838	27.2%	**298,694**	**8.6%**
EBITDA	173,938	5.3%	35,379	19.3%	**209,317**	**6.0%**
Change December 2023 vs 2022						
Revenues	716,908	21.9%	78,880	43.1%	**795,788**	**23.0%**
Business Margin	30,090	12.1%	34,087	68.4%	**64,177**	**21.5%**
EBITDA	35,323	20.3%	29,767	84.1%	**65,090**	**31.1%**

INTEGRATED E&C SOLUTIONS (IE&CS) BUSINESS UNIT

2023 revenues amounted to Euro 3,997.7 million (Euro 3,280.8 million in 2022), up 21.9% on the previous year, thanks to the progression of the projects in the polymers, fuels and chemical products segments, which have reached phases capable of expressing higher volumes, as well as the contribution expressed by contracts acquired in the initial months of the year.

The "IE&CS" Business Unit reports a Business Profit of Euro 278.9 million in 2023, up from Euro 248.9 million in the previous year, due essentially to the increase in business volumes for the period as described above. The 2023 Business Margin was 7%.

The ''IE&CS" Business Unit, taking account also of general and administrative costs and of R&D costs, in 2023 reports EBITDA of Euro 209.3 million, increasing 20.3% on the previous year (Euro 173.9 million), essentially, as indicated above, due to the greater volumes in 2023. The margin was 5.2%, substantially in line with 2022.

SUSTAINABLE TECHNOLOGY SOLUTIONS (STS) BUSINESS UNIT:

2023 revenues of Euro 261.8 million rose 43.1% on the previous year (2022 revenues of Euro 182.9 million), thanks to the consistent growth of technological solutions and of services for the production of fertilizers and low carbon footprint circular chemical products and fuels.

The 2023 Business Profit was Euro 83.9 million (Euro 49.8 million in 2022), increasing on the previous year due to the higher volumes in 2023. Finally, the 2023 Business Margin was 32.1%, increasing on 2022, due to a differing mix of high added-value technological solutions and services in the period.

The "STS" Business Unit, taking account also of the general and administrative and R&D costs, reported for 2023 EBITDA of Euro 65.1 million, which significantly increased on the previous year (Euro 35.4 million for 2022), due to the increased volumes and an altered technological solutions mix, as outlined above and a margin of 24.9%, increasing 570 basis points from 19.2% in the previous year.

The above figures incorporate the contribution of the newly-acquired Conser, consolidated from January 2023.

VALUE OF PRODUCTION BY REGION:

The regional breakdown of Revenues in 2023 compared to the previous year is illustrated below:

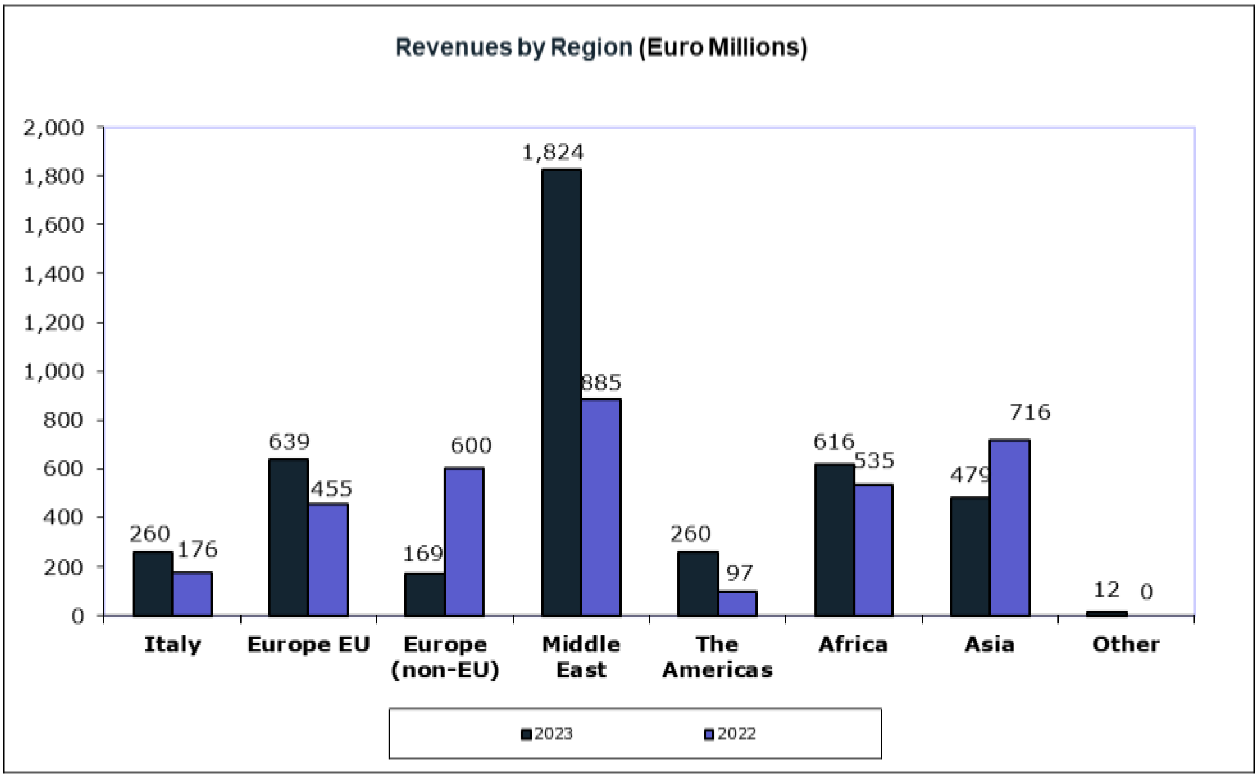
(in Euro thousands)	2023		2022		Change	
	Total	%	Total	%	Total	%
Italy	259,799	6.1%	176,076	5.1%	83,723	47.5%
Overseas						
· Europe (EU)	638,563	15.0%	454,565	13.1%	183,998	40.5%
· Europe (non-EU)	169,483	4.0%	599,526	17.3%	(430,043)	(71.7%)
· Middle East	1,823,739	42.8%	885,263	25.6%	938,476	106.0%
· The Americas	259,850	6.1%	96,904	2.8%	162,946	168.2%
· Africa	616,339	14.5%	534,900	15.4%	81,440	15.2%
· Asia	479,441	11.3%	716,488	20.7%	(237,047)	(33.1%)
· Other	12,297	0.3%	0	0.0%	12,297	na
Total Consolidated Revenues	**4,259,511**		**3,463,723**		**795,788**	**23.0%**

The above table indicates the percentage of revenues by region, reflecting the current development of activities. The revenue table indicates the significant recovery in the Middle East area following the development of projects, principally Borouge 4. The Americas, Italy and Europe also saw growth on the previous year on the basis of the projects under execution.

Asia, and particularly India, saw a reduction related to the very advanced stage of the main Indian projects, which in the previous year significantly affected the Group's activity.

In relation to the Africa region, a slight increase is reported following the start-up of new works in Algeria and the continuation of the Port Harcourt works in Nigeria, which have reached a very advanced stage of construction.

In addition, non-EU (mainly Russia) activities were substantially absent as a result of the development of European sanctions which have been applied since the beginning of the crisis in 2022 until the current period and which resulted in the cancellation of projects located in those regions. The non-EU area also included the activities carried out in Turkey on the Gemlik project.



6. Backlog by Business Unit and Region

The following tables outline the Group's Backlog, broken down by Business Unit at December 31, 2023, net of third party shares and compared to the previous year:

BACKLOG BY BUSINESS UNIT

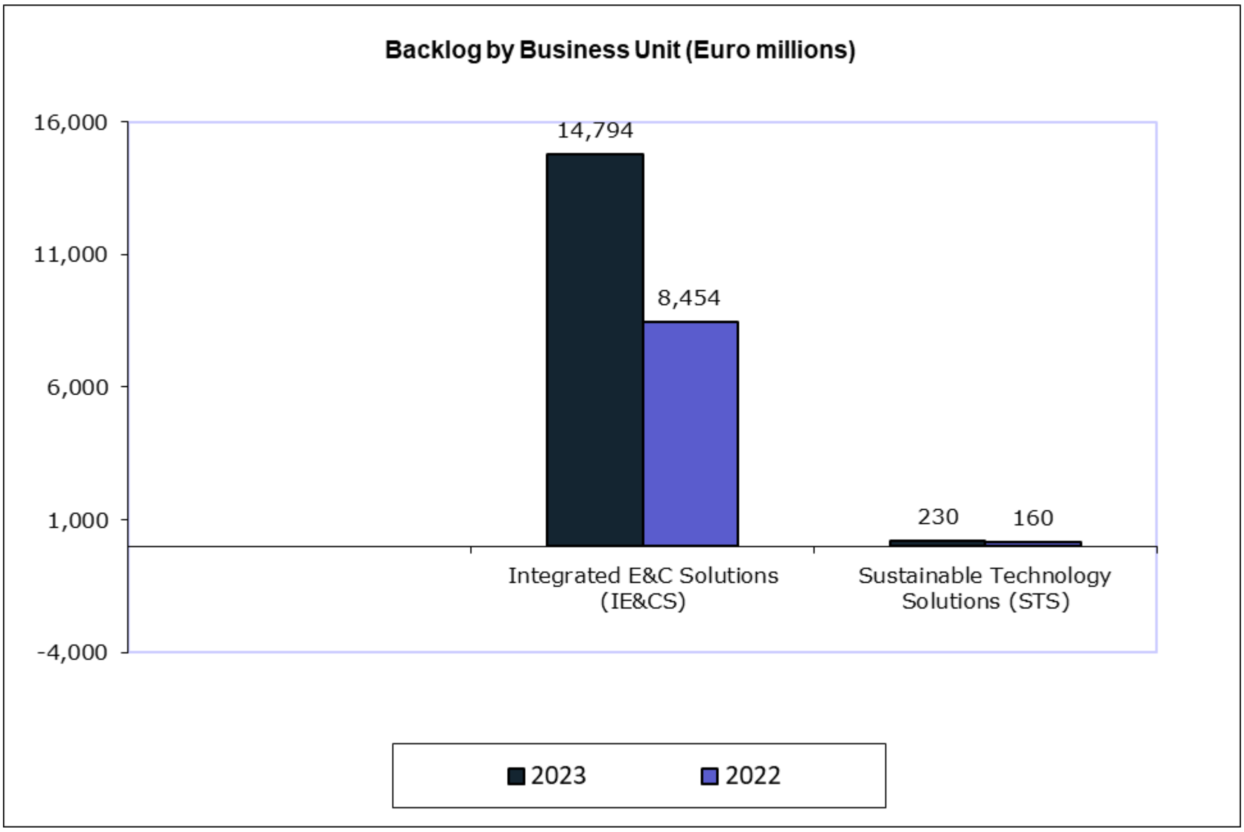
(in Euro thousands)	Integrated E&C Solutions (IE&CS)	Sustainable Technology Solutions (STS)	Total
Adjusted Initial Order Backlog at 01/01/2023 (*)	**8,454,244**	**159,767**	**8,614,011**
Adjustments/Eliminations (**)	(537,544)	33,278	(504,266)
2023 Order Intake	10,875,021	299,119	11,174,139
Revenues	3,997,732	261,780	4,259,511
Backlog at 31/12/2023	**14,793,989**	**230,384**	**15,024,373**

(*) The initial backlog was restated according to the new internal reporting structure used from 2023, following the industrial reorganization of the Maire Group. For further details, reference should be made to section "5 - Performance by Business Unit".

(**) The 2023 Adjustments/Eliminations for the Integrated E&C Solutions BU mainly reflect adjustments related to exchange rate effects on the portfolio, the deconsolidation of the orders attributed to the company SE.MA. Global Facilities S.r.l. relating to the Facility Management business unit classified as held-for-sale and other minor adjustments, and the prudent cancellation of two suspended orders; for the Sustainable Technology Solutions BU, the adjustments related to exchange rate effects, the portfolio of new acquisitions (Conser S.p.A.), adjustments for revenues not included from the initial backlog (production and sales activities of MyReplast Industries S.r.l.) and other minor adjustments.

(in Euro thousands)	Backlog at 31.12.2023	Backlog at 31.12.2022 *(*)*	Change December 2023 vs December 2022	
Integrated E&C Solutions (IE&CS)	14,793,989	8,454,244	6,339,745	75%
Sustainable Technology Solutions (STS)	230,384	159,767	70,616	44.2%
Total	**15,024,373**	**8,614,011**	**6,410,362**	**74.4%**

(*) The backlog at December 31, 2022 was restated according to the new internal reporting structure used from 2023, following the industrial reorganization of the Maire Group. For further details, reference should be made to section "5 - Performance by Business Unit".



In 2023, the Maire Tecnimont Group won new projects and existing contract extensions worth approx. Euro 11,174.1 million. This was the highest level even recorded in the history of the MAIRE Group.

The Backlog at December 31, 2023 was Euro 15,024.4 million, increasing by approx. Euro 6,410.4 million (+74.4%) on the figure at December 31, 2022. The figure at December 31, 2023 is the highest year-end figure in the MAIRE Group's history.

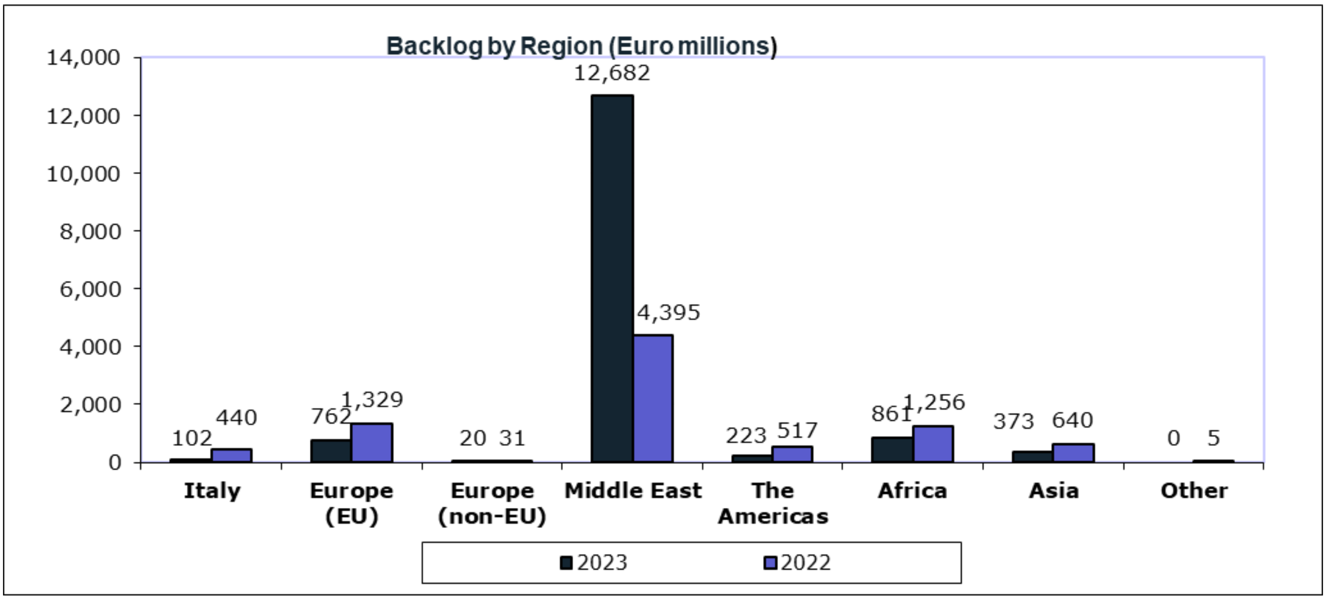
BACKLOG BY REGION

The Group Backlog broken down by region at December 31, 2023, and compared with the previous year is presented below:

(in Euro thousands)	Italy	Overseas							Total
		Europe (EU)	Europe (non-EU)	Middle East	The Americas	Africa	Asia	Other	
Adjusted Initial Order Backlog at 01/01/2023	**439,863**	**1,329,025**	**31,316**	**4,395,499**	**516,904**	**1,256,050**	**640,174**	**5,180**	**8,614,011**
Adjustments/Eliminations (*)	(209,906)	(183,795)	130,925	(128,213)	(172,790)	40,587	12,186	6,248	**(504,266)**
2023 Order Intake	132,268	255,291	27,521	10,238,191	138,758	180,780	200,462	869	**11,174,139**
Revenues	259,799	638,066	169,483	1,823,739	259,850	616,339	479,441	12,297	**4,259,511**
Backlog at 31/12/2023	**102,425**	**761,958**	**20,279**	**12,681,738**	**223,314**	**861,277**	**373,382**	**0**	**15,024,373**

(*) The 2023 Adjustments/Eliminations for Italy mainly reflect the deconsolidation of the orders attributed to the company SE.MA. Global Facilities S.r.l. relating to the Facility Management business unit classified as held-for-sale, the portfolio of new acquisitions (Conser S.p.A.), adjustments for revenues not included from the initial backlog (production and sales activities of MyReplast Industries S.r.l.) and other minor adjustments. In relation to the other regions they mainly reflect adjustments related to exchange rate effects on the portfolio, the prudent cancellation of two orders currently suspended and other minor adjustments.

(in Euro thousands)	Backlog at 31.12.2023	Backlog at 31.12.2022	Change December 2023 vs December 2022	
				%
Italy	102,425	439,863	(337,438)	(76.7%)
Europe EU	761,958	1,329,025	(567,067)	(42.7%)
Europe (non-EU)	20,279	31,316	(11,037)	(35.2%)
Middle East	12,681,738	4,395,499	8,286,239	188.5%
The Americas	223,314	516,904	(293,590)	(56.8%)
Africa	861,277	1,256,050	(394,773)	(31.4%)
Asia	373,382	640,174	(266,792)	(41.7%)
Other	0	5,180	(5,180)	(100.0%)
Total	**15,024,373**	**8,614,011**	**6,410,362**	**74.4%**



ORDER INTAKE BY BUSINESS UNIT AND REGION

The table below outlines 2023 Group Order Intake broken down by Business Unit and Region and compared with the previous year:

(in Euro thousands)	2023		2022		Change 2023 vs 2022	
		% of total		% of total		
Order Intake by Business Unit:						
Integrated E&C Solutions (IE&CS)	10,875,021	97.3%	3,432,833	95.2%	7,442,188	216.8%
Sustainable Technology Solutions (STS)	299,119	2.7%	174,529	4.8%	124,590	71.4%
Total	**11,174,139**	**100%**	**3,607,362**	**100%**	**7,566,777**	**209.8%**
Order Intake by Region:						
Italy	132,268	1.2%	128,063	3.6%	4,205	3.3%
Europe EU	255,291	2.3%	482,852	13.4%	(227,562)	(47.1%)
Europe (non-EU)	27,521	0.2%	19,457	0.5%	8,064	41.4%
Middle East	10,238,191	91.6%	1,680,591	46.6%	8,557,600	509.2%
The Americas	138,758	1.2%	534,750	14.8%	(395,992)	(74.1%)
Africa	180,780	1.6%	628,732	17.4%	(447,952)	(71.2%)
Asia	200,462	1.8%	127,737	3.5%	72,725	56.9%
Other	869	0.0%	5,180	0.1%	(4,311)	(83.2%)
Total	**11,174,139**	**100%**	**3,607,362**	**100%**	**7,566,777**	**209.8%**

In 2023, the Maire Tecnimont Group won new projects and existing contract extensions worth approx. Euro 11,174.1 million. This was the highest level even recorded in the history of the MAIRE Group.

This figure is significantly up (+209.8%) on December 31, 2022. The main contracts contributing to the record Group order intake are the Amiral project, acquired in the first half of 2023 and concerning two EPC contracts for the petrochemical expansion of the SATORP refinery (a JV comprising Saudi Aramco and TotalEnergies), the Jubail project in Saudi Arabia, for a total value of approx. USD 2 billion, and the acquisition of a contract to build an on-shore treatment plant for the Hail and Ghasha project in Abu Dhabi, for approx. USD 8.7 billion, awarded to MAIRE through the subsidiary Tecnimont by the client ADNOC on October 5, 2023.

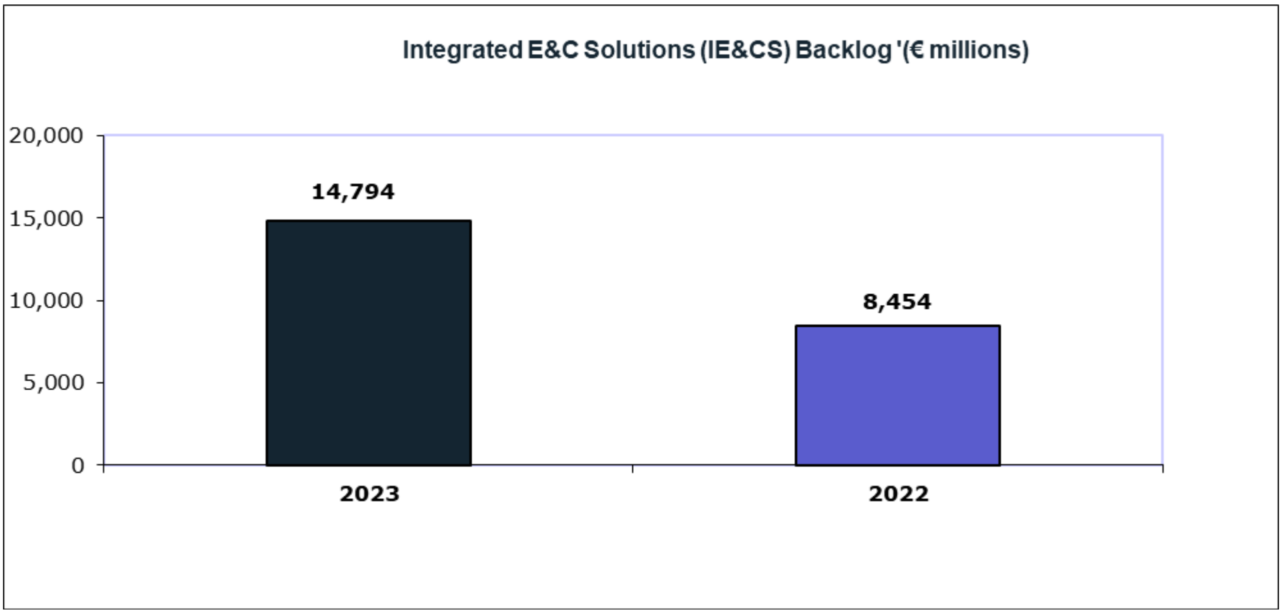
The Sustainable Technology Solutions business unit acquired new orders worth Euro 299.1 million, almost double the figure for 2022. The major projects awarded to this business unit include: contracts for the licensing and supply of proprietary equipment for an ammonium and urea plant in sub-Saharan Africa with a total value of Euro 100 million; engineering work and supply of equipment for the modification of an existing hydrogen unit (Steam Methane Reformer) in order to reduce its environmental impact; and a pre-feasibility study to define the process configuration of a green ammonium plant based on proprietary technology in the Middle East.

ANALYSIS OF THE "INTEGRATED E&C SOLUTIONS (IE&CS)" BUSINESS UNIT BACKLOG

The Backlog at December 31, 2023 compared with the previous year is as follows:

(in Euro thousands)	Backlog at 31.12.2023	Backlog at 31.12.2022 (*)	Change December 2023 vs December 2022	
			Total	%
Integrated E&C Solutions (IE&CS)	14,793,989	8,454,244	6,339,745	75%

(*) *The comparison backlog was restated according to the new internal reporting structure used from 2023, following the industrial reorganization of the Maire Group. For further details, reference should be made to section "5 - Performance by Business Unit".*



The "IE&CS" BU Backlog at December 31, 2023 was Euro 14,794 million, increasing by Euro 6,339.7 million on December 31, 2022 (+75%). The figure at December 31, 2023 is the highest year-end figure in the MAIRE Group's history.

In 2023, the Maire Tecnimont Group won new projects and existing contract extensions for a record level of approx. Euro 10,875 million for the 'IE&CS' Business Unit. This is the highest level ever recorded in the history of the MAIRE Group.

PRINCIPAL PROJECTS AWARDED

AMIRAL (Saudi Arabia) - June 2023 - Tecnimont S.p.A. and Tecnimont Arabia Limited were awarded two lump-sum turn-key EPC contracts related to the petrochemical expansion of the SATORP refinery (a JV comprising Saudi Aramco and TotalEnergies), in Jubail, Saudi Arabia. The petrochemical plant will enable the conversion of refinery gas and naphtha, along with ethane and natural gasoline, into higher value-added chemicals. The total contract value of the contracts is approx. USD 2 billion. The contracts cover the execution of two packages at the plant. These are the "Derivatives Units" package - which includes a butadiene extraction unit, an olefin extraction unit, a methyl tert-butyl ether unit, a butadiene selective hydrogenation unit, a Pygas second-stage hydrogenation unit, and a benzene and toluene extraction unit - and the "High Density Polyethylene (HDPE) and Logistics Area" package, which includes two polyethylene units and related product handling facilities. The scope of work includes all engineering services, equipment and materials supply, construction, pre-commissioning and commissioning activities, and will take approximately four years.

Hail & Ghasha PCSA (United Arab Emirates) - January 2023 - Tecnimont S.P.A. received a letter of award from ADNOC for preliminary engineering and procurement work ("Pre-Construction Services Agreement-PCSA") related to the onshore structures of the Hail & Ghasha project, as a member of a joint venture comprising Tecnimont, Technip Energies and Samsung Engineering. The total value of the preliminary engineering and procurement work for the onshore facilities was about USD 80 million for the joint venture. The scope of the PCSA work also included the preparation of an Open Book Estimate for the execution of the entire project, which will be considered as part of the client's final investment decision.

Hail & Ghasha (United Arab Emirates) - October 2023 - Tecnimont S.p.A. signed a Letter of Award with ADNOC for the onshore treatment plant for the Hail and Ghasha project. The project seeks to operate with zero emissions, thanks in part to the plant's CO2 capture and recovery units, which will enable CO2 capture and storage. The total value of the EPC contract is approx. Euro 8.7 billion, and the project is scheduled for completion in 2028. The scope of work includes two gas processing units, three sulfur recovery sections, related utilities and offsites, and the export pipelines. Tecnimont will also leverage the expertise of MAIRE's Sustainable Technology Solutions division to develop innovative digital solutions to reduce emissions and optimize energy consumption, and thus ensure significant plant efficiency in terms of opex and capex.

ORLEN - PRE-TREATMENT PLANT - PŁOCK, (Poland) - On May 30, 2023, KT S.p.A. signed a contract for the design, engineering, procurement and construction of the pre-treatment plant to be built at the PKN Orlen S.A. refinery, located in Płock, Poland. This includes the following units: special/enzymatic purification of vegetable oils, UCO and animal fats; wastewater treatment; storage. NextChem will act as the technology integrator. The pre-treatment plant must be designed for a capacity of 1,200 TPD. The Process Design Package (PDP) is being developed by Alfa Laval, which will provide a portion of the detailed engineering, procurement, and some proprietary equipment. The contract framework is EPC LSTK, which also includes commissioning, start-up and performance testing. The effective date of the contract (ED) is May 30, 2023. The project as a whole will last 24 months from the ED and provides for mechanical completion at month 23 and the Test Run at month 24. The contract price, on an LSTK basis, is Euro 39.7 million. At December 31, 2023, engineering and home office services activities were 22.9.%. Project advancement is 2.8%.

ENAP - EPC CONTRACT for WET GAS SULFURIC ACID (WSA) and SOUR WATER STRIPPER (SWS) - ACONCAGUA REFINERY, Concón, (Chile) - On May 3, 2023, a contract was signed with ENAP (Empresa Nacional del Petroleo) for work at the Aconcagua refinery in Concón, 130 km northwest of Santiago, Chile. Three parties are involved in the contract: ENAP, KT and Tecnimont Chile. KT is identified as the OFF-Shore Contractor, while Tecnimont Chile is identified as the ON-Shore Contractor. The scope of work consists of engineering, procurement and construction of a WSA (Licensed Haldor Topsoe) Unit and a SWS (Open Art) Unit and the relative systems interconnection on an EPC LSTK basis, while Commissioning activities are on a reimbursable basis. The duration of the project is 28 months, from the project start date ("*Fecha de Inicio*" 28/06/2023) until mechanical completion, plus two grace months. The Contract Price, set on an LS basis, is divided between an ON-Shore portion and an OFF-Shore portion, paid in both EUR and UF (Unidad de Fomento). The total contract price is equivalent to approx. Euro 107.8 million, of which the OFF-Shore portion is approx. Euro 52.9 million.

At December 31, 2023, engineering and home office services activities are 45.2% complete; manufacturing is 13.8% complete; construction activities stands at 0.6%. Project advancement is 10.1%.

In addition to the contracts described above, in 2023, the Group's main subsidiaries won new orders and change orders for licensing, engineering and procurement (EP) services, and engineering, procurement and construction (EPC) activities. The contracts - awarded by some of the leading international clients - were won principally in Europe, North Africa, the Middle East, Asia and North America.

OTHER CONTRACTS NOT INCLUDED IN BACKLOG

ANNA KIMA (Egypt) - June 2023 - A consortium consisting of Tecnimont S.p.A. and Orascom Construction S.A.E. was awarded an Engineering, Procurement and Construction (EPC) contract on a lump sum turnkey basis for a nitric acid and ammonium nitrate plant by KIMA - Egyptian Chemical Industries Company (KIMA). The total value of the contract for the consortium is approx. USD 300 million, of which about USD 220 million pertains to Tecnimont S.p.A. Finalization of the contract is subject to the execution of the financing package. The scope of work mainly includes engineering, supply of all materials and equipment by Tecnimont, and construction work to be carried out by Orascom Construction. The plant is expected to be completed in H1 2026 and will produce 600 metric tons of nitric acid per day. These will be fully processed into 800 metric tons of granulated ammonium nitrate per day, to be used as fertilizer and sold to local farmers, increasing their crop yields, and exported to international markets. This project follows the large KIMA urea and ammonia plant built by Tecnimont and Orascom Construction and launched successfully in 2020 at the same industrial complex, located in Aswan Governorate, Upper Egypt. In December 2023, Tecnimont received advance payment and authorization to start engineering work. Notice to proceed for Engineering Procurement and Construction (EPC) activities is expected by the end of June 2024.

RUSSIAN PROJECTS FOCUS:

The evolution of European sanctions, which has taken place since the beginning of the crisis, has made it increasingly difficult to carry out activities on projects in progress and it is expected that all operational activities will be progressively suspended by the end of June last year. In the third quarter of 2022, also as a result of the additional sanction measures against the Russian Federation, it was impossible to continue activities even on those projects previously suspended.

In order to assess the potential implications of the Russia-Ukraine crisis, an analysis was carried out quarterly in 2023 that shows the current state of the Group’s financial and economic exposure related to projects located in Russia. These analyses, based on the currently available information, did not point to critical issues nor impairment losses on the amounts recognized.

The balance sheet regarding these projects continues to substantially be in equilibrium, with the "Contractual assets" and the "Trade receivables" recognized to the financial statements concerning the Russian projects accounting for approx. 10.2% (7.6% in consideration of significant receipts at the beginning of 2024) of the total and whose recovery is planned through actions currently underway, which are constantly monitored by management and which do not give rise to concern with regards to the solvency of the clients and their collectability. These items are offset by payables exposure, which mainly relates to the subcontractors and vendors involved in these projects.

The Company is operating in full compliance with the wishes of EU and Italian institutions with regard to Russia. The current situation concerning Maire Tecnimont Group projects in Russia and/or involving Russian customers is as follows:

AMUR AGCC (Russia) - Tecnimont S.p.A., as the leader of a consortium with MT Russia LLC, Sinopec Engineering Inc. and Sinopec Engineering Group Co., Ltd Russian Branch, was awarded an EPSS (Engineering, Procurement and Site Services) contract in 2020 by Amur GCC LLC, a subsidiary of PJSC Sibur Holding. The contract involves the petrochemical development of the Amur Gas Chemical Complex (AGCC) and the construction of a polyolefin (PP and PE) production plant capable of producing a total of 2.7 million tons per year. AGCC is the downstream expansion of the Amur gas treatment plant (AGPP) in the city of Svobodny

(Amur region), in the far east of the Russian Federation, for which the Maire Tecnimont Group is Completing one of the AGPP packages (P3). At the end of February 2022, the project had reached 73.3% completion, on schedule, confirming the positive progress maintained since work commenced. In strict compliance with the terms and obligations of the sanctions imposed by the European Union against the Russian Federation on February 25, 2022, as a consequence of the ongoing military invasion of Ukraine, all activities were stopped and, according to the terms of the Contract, a suspension agreement was entered into with the Client on May 27, 2022. The six-month validity of this agreement was later extended until April 23, 2023, by three amendments to the contract. During the suspension period, Tecnimont and MT Russia finalized the transfer to the Client of sub-contracts/supplies (e.g. Novation), in full compliance with the Sanctions, while also executing terminations where unable to proceed with such transfers. At the same time, the Parties negotiated and concluded the EPSS Contract Termination Agreement for the Tecnimont/MT Russia portion of the scope on April 20, 2023, which was finalized with official signatures (including that of SEI/SEG-R) on May 24, 2023 (Amendment #33). The contract was terminated by mutual consent, with no liability borne by TCM/MTR, while the Performance Bonds were returned by the Client on May 29, 2023. TCM/MTR continues, however, to have an obligation to novate/resell the partially or fully manufactured goods to Third Parties identified by the Client in full compliance with EU Sanctions, in order to partially recover the down payment paid to the Contractor for Purchase Orders that were never issued. As of December 31, 2023, the Novation/Direct Sale process was approx. 90% complete by value (corresponding to 47 Purchase Orders), covering the remaining liabilities to suppliers, and it is expected to complete activities by the contractual deadline (May 2024) for the remaining 10% (32 Purchase Orders).

AMUR (Russia) -Tecnimont S.p.A. (TCM) ., as majority leader of the consortium including MT Russia LLC, the Chinese company Sinopec Engineering Group and its subsidiary Sinopec Ningbo Engineering Corp., signed in June 2017 a contract with JSC NIPIgaspererabotka (NIPIGas), a general contractor of Gazprompererabotka Blagoveshchensk LLC, part of the Gazprom Group. The contract covers the execution of Amursky Plant Package No. 3 (AGPP), and relates only to plant utilities and infrastructure, whose technological process units are supplied by other contractors and assembled directly by the General Contractor. AGPP Amur will be one of the largest gas treatment plants in the world, with a capacity of 42 billion cubic meters of natural gas per year. The scope of the work assigned to TCM and MT Russia includes Engineering, Procurement, Construction, and Commissioning activities (EPC) for the completion of utilities, offsites and infrastructure. Engineering activities were completed by October 2020, while the activities for the purchase of materials were substantially completed by June 2021. Construction activities, which are directly managed by the General Contractor, are 87% complete. The project is 92.1% complete overall. While the technology provided under the EPC contract was not subject to sanctions, the bank guarantees provided by Italian and international banks on behalf of Tecnimont suffered from the constraints imposed on all financial instruments to Russian entities. As such, in June 2023 a consensual agreement was reached with the Client under which the guarantees lapsed and Nipigas fully restored the bank guarantees in its favor. Following this return of the guarantees, the Italian and international banks involved confirmed TCM and MT Russia's discharge from all commitments related to the guarantees. In late July 2023, the US agency OFAC included JSC Nipigas on the SDN list of "Sanctioned Subjects." Consequently, as members of the Consortium, TCM and MT Russia declared the suspension of activities on September 3, 2023. The parties then began negotiating an agreement to close the EPC Contract and for the consensual and definitive exit from the Contract and dissolution of the Consortium. The final agreement to close the Contract was initialed in November 2023 and signed on January 12, 2024. With reference to the terms of the Contract and the conditions set out in the agreement, this agreement provides for a period necessary to make deliveries and perform the final activities to be completed by the end of April 2024. It also provides for the payment by Nipigas of the agreed residual sums, which cumulatively ensure that the economic and financial objectives of the project remain intact.

VOLGAFERT (Russia) This is an EPC contract for the construction of a Granulated urea plant at the Kuibyshevazot industrial complex (in Togliatti, in the region of Samara, Russia). The client is Volgafert LLC, a Special Purpose Company owned by Kuibyshevazot, a leader in the production of fertilizers and caprolactam, with a minority stake held by MET DEV1 S.r.l., a Maire Tecnimont Group company, in turn 49% owned by Simest S.p.A. (a company of the CDP Group, which specializes in supporting overseas investments by Italian Companies). The scope of the project includes the provision of engineering services, equipment and materials and construction until inspection, start-up and the performance tests, for a granulated urea facility with a capacity of 540,000 tons a year. The Home Office, Manufacturing & Delivery, Construction and Commissioning activities were completed. The award of the Provisional Acceptance (PAC) and Final Acceptance (FAC) Certificates, along with the Mechanical Completion and Commissioning Completion Certificates previously obtained, certify the completion of the work. The activities were completed in strict compliance with the terms and obligations of the sanctions imposed by the European Union against the Russian Federation on February 25, 2022.

JSC Gazprom Neft – OMSK (Russia) - February 2018, Tecnimont S.p.A. and its subsidiary MT Russia LLC (previously Tecnimont Russia LLC) were awarded by JSC Gazprom Neft – Omsk Refinery an EPCm (Engineering, Procurement, and Construction management) a contract for the execution of the "Delayed Coking Unit" (DCU) project at the Omsk Refinery in the Russian Federation. The contract covers Engineering and Procurement on a Lump Sum basis and Construction Management services on a reimbursable basis. On May 27, 2022, sanctions imposed by the EU on specific entities in Russia, including the project client, came into effect. As of that date – at which point project reporting was interrupted – activities related to the EP contract are substantially complete (99.95%), except for issue of the As Built documentation and delivery of the remaining bulk material inventories related to commissioning. Construction (which is outside of Tecnimont's scope of work) was 98.75% complete and the Mechanical Completion Milestone was formalized on April 28, 2022. Following the effective date of the sanctions, Tecnimont issued a letter of termination for its portion of the Offshore contract, while MT Russia is completing the remaining marginal activities, including the completion of some minor local orders relating to the final punch list. The plant is now operational, and the planned test phase following the RFSU was completed successfully. The warranty period, under the responsibility of MT Russia, will terminate in the first half of 2024

KOS (Russia) - in August 2021, Tecnimont Planung & Industrieanlagenbau and MT Russia LLC were awarded an EP (Engineering and Procurement) contract from the client Kazanorgsintez PJSC (KOS) for the execution of a low-density polyethylene (LDPE)/ethylene vinyl acetate (EVA) plant, within the KOS complex, in Kazan, Tatarstan (Russian Federation). The contract includes the provision of home office services (engineering, procurement, and management), the supply and transportation of materials, and vendor support on site. The project duration for engineering and procurement stipulated in the contract is 35 months. The project is currently on hold due to the current geopolitical situation. At the suspension date, home office activities had progressed to 14.8%, manufacturing to 0%, and overall project progress to 3.5%. On November 13, 2023, the Parties signed the Contract termination agreement.

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PROJECTS IN PROGRESS

BOROUGE 4 (United Arab Emirates) in December 2021 Tecnimont S.p.A. signed three EPC contracts with Abu Dhabi Polymers Company (Borouge) relating to the fourth expansion phase (Borouge 4) of the Ruwais polyolefins complex, located 240 km west of Abu Dhabi City (Abu Dhabi, United Arab Emirates). The contracts encompass the turn-key execution of three packages of the Borouge 4 project: (1) for the polyolefin units, which includes two polyethylene units with a capacity of 700 thousand tons per year each, and a 1-hexene unit; (2) for a cross-linkable polyethylene unit; and for all utilities and offsites for the entire Borouge 4 project. The scope of work includes all engineering services, supply of equipment and materials, construction activities, testing and start-up assistance. Engineering activities are at 86%, while material procurement is at 87% with all major material orders placed, while construction activities started in Q4 2022 and are at approx. 27%. Specifically, most of the civil works and metal structure assembly have been completed at the site, electrical substations are ready for electrical equipment to be installed, piping prefabrication has begun, and the most critical static equipment is in place. All construction subcontracts were placed with local firms. The overall project progress is about 61%, in line with the project schedule. The completion date is scheduled for 2025.

REF PORT HARCOURT (Nigeria) - April 2021 - Tecnimont S.p.A. was awarded a contract for the execution of refurbishment works on the Port Harcourt Refinery Company Limited refining complex, located at Port Harcourt, in Rivers State, Nigeria. The client, Port Harcourt Refinery Company Limited, is a subsidiary of the Nigerian National Petroleum Company (NNPC), the national oil company. The project involves Engineering, Procurement and Construction (EPC) for the complete refurbishment of the Port Harcourt refining complex, consisting of two refineries with a total capacity of about 210,000 bpd (barrels per day). The project therefore requires the verification/identification of which plant parts need to be reconditioned or replaced and, as such, is an ongoing activity. Including therefore the current state of that found to be non-functioning, Engineering is over 96% complete, with material procurement at over 93%, while construction is approx. 57% complete. The total advancement of the project is 74.3%. The contract completion date is scheduled for 44 months from the award date.

RAS LAFFAN (Qatar) - In December 2022, Tecnimont S.p.A. was awarded an EPC contract by the joint venture consisting of QatarEnergy and Chevron Phillips Chemical for the construction of a polyethylene plant that includes two units with a capacity of 1,000,000 and 680,000 tons per year, respectively, in addition to the related utilities. The scope of work includes all engineering services, supply of materials, and construction activities until mechanical completion. An option is also provided for plant start-up and commissioning assistance activities until Performance Tests are completed. Engineering is 63% complete, with material procurement at 54%, while construction is 13% complete. The total advancement of the project is 23.7%. Mechanical completion is expected in May 2026, while performance test completion is expected in November 2026. This will be followed by a warranty period of 12 months for plant components and 24 months for civil and structural works.

AGIC (Saudi Arabia) - in April 2021, Tecnimont S.p.A. and Tecnimont Arabia Limited were awarded by Advanced Global Investment Company (AGIC) a PDH-PP Complex Integrated project for the construction of two propylene units on an Engineering Procurement and Construction Lump Sum Turn-Key basis. The project covers complete engineering services, out of kingdom equipment and material supply (to be carried out by Tecnimont) and the in kingdom supply of materials, installation and construction up to ready for start-up and guarantee test run activities (carried out by Tecnimont Arabia Limited). The two polypropylene units will be located at the integrated PDH-PP (propane dehydrogenation - polypropylene) complex in Jubail Industrial City II (Saudi Arabia). Engineering can be considered substantially completed, as can the purchase of materials and delivery to the construction site. Construction activities are at their peak. The complex international situation affecting the entire supply chain and the availability of labor in the area involved in the plant construction mean that construction is currently delayed. The client has acknowledged a schedule extension and additional compensation. Project completion is scheduled for H2 2024.

RHOURDE EL BAGUEL (Algeria) - acquired by Tecnimont in October 2022 from the client Sonatrach, it involves the construction of an LPG production train with a capacity of 10 MMS m^3/day and the related utilities. The new plant is next to an existing complex located 100 km east of Hassi Messaoud and approx. 900 km south of Algiers. The project was acquired on a lump-sum basis and includes engineering services, material procurement, construction and commissioning. Engineering and procurement are fully operational. Project materials production is in full flow and the first shipments are on their way to Algeria. The construction site has started up as scheduled, civil activities are underway, and mechanical assembly will begin by Q1 2024. The facility is scheduled for completion in Q4 2025.

BLUE AMMONIA SYNLOOP (USA) - acquired by Tecnimont in March 2022 to build a blue ammonia plant in Beaumont, Texas, United States. The Lump-Sum contract includes the provision of home office services (engineering, procurement, and management) and the supply and transportation of materials. The contract also provides for Technical Field Services on a reimbursable basis. Construction activities are performed by a third party and governed by a different contract issued by the client. Engineering is 96% complete, procurement services are at 83%, while manufacturing and supplies delivery is 65% complete. The total advancement of the project is 71%. The project duration for engineering and supply of materials stipulated in the contract is 26 months (May 2024). The plant PAC is scheduled for month 39 (June 2025).

HARVEST (UAE) - acquired in July 2022 by Tecnimont S.p.A., in collaboration with the sister company Nextchem Tech S.p.A. The Engineering, Procurement and Construction (EPC) Lump Sum Turn Key contract involves the construction of a low-carbon ammonia Synloop plant of about 3,000 metric tons per day to be built within the Ta'Ziz derivative Park (Ruwais, UAE). Engineering activities are approx. 40% complete with 30% 3D Model expected shortly while Procurement Preordering progress is over 61%, as the largest POs have been placed. Manufacturing is approx. 15% complete, with first material deliveries expected in Q2 2024. As regards construction, pending the signing of Notice To Proceed No.2 regarding Bulk procurement and construction activities, work on the engagement of Subcontractors is underway. The total advancement of the project is approx. 12%. Completion is expected by the end of 2026. The parties are currently negotiating an extension of scope and associated timelines.

IOCL - KOYALI DUMAD (India) - In December 2020, Tecnimont S.p.A., through its Indian subsidiary Tecnimont Private Limited, was awarded a lump-sum Engineering, Procurement, Construction and Commissioning (EPCC) contract by Indian Oil Corporation Limited (IOCL) for the construction of new units to produce acrylic acid and butyl acrylate, petrochemical derivatives needed to produce high-value products for the chemicals market. The units are being built in Dumad, near Vadodara, in the state of Gujarat, India. Design and material procurement are complete, while the site is nearing Mechanical Completion currently scheduled for spring 2024.

Paraxylene (PX) plant, client: IOCL (India) - in April 2021, the consortium comprising Tecnimont S.p.A. and Tecnimont Private Limited was awarded a Lump Sum EPCC (Engineering, Procurement, Construction and Commissioning) contract by Indian Oil Corporation Limited (IOCL) for the construction of a Paraxylene (PX) plant and the relative infrastructure. The plant will be located in Paradip, in the State of Odisha, in Eastern India. The project includes engineering activities, the provision of equipment and materials and construction, commissioning until the start-up of the plant and the performance tests. Engineering and supplies/deliveries are substantially complete. Balance Engineering and additional supplies/deliveries will continue to be carried out in line with the project schedule. Civil and piling works are 80% and 100% complete respectively. Approx. 90% of the prefabricated structural steel has been delivered and more than 60% has already been assembled/installed. Assembly and installation of mechanical and electrical equipment is underway. Piping prefabrication is substantially complete and assembly is underway. Mechanical completion of the plant is expected by the end of 2024.

IOCL BARAUNI (India) – In July 2021 the consortium comprising Tecnimont S.p.A. and Tecnimont Private Limited was awarded a Lump Sum EPCC (Engineering, Procurement, Construction and Commissioning) contract by Indian Oil Corporation Limited (IOCL) for the construction of a new polypropylene plant and the related product logistics section. The plant is located in Barauni, in the state of Bihar, in north-eastern

India. The project includes engineering activities, the provision of equipment and materials, construction and plant testing, until the performance tests. Engineering activities are at 98.4% completion, procurement & manufacturing activities at 92.6% completion, while construction activities are at 45.8%. The total advancement of the project is 76.8%. A 15 month extension of the mechanical completion date is being discussed due to client delays in performing various contractual obligations impacting construction and pre-commissioning.

REPSOL ALBA PROJECT (Portugal) - In July 2021, Tecnimont S.p.A. signed an EPC contract with REPSOL Polímeros U.L for the construction of a new Polypropylene (PP) and Polyethylene (PE) plant in Sines, 160 km south of Lisbon, Portugal. The scope of works concerns the execution of engineering, the supply of all equipment and materials and the construction works. Home Office Services (Detailed Engineering-Procurement services - Subcontracting services) work is 99.99% complete, manufacturing and materials delivery are 86.24% complete, while construction is 16.37% complete. This began on May 8, 2023 in accordance with the agreement with REPSOL in Contract Amendment 4, which was signed to cover the Claim submitted for extra materials costs and an extension of the completion date following REPSOL's delay in obtaining building permits. The total advancement of the project is 60.35%. Project completion is scheduled for within 47 months of the agreed effective date of July 26, 2021, which sets the Mechanical Completion Certificate milestone at June 8, 2025.

ANWIL (Poland) - acquired in June 2019 from the client ANWIL. The scope of contractual works, on a Lump Sum Turn Key basis, includes Engineering, Procurement, Construction, Pre-commissioning, Commissioning and Start Up for the building of a new granulation plant at the industrial complex located in Wloclawek in Poland. Engineering and Home Office Services, Procurement and Construction are 100% complete. The total advancement of the project is 99.8%. The plant is scheduled for completion (take over) in June 2024.

KALLO (Belgium) - acquired in March 2019 from the client BOREALIS. The scope of project works includes the supply of Project Management Services, Detail Engineering, Procurement, Construction Management, Pre-commissioning and assistance for the Commissioning and Start-Up activities for a new propane dehydrogenation (PDH) plant to be located at the existing BOREALIS production site in Kallo, Belgium. Engineering and Procurement Services activities have been completed, while construction activities are 74.3% complete. The total advancement of the project is 86.6%. It should be noted that due to the poor performance of the mechanical and electro instrumental subcontractors, it became necessary to involve new subcontractors. Currently TECNIMONT and BOREALIS are evaluating the impacts on the project schedule which provides for the mechanical completion of works in November 2024, with the plant start-up in March 2025 and issue of the Final Acceptance Certificate within 33 months from October 2024.

SOCAR - FCC Gasoline Hydrotreatment (Azerbaijan) - in February 2021 Tecnimont S.p.A. and KT-Kinetics Technology S.p.A. were awarded an EPC (Engineering, Procurement, Construction & Commissioning, Start-up) contract on a Lump Sum basis for the H.O. services and reimbursable for material purchases and construction activities, for a GHT-Prime G "Gasoline Hydrotreater Unit" plant to be carried out in Baku, Azerbaijan, by the client SOCAR (State Oil Company of Azerbaijan Republic) Heydar Aliyev Baku Oil Refinery. This plant, through a catalytic process, makes it possible to achieve a Sulphide content of less than 15ppm in gasoline. The activities have progressed as follows: Home Office 99.9%, Manufacturing and Delivery 100%, Construction & Pre-commissioning 88.9%. The advancement of the project is 95.1%. The completion of the project (Provisional Acceptance Certificate - PAC) is scheduled for May 15, 2024.

SOCAR - Merox, ATU (Azerbaijan) - in February 2021 Tecnimont S.p.A. and KT–Kinetics Technology S.p.A. were awarded an EPC (Engineering, Procurement, Construction & Commissioning, Start-up) contract on a Lump Sum basis for the H.O. services and reimbursable for material purchases and construction activities, for a ATU – MEROX plant to be carried out in Baku, Azerbaijan, by the client SOCAR (State Oil Company of Azerbaijan Republic) Heydar Aliyev Baku Oil Refinery. The MEROX unit produces LPG to specification for sale, while the ATU unit is used to regenerate amine used in the other plants at the refinery and undertakes a LPG pre-treatment for the MEROX unit. The activities have progressed as follows: Home Office 99.9%, Manufacturing and Delivery 100%, Construction & Pre-commissioning 98.4%. The project is 99.2% complete overall. The completion of the project (Provisional Acceptance Certificate - PAC) is scheduled in Q1 2024.

SOCAR HAOR (Azerbaijan) - in February 2018, Tecnimont S.p.A. and KT–Kinetics Technology S.p.A. were awarded by the client SOCAR (State Oil Company of Azerbaijan Republic) Heydar Aliyev Baku Oil Refinery, an EPC (Engineering, Procurement, Construction & Commissioning, Start-up) Lump Sum contract concerning a significant portion of the works for the modernization and reconstruction of the Heydar Aliyev refinery in Baku (Azerbaijan). The activities have progressed as follows (Overall for Diesel and Gasoline phases): Home Office 100%, Manufacturing and Delivery: 100%, Construction & Pre-commissioning 100%, Commissioning and Start-up 100%. The project is 99.9% complete overall. The Provisional Acceptance Certificate (PAC) for the Diesel Section was obtained on August 31, 2023; the request for the Gasoline Section PAC was sent to the Client by Tecnimont S.p.A. and KT-Kinetics Technology S.p.A. on October 28, 2023; the Client response is expected by Q1 2024.

JGSPC (Philippines) - March 2018, Tecnimont S.p.A. and its subsidiary Tecnimont Philippines Inc. were awarded, as part of a joint venture with JGC Philippines (Tecnimont Philippines 65% - JGC Philippines 35%), a Lump Sum EPC contract by JG Summit Petrochemical Corporation (JGSPC). The project involves the construction of a new high-density polyethylene unit (HDPE) and the extension of a polypropylene (PP) unit. The units will be located 120 km from Manila, in Batangas City (Philippines). Engineering, procurement, and construction activities are 100% complete. The "Ready for Commissioning" was approved on September 12, 2022. The site was fully demobilized in the second half of October 2022 and all areas handed back to the client. Two members of personnel are contractually required for the guarantee period, until September 12, 2024.

BOROUGE PP5 (United Arab Emirates) - acquired in July 2018 from the client Abu Dhabi Polymer Company (Borouge). The scope of the project consists of EPCC (engineering, procurement, construction and commissioning) activities for a new polypropylene unit (PP5 project) in Ruwais (Abu Dhabi), United Arab Emirates. The activities are complete and the plant has been producing since April 2022. The warranty period ended on April 10, 2023. The issues raised during the warranty period are being concluded, after which the client may be asked to accept the FAC.

HMEL (India) - Acquired in August 2018 in a consortium between Tecnimont S.p.A. and its Indian affiliate Tecnimont Private Limited, from the client HMEL, a JV between HPCL (Hindustan Petroleum Corporation Limited) and Mittal Energy Investment Pte Ltd. The contracts in question are two EPCC (engineering, procurement, construction and commissioning) contracts for the construction of a new high-density polyethylene (HDPE) unit and a new polypropylene (PP) unit. The units are installed in Bathinda, northern India. All activities are 100% complete and the plant are producing. The Performance Guarantee Test Run was successfully carried out. The mechanical warranty period of 12 months is currently in progress.

ZCINA – SONATRACH (Algeria) - acquired in November 2018 from the client Sonatrach, it involves the construction of a fourth LPG production train with a capacity of 8 MMS m^3/day. The train is located within an existing facility in the Hassi Messaoud area, approximately 900 km to the south of Algiers. The project was acquired on a lump-sum basis and includes engineering services, material procurement, construction and commissioning. Activities related to engineering and procurement were completed in 2021. Construction, precommissioning and commissioning activities are also complete. The plant has passed the Performance Tests, the PAC (Provisional Acceptance Certificate) has been obtained, while the plant has been in service for one year. Tecnimont has finished its work and left the plant, but will continue to be available to the client for the rest of the warranty period.

EXXON MOBIL - BAYTOWN (USA) - acquired in January 2018 by Tecnimont US in a consortium with the US construction partner Performance Contractors Inc. The contract, on a reimbursable basis, was awarded by Exxon Mobil. The project involves the construction of two units (an SPU - Solution Polymer Unit and an LAU - Liquid Alpha-olefin Unit) in Baytown (Houston, TX, USA). In April 2019, the project, which began as a FEED contract, was converted into an EPC (engineering, procurement and construction) contract in which Tecnimont USA is responsible for the EP component only. In mid-2020, Exxon announced the temporary, gradual slowdown of construction before suspending all activities at the beginning of 2021, placing them in a condition known as "safe parking" and permitting only essential activities deemed necessary to protect completed works. As for EP, engineering was essentially complete in Q3 2020, while procurement and post-order activities, including delivery of previously procured materials and equipment, were substantially completed in Q4 2021. Also in Q4 2021, the project finally restarted at full capacity, including placing new orders and resuming those that were previously suspended. During 2022, ExxonMobil, required numerous changes, which involved additional engineering and procurement activities. As planned, construction activities were completed (Mechanical Completion) in Q1 2023 (SPU) and Q2 2023 (LAU). Exxon Mobil performed commissioning and start-up activities and issued the Final Acceptance Certificate for both units on October 6, 2023.

HDPE MALAYSIA – PETRONAS (Malaysia) - in November 2016, the Tecnimont Group (TCM) was awarded as part of a joint venture with China Huan Qiu Contracting & Engineering Corporation L.td. (HQC) an EPCC Lump Sum Turn Key project for the construction of a high density polypropylene (HDPE) production unit for the RAPID (Refinery and Petrochemical Integrated Development) complex by PRPC Polymers Sdn Bhd (PRPC Polymers) - ("PETRONAS") Group. The HDPE unit, based on the Hostalen Advance Cascade Process (HACP) technology of Lyondel Basell, will have a capacity of 400 tons/year and will be constructed at the RAPID complex, located in Pengerang, South-Eastern Johor, Malaysia. The project includes engineering services, the provision of equipment and materials and construction until the start-up of the plant and the performance tests. EPCC activities were concluded with the formal acquisition of the Ready for Start-Up (RFSU) certification in December 2020. Due to the delay in the provision of feedstock by the Client, the plant did not enter the Start-Up phase until July 2022. At the end of October 2022, following the successful completion of the first of three contractually scheduled Performance Test Runs (PTRs), the plant was shut down due to an accident involving the feedstock line and utilities outside the plant's scope of works. At the end of December 2022, following the completion of the necessary repairs to the above lines by the Client, the plant began the preparation phase for the resumption of the Start Up and PTR. At the end of March 2023, all three PTRs under the contract had been completed successfully. At the end of May 2023, the Client issued a Provisional Acceptance Certificate (PAC) for the project. Negotiations are currently underway with the Client to settle the compensation and contractual terms unilaterally established by the Client, which cover the remaining project activities postponed to 2023 due to the aforementioned event outside the responsibility of the TCM-HQC joint venture. Completion of the project by obtaining the Final Acceptance Certificate (FAC) is now expected in the middle of 2024.

PP MALAYSIA – PETRONAS (Malaysia) - in November 2015, PRPC Polymers Sdn Bhd (PRPC Polymers) - ("PETRONAS") Group - awarded the Tecnimont Group (TCM), as part of a joint venture with China HuanQiu Contracting & Engineering Corporation (HQC), an EPCC lump-sum turnkey project for the construction of two polypropylene production units (PP/SPH; PP/SPZ) for the RAPID (Refinery and Petrochemical Integrated Development) complex. The two units will be constructed at the RAPID complex, located in Pen Gerang in South-East Johor, Malaysia. The project includes engineering services, the provision of equipment and materials and construction until the start-up of the plant and the performance tests. EPCC activities were concluded with the formal acquisition of the Ready for Start Up (RFSU) certification for the two units (March '19 for the first and June '19 for the second). Due to unavailability of feedstock from the Client for long periods, to date all Performance Test Runs (PTRs) of only the first unit (PP/SPH) have been fully successfully completed, while the second unit (PP/SPZ) entered the Start-Up phase in September 2022. At the end of October 2022, the plant was shut down due to an accident involving the feedstock line and utilities outside the plant's scope of works. At the end of December 2022, following the completion of the necessary repairs to the above lines by the Client, the plant began the preparation phase for the resumption of the remaining PTRs in progress. Completion is scheduled for Q1 2024. Negotiations are currently underway with the Client to settle the compensation and contractual terms unilaterally established by the Client, which cover the remaining project activities postponed to 2023 due to the aforementioned event outside the responsibility of the TCM-HQC joint venture. Completion of the project by obtaining the Final Acceptance Certificate (FAC) is now expected in the middle of 2024.

KIMA (Egypt) - The Lump Sum Turn Key contract was acquired on October 30, 2011 from Egyptian Chemical & Fertilizers Industries – KIMA, an Egyptian chemical sector group. The contract involves the construction of a new fertilizer complex for the production of ammonium with a capacity of 1,200 tons per day, and of Urea with a production capacity of 1,575 tons per day and relative services. The plant is installed within the existing industrial district in the Assuan region (Northern Egypt). Due to the current political/social situation in Egypt, client operations have slowed significantly for the sourcing of funding for the initiative. The situation was successfully resolved at the end of 2015 with the finalization of credit lines by the client and an increase in Tecnimont's contractual value. In January 2016, recommencement of the project was declared. Construction concluded in 2019 and commissioning was underway in 2020. The plant performance test was successfully completed on March 22, 2020, and the PAC was signed on April 26, 2020. On that same date, the 12-month warranty period began, after which the Final Acceptance Certificate (FAC) will be issued. In September 2020, the CO2 compressor (20-K102) was tripped, after which the plant gradually shut down. A specialized third-party company investigated the root cause, which was identified and attributed to a vendor, in light of which negotiations have begun with the client. These have led to the definition of a Settlement Agreement, signed in November 2022, for the definitive completion of the contract and the insurance process. In November 2021, KIMA issued the plant's Certificate of Final Acceptance, defining a list of outstanding points for which the project has committed to closure. In July 2022, KIMA awarded a new Operation & Maintenance service contract valid for the next two years 22-24. In June 2023, the parties signed a MOM which confirmed the closure of all the punch lists that remained open, in addition to full repayment of the Bond on June 30, 2023. Services to supply spare parts needed for plant maintenance continue under a cost-plus fee mechanism.

Petrorabigh (Saudi Arabia) - On June 12, 2022, an EPC LSTK Contract was signed between KT Arabia and RABIGH REFINING AND PETROCHEMICAL COMPANY (KSA) to execute the tail gas treatment project of the two Sulphur Recovery Unit (SRU2) trains with commissioning and start-up activities on a reimbursable basis. The unit is licensed by Jacobs while the FEED was developed by Wood. The Sulfur Recovery Unit 2 (SRU2) tail gas treatment project involves the addition of scrubbers downstream of the tail gas incinerators in each of the identical SRU trains while, upstream of the scrubber a boiler (WHB) will be added to recover heat from the incinerator flue gas. Prior to their treatment in scrubbers, SO2 emissions to the atmosphere are lowered through the stack in accordance with Saudi environmental regulations. The contract becomes effective on June 12, 2022. The overall schedule of activities includes a Mechanical Completion at month 31. The contract price, on an LSTK basis, is approx. USD 59.3 million, in addition to change orders. At December 31, 2023, engineering and home office services activities are 97.4% complete; manufacturing is 68.1% complete; construction activities stands at 23.29%. Project advancement is 54.03%.

Motor Oil Hellas (MOH) (Greece) - On December 27, 2022, Motor Oil Hellas (MOH) signed a contract with KT S.p.A. to execute a new C3 splitter unit. The above date is considered as the Effective Date (ED) of the project. MOH is planning to expand existing refineries in Corinth with the goal of increasing the refinery's production of high-value products. The C3 splitter unit (unit 4400), with a design capacity of 18 tons/hr, will produce gas, propane, propylene and C4 products. The new unit will also include a propylene storage system, a type of semi-pressurized storage since it will allow the loading of semi-pressurized or fully pressurized ships. The installation of new equipment for the cooling water system and condensate recovery and treatment is also included, in addition to the necessary interconnection lines (Unit 9800) between Unit 4400 and other Refining Units and the existing Refinery Pier area (Unit 2000). The scope of works (SoW) is as follows: Approval of the FEED developed by Technip Energies - Detailed engineering - Procurement of materials - Construction management up to mechanical completion and commissioning. Construction is not included in KT SoW: construction subcontracts will be issued directly by MOH, although KT is responsible for managing any phase of the project and is responsible for delivering the plant. The duration of the project is 28 months until mechanical completion. The contract price, on an EPCm basis, is Euro 79.55 million, in addition to change orders. At December 31, 2023, engineering and home office services activities are 74.5% complete; manufacturing is 33.5% complete; construction activities stands at 7.0%. Project advancement is 28.6%.

OMV - NEW AROMATICS COMPLEX - PLOIESTI (Romania) - On September 7, 2022, KT S.p.A. was notified that OMV Petrom had awarded it the execution of the New Aromatics Complex project. The official signing of the Engineering, Procurement & Construction Agreement took place on October 13, 2022. The plant will be built at the Petrobrazi refinery, located in Ploiesti, Romania. The scope of the contract includes the installation of a plant for the extraction of aromatics for the recovery of toluene and benzene. The FEED was developed by Wood under license from GTC. It is an EPC LSTK contract and also includes commissioning, start-up and test run activities. The effective date of the contract (ED) is September 29, 2022. The project duration is 32 months from the ED and includes mechanical completion at month 28 and the Test Run at month 30. The contract price is Euro 109.5 million, in addition to change orders. At December 31, 2023, engineering and home office services activities are 94.7% complete; manufacturing is 78.0% complete; construction activities stands at 20.4%. Project advancement is 54.9%.

ENI Marghera (Italy) - ENI awarded KT S.p.A. an EPC contract for the supply of a hydrogen production plant, consisting of two parallel and identical Steam Reforming trains, based on KT technology, with a capacity of 15,000 Nm^3/h each. April 28, 2022 is to be considered the Effective Date (ED) of the contract. Ready for Dynamic Commissioning (RFDC) delivery is expected within 23 months of the ED. The RFDC sets the provisional acceptance certificate at a maximum of six months. The floor plan sets out space for the future installation of a third hydrogen production line parallel and identical to the first two, and for the future preparation of a new CO_2 removal unit, to be installed on the flue gas or on the process depending on the required removal rate. The contract price, on a firm and fixed lump sum basis, is approx. Euro 83 million. In addition the client has recognized a change order. At December 31, 2023, engineering and home office services activities are 94.7% complete; manufacturing is 78.3% complete; construction activities stands at 35.6%. Project advancement is 61.2%.

LOTOS OIL - HYDROCRACKED BASED OIL Project (HBO) (Poland) - Lotos Oil Sp. z o.o. awarded KT - Kinetics Technology S.p.A. a Lump Sum Turn Key EPCC contract for engineering services, procurement of materials, construction, pre-commissioning and commissioning (up to RFSU) for the creation of an Isodewaxing and Isofinishing unit (licensed by Chevron Lummus Global) for the production of Group II and III oils, with related storage areas and interconnection at the Gdansk Refinery. A Limited Notice to Proceed was signed on September 28, 2021, covering the first six months of operations, with a contractual value of Euro 15.5 million. The contract became effective on October 18, 2021. The total value of the contract is Euro 214.86 million. In addition the client recognized an important change order. The facility is due to reach Mechanical Completion in month 34 (August 17, 2024), ready for start-up status 36 months after the effective date (October 17, 2024), while the Provisional Acceptance Certificate should be issued 40 months after the effective date (February 17, 2025). The Final Acceptance Certificate is due in month 64 (February 17, 2030). The scope of work includes detailed engineering, procurement and delivery of all materials, all construction activities up to the mechanical completion of the plant, supply of spare parts for the commissioning and start-up of the plant, pre-commissioning, commissioning, assistance during start-up (on a reimbursable basis), provision of as-built documentation and of operation and maintenance manuals. At December 31, 2023, engineering and home office services activities are 96.7% complete; manufacturing is 90.8% complete; construction activities stands at 37.5%. Project advancement is 66.3%.

BELAYIM PETROLEUM COMPANY (PETROBEL) ZOHR - SUPPLY OF MEG REGENERATION UNIT (MRU) PACKAGES (Egypt) KT - PETROBEL awarded Kinetics Technology S.p.A. a contract, to be executed on an Lump Sum Turn Key basis, for two MRU Packages (licensed by Axens) consisting of two identical Mono-Ethanol Glycol (MEG) regeneration units, on a modularized basis, and a common Chemical Injection Unit for the first "Accelerated Start-Up" (ASU) phase at the Zohr Gas Plant in Port Said, Egypt. The contract became effective on September 9, 2021. All modules should be delivered at month 16 (December 20, 2022), while the PAC issue date is estimated in December 2024. The Final Acceptance Certificate is expected in December 2026. The scope of work includes detailed engineering, procurement and delivery of all materials, module assembly, including pre-commissioning and delivery to the yard in Egypt, supply of spare parts for commissioning and start-up, supply of capital spares, and provision of operation and maintenance manuals. Following the change in construction strategy from modularization to more stick-built modularization, the three RUP-phase MRU trains (5, 6 and 7) will be completed by June 2024 (Train 5 has already been completed). For the ASU phase, assembly activities are complete and the two trains are operating. The project contract value is USD 64.7 million and USD 96.3 million relating to phase 2. At December 31, 2023, engineering and home office services activities are 99.6% complete; manufacturing is 99.8% complete; construction activities stands at 88.7%. Project advancement is 98.1%.

TOTAL RAFFINAGE CHEMIE – HORIZON Project – ISBL Package (France). On March 30, 2020, KT - Kinetics Technology S.p.A. acquired the contract for the EPCC lump sum basis supply of the following units: Vacuum Gasoil Hydro-Treatment Unit (licensed by Axens), Sour Water Stripper, Utilities/Auxiliaries, Technical Buildings, at the Donges refinery in France. The contract value is Euro 179.2 million, plus Euro 1.5 million from the Early Works phase and the amount for currently approved Change Orders. The target date to obtain the PAC is October 2025. The scope of the work involves: detailed engineering; procurement and delivery of all materials, including compressors already negotiated by the client; all construction activities (total site preparation up to RFSU; supply of spare parts for putting into service and start-up of the plant; commissioning; assistance during start-up (on a refundable basis); supply of as-built documentation; supply of maintenance and operating manuals; training of plant operating personnel. At December 31, 2023, engineering and home office services activities are 99.4% complete; manufacturing is 99.9% complete; construction activities stands at 70.1%. Project advancement is 87.8%.

ICA FLUOR DANIEL – NO. 3 DCU FURNACES FOR DOS BOCAS REFINERY (Mexico) - On November 20, 2020, KT - Kinetics Technology S.p.A. received the contract for the EP portion of 3 delayed coker furnaces (BA-31001/02/03) designed by Bechtel, including APH, Burner Piping and on- and off-skid instrumentation. The special feature of the project is the supply of the Radiants in pre-assembled modules, with Carpentry, Refractories and Coils already assembled to be installed at the Dos Bocas Refinery in Mexico. This contract was preceded by early engineering works, and the amount of the contract is Euro 54.1 million. Contract delivery is CIF Dos Bocas within 17 months of the effective date. Project activities are complete. The client is carrying out mechanical assembly work.

INA-INDUSTRIJA NAFTE - RIJEKA REFINERY UPGRADE PROJECT (RRUP) (Croatia) - On January 4, 2020, KT – Kinetics Technology S.p.A. was awarded an EPC contract on a lump sum turnkey basis by INA-Industrija Nafte, d.d. (INA) for a new delayed-coking facility at the refinery in Rijeka, Croatia, as part of a project to modernize the refinery. The contract provides for the supply of the following units on an LSTK basis: A first batch, defined as Greenfield Work: Delayer Coker Unit (Unit 384 - DCU), Amine Regeneration Unit (Unit 387 - ARU), Sour water stripper Unit (Unit 388 - SWS) and Coke Port with Handling & Storage System; a second lot, defined as Brownfield Work: Area preparation for DCU; Sulphur Recovery Unit 2nd Train (Unit 379 - SRU); Hydrocracker Unit Revamping (Unit 376 - HCU); DCU Outside Battery Limit (OSBL). The scope of the work includes: detailed engineering; procurement and delivery of all materials; inspection; all construction activities including site preparation (removal of existing underground and above ground material, geotechnical analysis and topographic survey); all construction activities up to the Ready for Start up phase; supply of spare parts for putting into service and start-up of the plant; reaching "Ready for start-up" status; assistance during the plant start-up phase (on a reimbursable basis); supply of documentation as built; supply of maintenance and operating manuals; training of plant operating personnel. The contract value is Euro 449.9 million, plus the currently approved change orders. The expected PAC date is April 2025, and the FAC date is April 2027. At December 31, 2023, engineering and home office services activities are 100% complete; manufacturing is 99.8% complete; construction activities stands at 72.4%. Project advancement is 83.6%.

LUANDA REFINERY GASOLINE (Angola) - KT–Kinetics Technology S.p.A. and Eni Angola Exploration B.V. signed a contract for an LSTK (EPC) project to modernize the refinery in Angola. The Units covered by the contract are: new Naphtha Hydrotreating (NHDT) unit; new Naphtha splitter; and new Platforming unit. The entire scope of the Contractor's work principally includes: basic design; detail engineering; procurement and delivery of all process equipment and bulk materials; supply of First-Filling of chemicals; supply of First-Filling of catalysts for the NHDT unit; all construction activities up to mechanical completion of the facility; and Pre-commissioning. The initial contract value is approximately Euro 191.7 million, to which approved Change Orders and a seven-month extension of time on the MC, RFSU and PAC dates must be added, plus a two-month grace period. Engineering and procurement activities have been completed for both the basic scope and the reimbursable Change Orders; construction of the basic scope was 100% complete by the end of August 2022, with the PAC released on 8/11/2022. Overall progress is 100%. At the end of November 2022, construction activities began on the De-Ethanizer Reimbursable Change Order, which concluded with the RFSU in August 2023.

Energy Service

The contracts of the so-called "Energy and/or EPC" contracts continue which involve the supply of heat/methane gas, electricity, plant maintenance and energy upgrading of clients' buildings and facilities. In particular, the company Se.MA preliminarily supports energy efficiency investments provided for in the technical-economic plan (PTE) by achieving better plant performance, reduced energy consumption and therefore cost savings over time. This dynamic allows for a return on investments made and for good margins on orders. The main Energy and/or EPC contracts are under the Consip agreement and concern the supply of methane gas, electricity, heat and maintenance at a number of hospitals in the province of Ancona (Fabriano, Jesi and Senigallia), and a number of hospitals in the province of L'Aquila (Avezzano, Sulmona, L'Aquila and Castel di sangro). Energy Service and/or EPC contracts also continue with Azienda Ligure Sanitaria (A.LI.SA) for the management of hospitals in the Chiavari and La Spezia area (lot 6 Asl 4 and Asl 5 Liguria).

Renewable energy projects

Photovoltaic plant (PMGD) (Chile) - Ingenieria y Construcción Tecnimont Chile y Compaňia Limitada signed with the Chilean companies La Huerta S.p.A., Vespa Solar S.p.A., MVC Solar 17 S.p.A., SOL DEL SUR 2 S.p.A., SOL DEL SUR 8 S.p.A., SOL DEL SUR 9 S.p.A., SOL DEL SUR 15 S.p.A., MVC SOLAR 38 S.p.A. and BLUE SOLAR UNO S.p.A. (jointly the "SPV") nine contracts for the construction of a similar number of medium/small photovoltaic plant in Chile (less than 9 MWac), called "PMGD" and "PMG". These contracts were awarded to Tecnimont Chile with the signing of the transfer agreements as part of the broader transaction initiated with Neosia Renewable S.p.A. (a subsidiary of Maire Tecnimont S.p.A., now merged into Tecnimont S.p.A.), which led to the latter's purchase of the SPVs in charge of the development and construction of the afore-mentioned small-scale photovoltaic plants. Having obtained the necessary local administrative approvals for the construction and operation of the photovoltaic plant, the SPVs were transferred in November and December 2022 to Akuo PMGD Holding S.p.A., while the EPC contracts for the construction and operation of the individual plant were awarded to Ingenieria y Construcción Tecnimont Chile y Compaňia Limitada. The total value of the EPC contracts is approx. USD 57.7 million. Engineering and procurement are complete and plant assembly is underway, with expected startup between April and December 2024.

Metro Projects

Metropolitana di Torino – Opere di Sistema (Turin, Italy) - In Q1 2021, Transfima Geie completed the system works for the Lingotto-Bengasi section of Line 1 of the Turin Metro, complying with the contractual terms established by the client Infratrasporti.To. On March 30, 2021, the Provisional Minutes of Acceptance (VCAPS)4 were signed, allowing the section to be commence operations from April 2021. The Fermi – Cascine Vica section is a further extension of the line to the west and its contract is autonomous from the previous sections. The award of the section was governed on March 10, 2020 by a specific framework agreement (2nd Framework Agreement), divided into three addenda relating to the development and progress of the work: the first for planning, the second for strategic supplies and the third for commissioning. The 1st and 2nd Addenda were signed at the same time as the 2nd Framework Agreement. Infratrasporti.To's decision to migrate the signaling system from the analogue technology of the VAL 208 system to a digital system based on CBTC technology (a move that involved other market operators) had a significant impact on the works planned for the Fermi-Cascine Vica section. This resulted in a significant reduction in the scope of work provided for in the 2nd Framework Agreement signed on March 10, 2020, with the consequent separation of the signaling and automation supply works. In relation to the foregoing, on September 15, 2021 Transfima Geie signed a specific Amendment Agreement to the 2nd Framework Agreement with Infratrasporti.To. In 2022, the design work was completed, while in early 2023 construction work began for the construction of the entire System infrastructure. In October 2022, Transfima GEIE signed with the Client Infratrasporti.To an Additional Deed for System infrastructure works for the extension of three additional new storage routes, in addition to the three already provided for in the basic contract (Modifying Agreement of the Second Framework Agreement). The activity relating to the five-year contract signed in April 2018 continued with regard to technical assistance and maintenance of Line 1. On February 22, 2023, the contract was extended for an additional year, from April 2023 to March 2024. The contract covers all previously existing activities (technical assistance and level 3 maintenance of the technological components at line 1 of the Turin Metro, Collegno - Lingotto - Bengasi section) in addition to maintenance, Levels 1 and 2, of the IT network and the resolution of a number of obsolescence issues.

Civil and industrial projects

Avio Facility - (Colleferro, Italy) - in July 2018, the EPC contract was signed for the construction of an industrial facility (Building 4026) in Colleferro for "motors expansion". Two contractual addenda for the addition of further work were formalized in 2019, with the resulting extension of work completion times. At December 31, 2022, this activity has been completed. The contract for the performance of the work on Building 4562 was signed on October 29, 2019, and the work commencement memorandum was drawn up on November 19. The cumulative amount of work recognized at December 31, 2023 is approx. 100%. Completion activities relating to the punch list are currently ongoing.

Infrastructure Health Care (Brindisi, Italy) - Brindisi Local Health Authority Geographical Lot No. 15 of the Framework Agreement Law No. 77 of July 17, 2020, Awarding of engineering and architectural services work and other services, enacting the hospital network reorganization plans. In April 2021, a contract was signed for the Executive Design and subsequent construction of 23 intensive care units at the Perrino of Brindisi hospital. The cumulative amount of work recognized at December 31, 2023 is approx. 70%. Brindisi Local Health Authority Geographical Lot No. 15 of the Framework Agreement Law No. 77 of July 17, 2020, Awarding of engineering and architectural services work and other services, enacting the hospital network reorganization plans. In March 2022, a contract was signed for the Executive Design and subsequent construction of 8 intensive care units at the Ostuni hospital. The cumulative amount of work recognized at December 31, 2023 is approx. 40%.

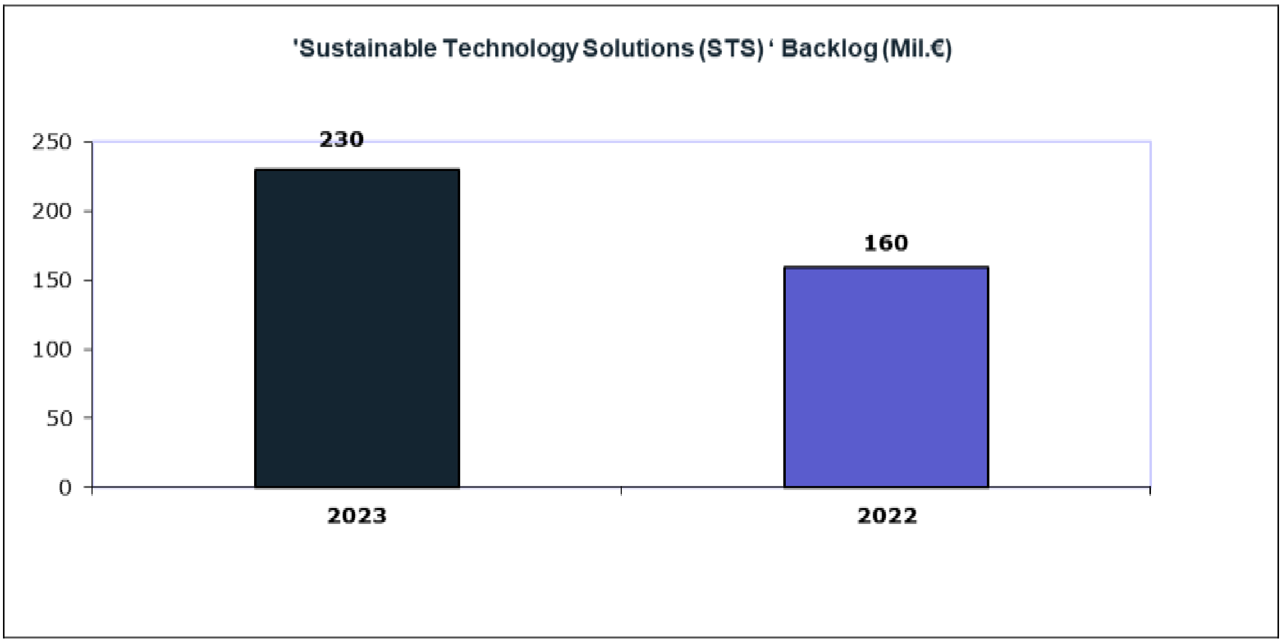
Other projects: all actions necessary on projects under completion and other minor engineering and services contracts are being taken.

Analysis of the "Sustainable Technology Solutions (STS)" Business Unit Backlog

The Backlog at December 31, 2023 compared with the previous year is as follows:

(in Euro thousands)	Backlog at 31.12.2023	Backlog at 31.12.2022 (*)	Change December 2023 vs December 2022	
			Total	%
Sustainable Technology Solutions (STS)	230,384	159,767	70,616	44.2%

(*) The comparison backlog was restated according to the new internal reporting structure used from 2023, following the industrial reorganization of the Maire Group. For further details, reference should be made to section "5 - Performance by Business Unit".



The "STS" BU Backlog was Euro 230.4 million at December 31, 2023, up Euro 70.6 million on the previous year (+44.2%).

The Sustainable Technology Solutions business unit acquired new orders worth Euro 299.1 million, almost double the figure for 2022. The major projects awarded to this business unit include: contracts for the licensing and supply of proprietary equipment for an ammonium and urea plant in sub-Saharan Africa with a total value of Euro 100 million; engineering work and supply of equipment for the modification of an existing hydrogen unit (Steam Methane Reformer) in order to reduce its environmental impact; and a pre-feasibility study to define the process configuration of a green ammonium plant based on proprietary technology in the Middle East.

PRINCIPAL PROJECTS AWARDED AND COMMERCIAL AGREEMENTS

NEXTCHEM AWARDED FEASIBILITY STUDY FROM FORESIGHT GROUP TO DECARBONIZE ETA'S WASTE-TO-ENERGY PLANT IN MANFREDONIA

On February 13, 2023, Maire S.p.A. announced that its subsidiary NextChem Tech had been awarded a feasibility study by the Foresight Group for a carbon dioxide capture and sustainable methanol production plant at ETA's waste-to-energy plant in Manfredonia, Puglia. Following conclusion of the feasibility study, the authorization process, and the subsequent final investment decision, the execution of the engineering and construction phases will be carried out by Maire Tecnimont Group's subsidiaries using an integrated approach designed to make the most of the Group's distinctive capabilities and competencies.

The Foresight Group is a fund manager holding Euro 13 billion of sustainability-oriented investments and numerous assets globally, including waste-to-energy plant.

NextChem was tasked with identifying the best proposal to decarbonize the plant, providing a tailored solution through its technology portfolio. The project aims to make use of approx. 200 thousand metric tons per year of carbon dioxide which is currently emitted into the atmosphere, combining it with green hydrogen to produce sustainable fuel.

This award lays the groundwork to enact one of Italy's most significant CO_2 exploitation projects, strengthening the Maire Group's role as an enabler of industry decarbonization and energy transition.

NEXTCHEM, MYRECHEMICAL AND DIMETA EXPLORE DIMETHYLETHER PRODUCTION FROM WASTE TO DECARBONIZE LPG INDUSTRY

On February 16, 2023, NextChem Tech and its subsidiary MyRechemical (Maire Tecnimont Group) signed an agreement with Dimeta B.V. to explore new opportunities to develop plants to produce dimethylether (DME) from renewable and recycled carbon from waste. Thanks to its LPG-like properties, this product can be blended with conventional LPG, thereby helping reduce the carbon footprint without modifying typical LPG equipment or infrastructure. Dimeta is a Dutch joint venture between SHV Energy and UGI International. It was established to develop the production and use of renewable and recycled DME and accelerate the LPG industry's transition to Net Zero. The organization's ambitious goal is to produce 300,000 tons of renewable and recycled DME by the end of 2027, establishing plants in the United Kingdom, Europe and the United States. This sustainable, low-carbon liquid gas can be obtained using NextChem and MyRechemical's innovative technologies, which convert municipal solid waste into methanol and then into DME. The collaboration includes establishing business cases with Dimeta as a client for DME in waste-to-methanol conversion projects, in addition to generating new initiatives specifically targeting renewable and recycled carbon DME production. NextChem and MyRechemical will also explore further opportunities for R&D collaboration with Dimeta, including the production of DME from biogas and biomethane.

MAIRE TECNIMONT GROUP AWARDED NEW HIGH-VALUE TECHNOLOGY AND ENGINEERING CONTRACTS WORTH APPROX. USD 90 MILLION

On April 19, 2023 - Maire Tecnimont S.p.A. (MAIRE) announced that several companies belonging to the Sustainable Technology Solutions business unit, directly held by Nextchem S.p.A., have been awarded a number of new contracts for technology licenses and engineering services worth a total of approx. USD 90 million. These contracts were awarded by international clients mainly in Europe and the Far East.

Specifically, Stamicarbon, Nextchem S.p.A.'s directly owned nitrogen innovation and technology company, was awarded licensing, process design, and equipment supply contracts for an ultra-low-energy urea plant in Jiangxi Province, China. This will be the largest energy-efficient plant with a capacity of 3,850 tons per day, and the seventh largest plant in the world based on Stamicarbon's innovative proprietary design, which reduces steam consumption by about 35% and cooling water consumption by about 16% compared to conventional processes.

NEXTCHEM (GROUP MAIRE) AWARDED NEW ADVANCED ENGINEERING STUDY FROM STORENGY FOR SECOND-GENERATION BIOMETHANE PRODUCTION IN FRANCE

On April 21, 2023, Maire Tecnimont S.p.A. (MAIRE) announced that its subsidiary NextChem, part of the Sustainable Technology Solutions business unit, after completing the advanced engineering study for methanation, previously announced in July 2022 for the Salamandre project in Normandy, has been awarded a new contract by Storengy to perform an additional advanced engineering study for the gasification of wood waste and purification of synthesis gas system (syngas) to produce biomethane. The scope of NextChem's work also includes the evaluation and estimation of engineering, procurement, and construction activities for the project's entire gasification and methanation package, including its ancillary units, which will be part of the client's final investment decision.

The plant, with an estimated capacity of 11,000 tons per year of biomethane, will be the world's first commercial project of its kind, feeding methane produced through pyrogasification of wood waste into the grid.

This new contract with Storengy is further evidence of Nextchem's recognized expertise in developing and implementing energy transition technologies in compliance with new EU regulations regarding syngas and biomethane production from wood waste and biomass.

STAMICARBON, SUBSIDIARY OF NEXTCHEM S.P.A (MAIRE GROUP) WAS AWARDED NEW LICENSING AND BASIC ENGINEERING CONTRACTS FOR A GREEN AMMONIA PLANT IN THE UNITED STATES

On May 15, 2023, MAIRE S.p.A. announced that its subsidiary NextChem S.p.A., through Stamicarbon, part of the Sustainable Technology Solutions business unit, was awarded licensing and basic engineering contracts by a major North American fertilizer producer for a green ammonia plant with a capacity of 450 tons per day.

The plant will be built in the United States (with entry into operation in 2026) and produce green ammonia. This will be used as feedstock for nitrogen-based fertilizers, using state-of-the-art Stami Green Ammonia technology.

The main component for green fertilizer production, Stami Green Ammonia enables the production of ammonia with reduced environmental impact using natural elements. The process involves electrolysis of water to obtain hydrogen and the recovery of nitrogen from air, as an alternative to the steam reforming process of fossil fuels. The combination of proprietary technology and engineering requirements to develop small-scale green ammonia plants offered by Stamicarbon, as the fertilizer technology licensor of NextChem S.p.A., provides a sustainable and highly competitive alternative to conventional processes. This tried and tested technology can also be applied to existing plants as part of a hybrid technology solution to make the production of fertilizer more sustainable.

Global demand for ammonia will continue to grow, requiring efficient and environmentally friendly production methods. For the fertilizer industry, Stami Green Ammonia technology - which uses renewable energy in place of fossil fuels - is a significant step towards achieving sustainable, carbon-free solutions. This significant achievement confirms MAIRE's role as a technology integrator and enabler of the global energy transition.

NEXTCHEM AWARDED FEASIBILITY STUDY BY MARCEGAGLIA TO DECARBONIZE RAVENNA STEEL PLANT USING CARBON CAPTURE TECHNOLOGIES

On June 13, 2023 - MAIRE S.P.A. announced that its subsidiary NextChem, part of the Sustainable Technology Solutions business unit, and the Marcegaglia Group (Marcegaglia) signed an agreement for a feasibility study to accelerate the decarbonization of Marcegaglia's Ravenna steel plant. The study relates to the installation of units to capture carbon dioxide from exhaust gases. Once the feasibility study has been completed, NextChem will engage the Integrated E&C Solutions business unit to conduct the basic engineering design study (FEED).

When implemented, these solutions will have the potential to capture approx. 285 metric tons of carbon dioxide per day, emissions that would otherwise be released into the atmosphere. NextChem will provide a comprehensive assessment of the steel plant's decarbonization capacity and define technical specifications for carbon capture solutions.

Marcegaglia is a leading global steel processing industrial Group and is actively engaged in reducing carbon emissions, enacting significant decarbonization measures in the logistics, utilities and energy supply sectors. This goal is in line with MAIRE's technology value proposition, which seeks to support the energy transition for a growing number of clients. These clients operate not only in the natural resource processing industry, but also in hard-to-abate sectors such as cement and steel production.

The MAIRE Group is an enabler and integrator of innovation for decarbonization in the "hard-to-abate" industries: these sectors are responsible for a significant proportion of global emissions, and the consequent reduction in such emissions is key in building a more sustainable future.

PKN ORLEN PROJECT FOR A PRE-TREATMENT PLANT TO PRODUCE RENEWABLE DIESEL (HVO) IN POLAND, WHERE NEXTCHEM WILL ACT AS TECHNOLOGY INTEGRATOR.

On June 20, 2023, MAIRE S.p.A. announced that its subsidiaries in the Integrated E&C Solutions (IE&CS) and Sustainable Technology Solutions (STS) business units had been awarded new contracts from international clients, chiefly in Europe, Asia and South America.

Specifically, in the IE&CS BU, KT-Kinetics Technology was awarded a pre-treatment plant contract by PKN Orlen (PKN), a Polish multinational company operating in the field of fuel refining and sales, mainly in Central Europe. The project has a duration of 24 months. The pre-processing plant, to be built within the Płock Refinery in central Poland, will process vegetable oils, waste cooking oils and animal fats to produce renewable diesel (also known as Hydrotreated Vegetable Oil, HVO) for local and international markets.

NextChem, part of the Sustainable Technology Solutions business unit, will act as the technology integrator for the project. This will be the first such plant in Poland and will contribute to the country's decarbonization plans in line with European Union Directives.

The PKN contract reflects MAIRE's expertise in renewable fuels and value creation using second-generation biofuels made from non-food crops. The integrated approach between the Group's business units confirms MAIRE's role as an enabler and technology integrator in the energy transition.

MAIRE PARTICIPATES IN LAUNCH OF FIRST CIRCULAR HYDROGEN REFUELING STATION IN ROME

On June 26, 2023, MAIRE announced that it would participate in launching the first circular hydrogen refueling station, which will be built by Q8 in Rome.

This initiative is part of MAIRE's 10-year strategic plan for the energy transition, falling specifically under the Sustainable Technology Solutions Business Unit, which makes use of a technology portfolio of innovative decarbonization solutions. Hydrogen plays a key role in the 10-year plan, enabling transition in the mobility sector and the hard-to-abate industrial segment.

The Q8 refueling station in Rome's Via Ardeatina will supply light and heavy vehicles, for both public and private transport. When operating fully, the plant will have capacity of up to approx. 700 kg per day, ensuring more than 75% reduced CO_2 emissions compared to the use of conventional diesel. The project has received funding from the National Recovery and Resilience Plan, under a Ministry for Infrastructure and Transport call for hydrogen refueling stations.

The station will be based around the technological solution developed by MyRechemical, a NextChem subsidiary, which converts non-recyclable waste into circular hydrogen. This in turn will be produced in the first waste-to-hydrogen plant in Italy, which MAIRE is developing in Rome as part of the EU project "IPCEI Hy2Use", subject to the authorization process. Waste-to-Chemical technology makes it possible to obtain hydrogen using a circular approach, thus helping close the waste cycle and minimizing CO_2 emissions in the quest for carbon neutrality as per the "Net Zero" goals for 2050. Circular hydrogen is available on the market at a significantly lower cost than the green hydrogen produced through electrolysis, thus constituting a solution that is already viable for the development of an industrial-scale hydrogen economy.

At the launch of the refueling station, MAIRE and Q8 also signed an agreement to jointly assess the development and implementation of further projects integrating MAIRE's Waste-to-Chemical technology into innovative energy carriers in Italy.

STAMICARBON, A SUBSIDIARY OF NEXTCHEM (STS BUSINESS UNIT OF MAIRE), AWARDED LICENSING AND PROPRIETARY EQUIPMENT FOR A FERTILIZER PROJECT IN SUB-SAHARAN AFRICA WITH A RECORD VALUE OF APPROX. EURO 100 MILLION

On July 12, 2023, MAIRE S.p.A. announced that its subsidiary NextChem S.p.A., through Stamicarbon, part of the Sustainable Technology Solutions business unit, had been awarded licensing and proprietary equipment supply contracts for an ammonia and urea complex with a total value of approximately Euro 100 million, making it the most valuable acquisition in Stamicarbon's history. The award follows licensing and process design package contracts awarded by the same client and announced in August 2022.

The integrated ammonia and urea complex in sub-Saharan Africa will have a capacity of 4,600 tons of ammonium per day and 8,000 tons of urea per day, in two production trains. The project is expected to be operational in 2026 and is designed to meet the growing demand for high-quality fertilizer in the area and potentially - given to the plant's strategic location - globally. The complex will utilize Stamicarbon's state-of-the-art nitrogen fertilizer technology and proprietary equipment, which will reduce energy consumption and minimize ammonia emissions.

MAIRE AND MACQUARIE COLLABORATE ON ENERGY TRANSITION PROJECTS IN EUROPE

On September 22, 2023, MAIRE S.p.A. announced that its dedicated project development subsidiary, MET Development ("MetDev"), signed a memorandum of understanding with Macquarie Capital (part of the Macquarie Group) for the creation of a new platform focused on the development, implementation and management of energy transition projects in Italy and Europe.

The two companies have agreed that they will work together to launch the platform, which will act through a new holding company controlled for 80% by Macquarie Capital and 20%-owned by MetDev. The new company seeks to combine MAIRE's ability to implement complex energy-transition projects, building on its own technologies, engineering and project development capabilities, with the specialized sector expertise of Macquarie Capital. The Macquarie Group is a leading investor and advisor in the infrastructure and renewable energy sectors. With more than 100 GW of renewable energy projects, it has a strong track record of working with stakeholders in both the public and private sectors to introduce energy transition solutions.

This objective of this new platform is to provide a significant boost to the implementation of MAIRE's 10-year growth plan, leveraging the integrated approach that combines technology through NextChem, its Sustainable Technology Solutions division, and its distinctive capabilities in offering integrated engineering and construction solutions internationally, combined with its established experience in project development.

The platform is dedicated to developing initiatives in key areas, from chemical waste recycling for the production of sustainable fuels and hydrogen, to the full range of solutions for green hydrogen, low-emission hydrogen, and CO_2 capture, including fertilizers.

The projects will be based on a non-recourse capital structure and will utilize long-term supply contracts and offtaking agreements. MAIRE will provide the technology solutions and act as E&C contractor, making the most of Macquarie Capital's experience in developing, financing and managing energy infrastructure and assets.

NEXTCHEM (MAIRE) WINS NEW CONTRACTS WORTH APPROX. USD 60 MILLION IN THE SUSTAINABLE TECHNOLOGY SOLUTIONS BU

On October 23, 2023, MAIRE S.p.A. announced the award of new contracts worth a total of approx. USD 60 million in the Sustainable Technology Solutions (STS) business unit. Specifically, STS was awarded licensing and equipment supply contracts for an "Ultra Low Energy" urea plant in China for the client Shandong Lianmeng Chemical Company. The plant, with a capacity of 2,334 metric tons per day (mtpd), will be located in Shouguang, Shandong province in China, and will be the eighth global urea plant using the proprietary Ultra-Low Energy design licensed from Stamicarbon, NextChem's nitrogen fertilizer technology licensor. The Ultra-Low Energy design enables a 35% reduction in steam consumption and a 16% reduction in cooling water use, which represents unparalleled energy saving.

STS will also carry out a prefeasibility study for a major fertilizer producer in the Middle East to define the process configuration of a 450 mtpd green ammonium plant, which will be based on the proprietary Stami Green Ammonia technology.

In addition, NextChem was awarded by a major client the supply of engineering and equipment work for the modification of an auxiliary system of an existing hydrogen unit (steam methane reformer) that was designed and licensed in the past by KT-Kinetics Technologies, belonging to the IE&CS business unit, and is now to be modified to reduce its environmental impact.

These new contracts, approx. 40% of which were awarded in the third quarter of 2023, represent a major achievement for the STS business unit, strengthening MAIRE's position as a global technology player, and provide further evidence of MAIRE's value proposition, one of the key factors in achieving its 10-year plan.

NEXTCHEM (GROUP MAIRE) AWARDED A PROCESS DESIGN CONTRACT BY DG FUELS FOR AN AGRICULTURAL WASTE SAF PLANT IN THE USA

On December 6, 2023, MAIRE S.p.A. announced that NEXTCHEM (the Sustainable Technology Solutions business unit), through its subsidiary MyRechemical, which leads the Waste-to-Chemicals segment, had been chosen by DG Fuels Louisiana to provide the Process Design Package for an SAF production plant, currently under development in St. James Parish, Louisiana (USA).

The plant is expected to be operational in 2028 and will produce 350,000 tons per year of SAF deriving from agricultural waste and garbage. MyRechemical was selected as the technology licensor for the gasification and gas treatment units capable of processing 1,000,000 tons of sugarcane waste per year, along with the residue extracted from its processing. The process is the first step in SAF production.

Gasification technology and expertise in transforming synthetic gas into high value-added products play a crucial role in NEXTCHEM's technology portfolio, making it a key player in decarbonizing industries through the circular economy. As stated in its business plan, contributing to sustainable mobility through the use of a wide range of clean fuel solutions, including the exploitation of agricultural waste, is one of NEXTCHEM's main goals.

DG Fuels (the parent company of DG Fuels Louisiana) is a US-based company active in renewable hydrogen and biogen-based sustainable synthetic fuel for aviation. The company has established a number of partnerships and offtake agreements with major international airlines and is in the process of developing its first SAF facility. The project meets the requirements of the US Department of Energy's Clean Fuels & Products Shot initiative, which seeks to decarbonize the aviation sector through the industrialization of SAF. SAF from biomass or waste also meets the requirements of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) established by the International Civil Aviation Organization to reduce airlines' carbon offset requirements.

NEXTCHEM (MAIRE) AWARDED ENGINEERING STUDY BY SARAS FOR FIRST GREEN SYNTHETIC FUEL PILOT PLANT IN ITALY

On December 15, 2023, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions business unit), through its subsidiary NextChem Tech, had signed an agreement with Saras S.p.A. for an engineering study to accelerate the decarbonization at the Saras refinery in Sarroch, Sardinia.

The study relates to the development of a pilot plant for the in-refinery production of green synthetic fuels from sustainable hydrogen and carbon dioxide, with the potential to develop it into an industrial-scale plant. The project is one of the first initiatives in the EU to demonstrate the feasibility of producing synthetic aviation fuels.

NextChem Tech will use its proprietary NX CPO1 technology, an innovative and advanced process to produce synthesis gas through controlled partial oxidation through very rapid reactions. When applied to the production of synthetic fuels, this versatile technology can increase the overall and carbon efficiency of the entire process.

The project will contribute to Saras' decarbonization strategy as part of the green synthetic fuels initiatives under the National Recovery and Resilience Plan, which seek to make use of clean hydrogen in hard-to-abate sectors.

The award further demonstrates the strength of MAIRE's technology proposal for global decarbonization goals. Our technology allows us to support traditional clients in converting existing refineries into valuable assets for a sustainable future.

NEXTCHEM AWARDED NEW PROJECT IN UAE TO CONVERT SOLID WASTE INTO SUSTAINABLE AVIATION FUELS

On December 19, 2023, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions business unit), through its subsidiary MyRechemical, a leader in waste-to-chemical solutions, had been awarded a feasibility study for the integration of proprietary Waste-to-Syngas technology into a large-scale conversion plant that transforms municipal solid waste into Sustainable Aviation Fuel (SAF). This is the first major project in the UAE that seeks to produce up to 120,000 tons of SAF per year.

MyRechemical will provide the gasification unit to convert solid waste streams into synthesis gas (syngas), which will then be transformed into low-carbon ethanol and later SAF.

NEXTCHEM (MAIRE) AWARDED LICENSING, PROCESS DESIGN AND CATALYST SUPPLY FOR BIODEGRADABLE PLASTICS INTERMEDIATES IN CHINA

On December 20, 2023 - MAIRE (MAIRE.MI) announced that NEXTCHEM (Sustainable Technology Solutions business unit), through CONSER, licensor of biodegradable plastics technologies, had been chosen by a major client to license the technology and supply the catalyst as part of a larger project located in northwestern China.

The scope of work includes licensing, the process design package for CONSER's Duetto technology, and technical assistance during project execution through to commissioning and start-up. The agreement will also see CONSER provide the catalyst for hydrogenation1. In terms of CapEx OpEx and energy efficiency, Duetto technology offers a viable solution in producing both butanediol2 and dimethyl succinate - the two intermediates needed to obtain biodegradable polymers - in the same process.

7. Group balance sheet and financial position

The Maire Tecnimont Group key balance sheet highlights at December 31, 2023, and December 31, 2022, were as follows:

Maire Tecnimont Condensed Consolidated Balance Sheet *(in Euro thousands)*	**2023**	**2022**	***Change***
Non-current assets	**840,763**	**859,760**	**(18,997)**
Inventories/Advances to Suppliers	362,444	364,802	(2,358)
Contractual Assets	2,541,628	2,260,797	280,831
Trade receivables	1,161,811	704,182	457,629
Cash and cash equivalents	915,501	762,463	153,037
Other current assets	489,009	439,270	49,738
Current assets	**5,470,392**	**4,531,515**	**938,877**
Assets held for sale, net of eliminations	**30,791**	**0**	**30,791**
Total Assets	**6,341,946**	**5,391,275**	**950,671**
Group shareholders' equity	**526,841**	**491,574**	**35,267**
Minorities Shareholders' Equity	**52,859**	**36,477**	**16,381**
Financial debt - non-current portion	334,824	290,781	44,043
Other non-current financial liabilities	200,004	180,132	19,872
Non-current financial liabilities - Leasing	103,718	110,467	(6,748)
Other non-current liabilities	174,786	132,536	42,250
Non-current liabilities	**813,332**	**713,915**	**99,417**
Short-term debt	180,355	310,837	(130,481)
Current financial liabilities - Leasing	24,655	22,559	2,096
Other financial liabilities	43,565	2,780	40,785
Client advance payments	949,336	645,631	303,705
Contractual Liabilities	580,024	360,324	219,700
Trade payables	2,625,845	2,295,802	330,043
Other current liabilities	534,868	511,376	23,492
Current liabilities	**4,938,648**	**4,149,309**	**789,339**
Liabilities held for sale, net of eliminations	**10,266**	**0**	**10,266**
Total Shareholders' Equity and Liabilities	**6,341,946**	**5,391,275**	**950,671**

Maire Tecnimont Reclassified Condensed Consolidated Balance Sheet *(in Euro thousands)*	December 31, 2023	December 31, 2022	*Change 2023 - 2022*
Non-current assets	761,179	738,462	*22,716*
Adjusted net working capital	(379,687)	(160,986)	*(218,701)*
Employee provisions	(10,529)	(10,190)	*(339)*
Net Capital Employed	**370,963**	**567,287**	***(196,324)***
Group shareholders' equity	526,841	491,574	*35,267*
Minorities Equity and Reserves	52,859	36,477	*16,381*
Adjusted net financial position (*)	(337,870)	(93,790)	*(244,079)*
Lease financial liabilities - IFRS 16	129,133	133,026	*(3,893)*
Hedging	**370,963**	**567,287**	***(196,324)***

(*) As the Net Financial Position is not governed by the Group's accounting standards, the Group calculation criteria may not be uniform with those adopted by other groups and, therefore, may not be comparable.

"Fixed Assets" increased on the previous year, mainly in terms of intangible assets, property, plant and equipment and goodwill, which reflects the acquisitions of the company Conser S.p.A. and of MyRemono S.r.l., whose gains were allocated partly to "goodwill", and partly to other intangibles identified on the purchase price allocation in accordance with IFRS 3R.

The value of intangible assets in addition increased due to investments and internal developments of technology, new software and related developments to support the business and corporate security, net of amortization in the year. Property, plant and equipment also increased on the basis of improvements to owned and leased buildings and the acquisition of furniture and miscellaneous machinery for offices, in order to support the expanded Group workforce and in line with the new Group ten-year plan and the growing operations globally.

At the same time, "Fixed Assets" saw a reduction in other non-current assets, essentially concerning receivables due beyond 12 months for withholding guarantees from clients for the successful outcome of works in progress, with the movement mainly due to the collection of old positions from the client Sadara Chemical Company following the settlement of the dispute at the conclusion of arbitration, as well as the reclassification to short-term of certain guarantee withholdings in relation to projects in progress (mainly Borouge 4), net of new accruals.

Net working capital improved significantly in 2023, with a cash generation of approx. Euro 218.7 million (of which Euro 109.7 million in Q4 2023), thanks to the operating activities on the main ongoing projects and advances from clients regarding the new order intake in 2023, and which therefore provided a further cash flow benefit, in particular following the acquisition of the Hail and Ghasha onshore treatment plant project with ADNOC.

Net capital employed therefore decreased by approx. Euro 196.3 million on December 31, 2022, thanks to working capital movements in 2023 which more than offset investments.

Group Shareholders' Equity at December 31, 2023 amounts to Euro 526,841 thousand, a net increase of Euro 35,267 thousand compared to December 31, 2022 (Euro 491,574 thousand).

Minority interest Shareholders' Equity at December 31, 2023 amounted to Euro 52,859 thousand, with a net increase of Euro 16,381 thousand compared to December 31, 2022 (Euro 36,477 thousand).

During 2023, following the completion of the industrial reorganization process of the Maire Tecnimont Group, which among other activities included the transfer to the subsidiary NextChem S.p.A. (previously NextChem Holding S.p.A.) of the 100% holding of the Dutch-registered subsidiary Stamicarbon B.V. and of 56.67% of the subsidiary NextChem Tech S.p.A. (previously NextChem S.p.A.) by Maire Tecnimont and by Maire Investments S.p.A. (related party), the remaining portion of the share capital of NextChem Tech

S.p.A. (previously NextChem S.p.A.) (equal to 43.33%). As a result of the increase, the share capital of NextChem S.p.A. (previously NextChem Holding S.p.A) is now held 78.37% by Maire Tecnimont and 21.63% by Maire Investments S.p.A., with the consequent accounting recalculation of the minority share which increased by approx. Euro 11 million the minority interest shareholders' equity.

Total consolidated Shareholders' Equity, considering minority interests, at December 31, 2023 amounts to Euro 579,700 thousand, an increase of Euro 51,649 thousand compared to December 31, 2022 (Euro 528,051 thousand.

The overall increase in consolidated Shareholders' Equity reflects the net income in the year of Euro 129.5 million and the increase in the Cash Flow Hedge reserve of the derivative instruments, which mainly relates to the temporary mark-to-market gains of the derivative instruments to hedge the currency risk of the revenues and costs from the projects and the risk of raw material cost movements, net of the relative tax effect for Euro 13.7 million. The changes are due to the currency market movements, principally as a result of interest rate movements, which in 2023 saw the Euro realign with the US Dollar.

The currency movements however negatively impacted the translation reserve of financial statements in foreign currencies, supported by the adoption of the current exchange rate conversion method for the overseas companies which prepare their financial statements in a functional currency other than the Euro for Euro 65.7 million, principally in relation to the Ruble, the Nigerian Naira, the Indian Rupee and the Malaysian Ringgit.

Other reductions concerned the payment of the dividend approved by the Shareholders' Meeting for Euro 40.7 million and the purchase of treasury shares during the period to service Maire Tecnimont stock-based remuneration and incentive plans adopted by the Company.

The adjusted Net Financial Position at December 31, 2023 indicates net cash of Euro 337.9 million, increasing Euro 244.1 million on December 31, 2022.

Operating cash generation more than offsets dividends settled of Euro 40.7 million, disbursements related to the buyback program of Euro 3.8 million, and gross capital expenditures for the period totaling Euro 76.6 million. Gross investments include Euro 35.8 million related to the acquisition of Conser S.p.A. (Euro 19.2 million net of the liquidity acquired) and Euro 6.9 million related to the acquisition of CatC technology and the funding of MyRemono S.r.l. (Euro 5.8 million net of the liquidity acquired) to support the industrialization activities of this technological solution, in line with the strategy of expanding the portfolio of sustainable technologies undertaken by the Group. Investments in new technologies and intellectual property rights (patents and licenses) mainly of the Nextchem Group, new software and related development to support the business and security aimed at integrating technology offerings with advanced digital solutions in line with the sustainable technology portfolio expansion strategy undertaken by the Group also continue.

The Net Financial Position is outlined in the following table:

NET FINANCIAL POSITION *(in Euro thousands)*	Note (*)	December 31, 2023	December 31, 2022	*Change*
Short-term debt	28.27	180,355	310,837	*(130,481)*
Current financial liabilities - Leasing	28.26	24,655	22,559	*2,096*
Other current financial liabilities	28.31	43,565	2,780	*40,785*
Financial instruments - Derivatives (Current liabilities)	28.30	4,014	43,381	*(39,367)*
Financial debt - non-current portion	28.20	334,824	290,781	*44,043*
Financial instruments - Derivatives (Non-current liabilities)	28.24	3,225	80	*3,145*
Other non-current financial liabilities	28.25	200,004	180,132	*19,872*
Non-current financial liabilities - Leasing	28.26	103,718	110,467	*(6,748)*
Total debt		**894,361**	**961,016**	***(66,656)***
Cash and cash equivalents	28.17	(915,501)	(762,463)	*(153,037)*
Temporary cash investments	28.15	(1,589)	(916)	*(673)*
Other current financial assets	28.15	(58,414)	(6,570)	*(51,844)*
Financial instruments - Derivatives (Current assets)	28.14	(29,322)	(13,082)	*(16,240)*
Financial instruments - Derivatives (Non-current assets)	28.6	(1,631)	(4,308)	*2,677*
Other non-current financial assets	28.7	(71,512)	(109,032)	*37,520*
Total cash and cash equivalents		**(1,077,969)**	**(896,371)**	***(181,598)***
Other financial liabilities of discontinued operations	28.18	760	0	*760*
Other financial assets of discontinued operations	28.18	(1,871)	0	*(1,871)*
Net Financial Position		**(184,719)**	**64,645**	***(249,365)***
"*Project Financing - Non Recourse* "financial payables	28.20, 28.27	(6,734)	(7,520)	*786*
Other non-current assets - Expected repayments	28.8	(16,833)	(17,439)	*606*
Financial payables - Warrants	28.25	(451)	(451)	*0*
Finance lease payables IFRS 16	28.26	(129,133)	(133,026)	*3,893*
Adjusted Net Financial Position		**(337,870)**	**(93,790)**	***(244,079)***

(*) The notes refer to the paragraphs of the Explanatory Notes to the consolidated financial statements where the respective accounts are analyzed in detail.

As the Net Financial Position is not governed by the Group's accounting standards, the Group calculation criteria may not be uniform with those adopted by other groups and, therefore, may not be comparable.

The financial position at December 31, 2023 overall indicates a reduction in the gross debt, mainly due to the final settlement of approx. Euro 65 million of the nominal Euro 185 million medium/long-term loan by the subsidiary Tecnimont S.p.A., now fully settled, and in relation to the nominal Euro 365 million Maire Tecnimont loan, backed for 80% by SACE's Italy Guarantee, for approx. Euro 91.2 million, in addition to the repayment of revolving lines, overdrafts and other financial instruments for the management of short-term commercial cash flows and to support working capital lines for short-term needs for the working capital management of a number of projects used at December 31, 2022.

Simultaneously, the gross debt rose as a result of the signing of new loans, respectively for Euro 150 million and Euro 40 million, backed for 80% by the SACE S.p.A. Guarantee, in line with Legislative Decree No. 50 of May 17, 2022.

With regard to the Euro Commercial Paper program launched in 2021 by MAIRE for the issue of one or more non-convertible notes and placed with selected institutional investors for a maximum Euro 150 million, at

December 31, 2023 the Euro Commercial Paper program has been utilized for Euro 21.6 million, with an increase of Euro 19.1 million compared to December 31, 2022. The maturities of the notes are: Euro 1 million at January 2024, Euro 3.7 million at February 2024, Euro 6.9 million at March 2024, Euro 2 million at July 2024 and Euro 8 million at December 2024. The weighted average interest rate on outstanding financial liabilities is approximately 5.229%. In 2023, notes totaling Euro 124.4 million were issued, with reimbursements of Euro 105.3 million, with an average weighted interest rate on all financial liabilities which was approx. 4.395%.

In Q4 2023, Maire also issued a non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million.

The net financial position at the end of December 2023 was impacted by the temporary changes to the mark-to-market of the derivatives, which at December 31, 2023, had a positive value of Euro 23.7 million and in 2023 increased by Euro 49.8 million, mainly with regards to the derivatives hedging exchange risk on order revenue and cost fluctuations as a result of changes in exchange rates, mainly in relation to the US dollar against the euro, which saw the euro strengthening against the dollar in 2023 in response to trends in interest rates; the risk of movements in the price of certain raw materials and the risk of fluctuations in the Maire Tecnimont share price related to the personnel incentive plans, driven by the favorable trend and overall recovery of the Maire Tecnimont share price in 2023.

Finally, financial position saw a significant increase in cash and cash equivalents, which, at December 31, 2023, amounted to Euro 915,501 thousand, a change of Euro 153,037 thousand compared to December 31, 2022, while assets held for sale include additional cash and cash equivalents for Euro 1,871 thousand for an overall increase for the year of Euro 154,908 thousand.

The main cash flow movements are reported below:

Cash Flow Statement *(in Euro thousands)*	**December 31, 2023**	**December 31, 2022**	***Change 2023-2022***
Cash and cash equivalents at beginning of the year (A)	**762,463**	**677,100**	*85,363*
Cash flow from operations (B)	**369,701**	**275,777**	*93,923*
Cash flow from investments (C)	**(58,965)**	**(25,218)**	*(33,747)*
Cash flow from financing (D)	**(155,827)**	**(165,196)**	*9,369*
Increase/(Decrease) in cash and cash equivalents (B+C+D)	**154,909**	**85,363**	*69,546*
Cash and cash equivalents at end of the year (A+B+C+D)	**917,372**	**762,463**	*154,909*
of which: Cash and cash equivalents of Discontinued Operations	*1,871*	*0*	*1,871*
Cash and cash equivalents at end of period reported in financial statements	**915,501**	**762,463**	*153,038*

Cash flow from operations saw a net generation of cash in the amount of Euro 369,701 thousand for the year, with a constant improvement over the year driven by earnings and changes in working capital. As already outlined, net working capital in fact further improved in 2023 thanks to the operating activities on the main projects and advances from clients regarding the new order intake, which therefore provided a further cash flow benefit, in particular following the acquisition of the Hail and Ghasha onshore treatment plant project with ADNOC.

Cash flows from operating activities include also income tax payments, which in 2023 totaled Euro 70,153 thousand.

Cash flows from investing activities however absorbed cash of Euro 58,965 thousand, mainly due to the acquisitions of Conser S.p.A. and MyRemono S.r.l., net of the cash and cash equivalents acquired. Additional disbursements are related to efforts to develop new technologies and intellectual property rights (patents and licenses), mainly by Nextchem Group, new software and relative developments supporting the business and company security and residually to a number of improvements on owned and leased office buildings by certain Maire Group companies.

Financial management, similarly to investment management, absorbed cash totaling Euro 155,827 thousand. The main underlying reasons are outlined above and related essentially to the repayment of the principal amounts of the outstanding loans, net of the newly agreed loans, the payment of dividends, interest and the repayment of the IFRS 16 leasing capital instalments.

ALTERNATIVE PERFORMANCE INDICATORS

In compliance with CONSOB Communication No. 0092543 of December 3, 2015, indications are provided in relation to the composition of the performance measures utilized in this document and in the institutional communications of the Maire Tecnimont Group.

NET FINANCIAL POSITION the Group considers the net financial position as an indicator of the capacity to meet financial obligations, represented by the Gross Financial Debt less Cash and Other Cash Equivalents and Other Financial Assets. This Directors' Report includes a table presenting the balance sheet utilized for the calculation of the Group's net financial position.

In order to better indicate the real movements in the net financial position, in addition to the usual measure, the "adjusted net financial position" is also presented, which in Management's view includes the value of the recovery from the events in India on the basis of legal opinions and the insurance companies from leading providers for protection against such events (as outlined in paragraph 28.8), and excluding both financial lease payables - IFRS 16 of Euro 129,133 thousand, which were recognized solely on the basis of applying IFRS 16; the"Non Recourse" financial payables which relate to the MyReplast Industries S.r.l. loan issued by Banca Popolare di Sondrio for the company's Circular Economy operations and the financial payables for Warrants.

The net financial position is the sum of the following accounts:

- Total Debt, which is a sum of the following accounts:

  a. Medium/long-term and short-term payables inclusive of bank overdrafts, factoring payables and loans

  b. Other current and non-current financial liabilities, including outstanding Bond loans

  c. Current and non-current derivative financial instruments

- Total Liquidity, which is the sum of the following accounts:

  a. Liquidity

  b. Current financial assets, including financial receivables from associates, Group companies and others, including accrued financial income

  c. Non-current financial assets, including financial receivables from associates, Group companies and others, including the value of investments in non-consolidated companies and other companies, without including those considered as strategic in Pursell Agri-Tech, LLC.

  d. current and non-current derivative financial instruments

- Net financial position adjustments:

  Non-inclusion of "Financing – Non Recourse", IFRS 16 leasing payables and financial payables for Warrants and including assets related to the compensation of the events in India, as outlined above.

RELATED PARTY TRANSACTIONS MAIRE TECNIMONT GROUP

At December 31, 2023 the company's receivables/payables (including financial) and cost/revenue transactions with related parties for the period are presented in the tables below.

31/12/2023 (in Euro thousands)	Trade Receivables	Trade Payables	Financial Receivables	Financial Payables	Costs	Revenues
G.L.V. Capital S.p.A	1	(158)	0	0	(1,160)	1
Maire Investments Group	23	(1)	0	0	(144)	25
Luigi Alfieri	0	(63)	0	0	(338)	0
Total	**24**	**(222)**	**0**	**0**	**(1,642)**	**26**

In particular, payable contracts refer to the lease of office buildings from Group companies, the use of the "Maire" trademark and logos, other minor recharges from the parent G.L.V. Capital S.p.A. and from transactions with the Maire Investments Group, a company owned by the majority shareholder of Maire Tecnimont S.p.A. mainly for the purchase of administrative and other general services.

The relationship with Luigi Alfieri, Non Independent Director of Maire Tecnimont S.p.A., refers to an annual contract for assistance and consulting services in the financial field.

The Maire Tecnimont Group's contracts refer to personnel accounting services.

Transactions with other non-consolidated and/or associated Group companies, or subsidiaries over which another related party exercises a significant influence (Nextchem S.p.A. and its subsidiaries) are purely commercial and relate to specific activities linked to contracts or loans within the centralized liquidity management; in addition, certain consortiums, having substantially concluded operations, are in liquidation:

31/12/2023 (in Euro thousands)	Trade Receivables	Trade Payables	Receivables (Payables) for VAT consolidation	Receivables (Payables) for cash pooling	Financial Receivables	Financial Payables	Receivables for IRES excess ceded	Costs	Revenues
Studio Geotecnico Italiano S.r.l.	0	(196)	0	0	0	0	0	(463)	0
Biolevano S.r.l.	12	0	0	0	0	0	0	0	12
SMC S.c.a.r.l	20	0	0	0	0	0	0	0	19
TCM KTR LLP	179	0	0	0	2,005	0	0	0	72
Exportadora de Ingenieria y Servicios Tcm Spa	0	0	0	0	0	(67)	0	0	0
Volgafert LLC	14,164	0	0	0	0	0	0	0	14,946
JV TSJ Limited	0	(115)	0	0	0	0	0	0	0
Hidrogeno Cadereyta - S.A.P.I. de C.V.	178	0	0	0	1,810	0	0	0	129
Nextchem S.p.A.	370	0	0	0	22,062	(2,640)	0	0	370
Nextchem Tech S.p.A.	38,689	(12,760)	(6,802)	(1,669)	13,816	0	2,000	(12,777)	38,397
Stamicarbon B.V.	1,904	(11,108)	0	(25,468)	0	(15,000)	0	(6,828)	1,797
Stamicarbon USA	286	0	0	0	0	0	0	0	62
MDG Reale Estate S.r.l.	10	0	0	0	0	0	0	0	10
Conser S.p.A.	10	(367)	0	0	0	(13,500)	0	(367)	10
MyRechemical S.r.l.	2,398	(130)	1,438	(2,959)	0	0	0	(149)	1,430
MyReplast Industries S.r.l	133	0	0	0	0	0	0	0	39
MyReplast S.r.l	5	0	0	0	0	0	0	0	5
U-Coat S.p.A.	5	0	0	0	0	0	0	0	5
MyRemono S.r.l.	10	0	0	0	0	0	0	0	10
Met T&S Management	10	0	0	0	0	0	0	0	4
GCB General trading	2	0	0	0	13	0	0	0	2
Gulf Compound&Blending Ind.	112	0	0	0	972	0	0	0	21
Fondazione Maire Tecnimont	274	(107)	0	0	0	0	0	(904)	236
Total	**58,773**	**(24,784)**	**(5,364)**	**(26,758)**	**40,679**	**(31,207)**	**2,000**	**(21,488)**	**51,575**

The Maire Tecnimont Foundation is a non-profit organization founded in 2021 by the Group to organize initiatives aimed at promoting culture, research, training and corporate social responsibility, with the purpose of enhancing and improving knowledge of Maire Tecnimont Group's historical identity, technological skills and cultural heritage. At December 31, 2023, the Group had paid contributions amounting to Euro 904 thousand and rendered communication, marketing, administrative and legal services to the Foundation for a total value of approx. Euro 236 thousand.

Remuneration of Directors, Statutory Auditors and Senior Executives is outlined below:

31/12/2023 *(in Euro thousands)*	**Fees**
Directors	5,323
Statutory Auditors	365
Total	**5,688**

The remuneration concerns emoluments and all other payments, pension-related or social security deriving from the role of Director or Statutory Auditor in Maire Tecnimont S.p.A..

The remuneration of Directors and Statutory Auditors and Senior Executives, appears in the 2023 Corporate Governance and Ownership Structure Report and the 2024 Remuneration Report, both available on the company website at www.mairetecnimont.it in the "Governance" section.

With reference to the related party transactions reported, such were concluded in the interest of Maire Tecnimont S.p.A. and its subsidiaries.

RELATED PARTY TRANSACTIONS MAIRE TECNIMONT S.P.A.

In view of the transactions carried out by Maire Tecnimont in 2023, related parties principally concern:

- from group and associated companies (Tecnimont S.p.A., KT-Kinetics Technology S.p.A., MST S.p.A., Stamicarbon B.V., Met Development S.p.A., Met Dev 1 S.r.l., Nextchem S.p.A., Nextchem Tech S.p.A., Cefalù 20 S.c.a.r.l.; TCM do Brasil, OOO MT Russia, TPI, TCM-KT JV S.r.l, Met T&S Limited, Tecnimont USA Inc., Tecnimont Philippines, Tecnimont Arabia Ltd);
- from the parent company G.L.V Capital S.p.A. and from the consolidation scope of Maire Investments S.p.A., a company directly held by the majority shareholder G.L.V. Capital S.p.A.;
- from the Maire Tecnimont Foundation;
- from Luigi Alfieri, Director of Maire Tecnimont S.p.A.

In particular, payable contracts refer to the lease of office buildings from Group companies, the use of the "Maire" trademark and other minor recharges from the parent G.L.V. Capital S.p.A. and from transactions with the Maire Investments Group, a company owned by the majority shareholder of Maire Tecnimont S.p.A. mainly for the purchase of administrative and other general services.

The relationship with Luigi Alfieri, Non Independent Director of Maire Tecnimont S.p.A., refers to an annual contract for assistance and consulting services in the financial field.

Maire Tecnimont structurally benefitted from services provided by Tecnimont S.p.A, specifically the availability of office spaces, in addition to the provision of other related services (general services, facilities, security, equipment) and other AFC services from the subsidiary KT.

Financial contract payables refer to payables for financing received (Tecnimont S.p.A., Stamicarbon B.V., KT-Kinetics Technology S.p.A. and Conser S.p.A.). The loans are interest-bearing at market rates.

Financial contract receivables concern the loans granted to the subsidiaries (Tecnimont S.p.A., KT-Kinetics Technology S.p.A., Met Development S.p.A. Met Dev 1 S.r.l., MST S.p.A., TCM Filippine, MET T&S Limited, Nextchem S.p.A., Nextchem Tech S.p.A) for the management of their operating activities. All loans are interest-bearing at market rates.

The balances of bank current accounts payable and receivable arise from the cash pooling contract adopted by Maire Tecnimont S.p.A to which several Group companies have subscribed; interest accrues on the balances at market rates.

Commercial contract receivables principally concern services provided by Maire Tecnimont S.p.A. in favor of the subsidiaries the administrative, tax and legal service and the recharge of a number of costs incurred on behalf of the subsidiaries.

The residual balances are payables arising under the tax consolidation agreement (Tecnimont S.p.A., KT-Kinetics Technology S.p.A., MST S.p.A., Met Development S.p.A. Met Dev 1 S.r.l. TCM-KT JV S.r.l.) and payables and receivables arising following the VAT consolidation (MST S.p.A., Tecnimont S.p.A., Met Development S.p.A., TCM-KT JV S.r.l., Cefalù 20 S.c.a r.l, Nextchem Tech S.p.A., MyRechemical S.r.l.).

The Maire Tecnimont Foundation is a non-profit organization founded in 2021 by the Group to organize initiatives aimed at promoting culture, research, training and corporate social responsibility, with the purpose of enhancing and improving knowledge of Maire Tecnimont Group's historical identity, technological skills and cultural heritage. At December 31, 2023, Maire Tecnimont had paid contributions amounting to Euro 114 thousand and rendered various services to the Foundation for a total value of approximately Euro 217 thousand.

With reference to the related party transactions reported, such were concluded in the interest of Maire Tecnimont S.p.A..

The Company's receivables/payables and cost/revenue transactions with related parties for 2023 are presented in the tables below:

(in Euro thousands) *31/12/2023*	Trade Receivables	Trade Payables	Financial Receivables	Financial Payables	Receivables (Payables) for VAT consolidation	Receivables (Payables) for tax consolidation	Receivables for IRES excess ceded	Receivables (Payables) for cash pooling	Revenues	Costs	Financial Income	Financial Charges
Tecnimont S.p.A.	21,174	(6,505)	302,865	(100,960)	(46,171)	10,224	2,000	(80,349)	38,663	(4,180)	28,026	(6,487)
KT S.p.A.	12,292	(463)	44,161	(69,000)		7,413	2,000	50,827	6,443	(382)	5,208	(3,047)
Stamicarbon B.V.	103	(475)		(15,000)				(25,468)	231		10	(865)
G.L.V Capital S.p.A.		(158)								(1,160)		
MST S.r.l.	2,374	(53)	59,413		(1,741)	(924)		6,964	490	(5)	2,332	(123)
Met Development S.p.A.	147	(11)	14,000		287	(174)		1,859		(120)	531	(14)
Met Dev 1 S.r.l.	54		1,834			395		3,029	20		129	
TPI	85	(152)							20			
TCM France	56	(678)							10			
MET T&S LIMITED	609	(3)	9,000					(811)	20		350	(3)
Cefalù S.c.a.r.l.	31				(139)				10		6	
Corace S.c.a.r.l.	10								10			
Tecnimont Private Limited	2,833	(125)							24	(113)	116	
Tecnimont México	1								5			
Tecnimont USA Inc.	26	(263)						(20,603)	20			(263)
Tecnimont Arabia Ltd	179								20		112	
MyReplast Industries Srl	44								20			
MyRechemical	23	(24)			1,438			(2,959)	20	(42)	4	(21)
MDG Reale Estate	10								10			
Birillo 2007 S.c.a.r.l.	10								10			
Met Newen Mexico S.A. de C.V.	993								215		15	
Biolevano S.r.l.	12								12			
Cosorzio Turbigo 800												
Nextchem Tech S.p.A.	489	(963)	13,816		(6,802)		2,000	1,669	252	(965)	646	(94)
Nextchem S.p.A	370		22,062						10		360	
Conser S.p.A.	10	(367)		(13,500)					10			(367)
TCM Nigeria	156								156			
TCM Philippines	383		10,860						20	(7)	308	
TCM-KT JV S.r.l.	189	(117)			(1,279)	76		1,139	20		733	(157)
TCM-KT JV Azerbaijan	20								20			
KT india	1											
MYREPLAST S.R.L.	5								5			
Esperia										(30)		
U-COAT S.p.A.	5								5			
TECNIMONT E&I (M) SDN. BHD.	10								10			
Stamicarbon USA	2											
KT Arabia	26										16	
Transfima Geie	8											
Tecnimont Do Brasil	5								5			
Tecnimont Chile	31								20		11	
OOO MT Russia	239								127		353	
MyRemono S.R.L.	10								10			
Fondazione Maire Tecnimont	252								217	(114)		
TPLIB							2,000					
SE.MA. Global Facilities SRL	52								10	(1)		
Luigi Alfieri		(63)								(338)		
Total	43,327	(10,422)	478,010	(198,460)	(54,407)	17,010	8,000	(64,704)	47,169	(7,456)	39,266	(11,441)

Remuneration of Directors, Statutory Auditors and Senior Executives is outlined below:

31/12/2023 *(in Euro thousands)*	**Fees**
Directors	5,323
Statutory Auditors	200
Total	**5,523**

The remuneration concerns emoluments and all other payments, pension-related or social security deriving from the role of Director or Statutory Auditor in Maire Tecnimont S.p.A..

The remuneration of Directors and Statutory Auditors and Senior Executives, appears in the 2023 Corporate Governance and Ownership Structure Report and the 2024 Remuneration Report, both available on the company website at www.mairetecnimont.it in the "Governance" section.

8. Human Resources, Training & Incentives

HUMAN RESOURCES

FY 2023 featured the commitment - in collaboration with the other Corporate functions involved - to the initiation and coordination of the recruitment plan for the sourcing and selection of personnel, so as to ensure the hiring of positions to support business needs and projects, and the correct and adequate sizing of the workforce, in view of the increase in business volumes and of expected production capacity, mainly due to the awarding in the year of projects in the middle-east region.

At December 31, 2023, the MAIRE Group headcount totaled 7,978 resources (6,451 at December 31, 2022), up approx. 24% on the previous year (+1,527 resources), with 2,654 new hires and 1,126 departures (about 47% of which related to fixed-term contracts).

The geographical areas most affected by this increase are:

. India, Mongolia, South East and rest of Asia, Australia (+823), with the hiring of more than 1,000 personnel at the Indian subsidiary TCMPL alone, confirming the objectives of the recent opening of the new operating offices in Mumbai (Mumbai Airoli), for the further growth and strengthening of the engineering hub to adequately support the Group's EPC projects, particularly in the Middle East region, in view of the expanded operations stemming from the order intake in the year. We also highlight in the same region the hiring of 100 personnel at the JV Tecni & Metal Private Limited, whose main objective is to develop an internal Group mechanical work unit;

. Middle East, which increased from 227 to 675 (+448), relating to the Bouroge 4 project - close to peak activity - and the new works in Saudi Arabia (Amiral), Qatar (RLPP) and the United Arab Emirates (Hail & Gasha);

. Italy & Rest of Europe (+368), of which 315 in Italy, mainly due to hiring at the Italian subsidiaries Tecnimont (+190) and KT Kinetics Technology (+92). We in addition report with regards to the newly-established Sustainable Technology Solutions (STS) Business Unit: (i) the completion of the acquisition by the parent company, through the subsidiary NextChem, of Conser S.p.A., a proprietary technology and process engineering enterprise based in Rome which at year end employs 23 and (ii) the acquisition, by the subsidiary NextChem, of 51% of MyRemono S.r.l., a company into which Biorenova S.p.A. transferred its patents, assets, including a pilot plant, in addition to contracts related to CatC, an innovative catalytic plastic depolymerisation technology.

The increase in the Rest of Europe mainly related to the Tecnimont Branch in Portugal (+36), for the ALBA project with the client Repsol, and to the Belgian branch (+20), in support of the projects with the clients Covestro and Borealis in the Antwerp area. We in addition highlight the expansion at the Dutch subsidiary Stamicarbon (+31);

. North Africa and Sub-Saharan Africa (+41), with new hires to support the revamping project of the Port Harcourt refinery in Nigeria;

. America, with the 35% workforce expansion related to the hiring of personnel for the renewable energy projects in Chile and ENAP of KT Kinetics Technology.

On the other hand, the Central Asia, Caspian & Turkey Region workforce contracted by 41% on the end of 2022, in continuity and consistent with the gradual closing of operations on projects in this region.

Confirming the importance assigned by the company on the gradual consolidation of technical skills, at December 31, 2023 71% of the total Group workforce were university graduates. The number of engineers, at the same date, was 4,237 (74% of total graduates). The average age is, again for the year under review, approx. 42 years old, with 32% of new hires (approx. 840 personnel) in the period less than 30 years old. This percentage is testament to the continuation, and centrality, of the policy for the long-term development of, and investment in, Human Capital as a key business asset. The commitment to strengthen the female component of the workforce is also confirmed, with the application of gender equality criteria in the hiring process. In terms of gender composition, females account for approx. 20% of the Group workforce, of which approx. 40% are Stem subject graduates.

The workforce at 31/12/2023 of the MAIRE Group, with movements (by qualification and region) on 31/12/2022 (and the average workforce for the period), is outlined in the following tables. The table below outlines the workforce by areas of effective engagement at 31/12/2023 and 31/12/2022, with the relative movements.

Change in workforce by category (31/12/2022 - 31/12/2023):

Category	Workforce 31/12/2022	Hires	Departures	Reclassification employee category (*)	Workforce 31/12/2023	Cge. Workforce 31/12/2023 vs. 31/12/2022
Executives	658	51	(39)	60	730	72
Managers	2,513	567	(307)	109	2,882	369
White-collar	3,064	1,990	(720)	(169)	4,165	1,101
Blue-collar	216	46	(60)	(1)	201	(15)
Total	**6,451**	**2,654**	**(1,126)**	**(1)**	**7,978**	**1,527**
Average headcount	***6,457***				***7,180***	***723***

(*) includes promotions, changes in category following intercompany transfers / Job Title reclassification, as well the changes in contracts related to the Maire Tecnimont Foundation, which is not included in the consolidation scope.

The classification of the qualifications above does not necessarily reflect the contractual classification under Italian employment law, but corresponds to the identification criteria adopted by the Group on the basis of roles, responsibilities and duties

Changes in workforce by region (31/12/2022 – 31/12/2023):

Region	Workforce 31/12/2022	Hires	Departures	Reclassification employee category (*)	Workforce 31/12/2023	Cge. Workforce 31/12/2023 vs. 31/12/2022
Italy & Rest of Europe	3,403	834	(457)	(9)	3,771	368
India, Mongolia, South East and rest of Asia, Australia	2,099	1,124	(307)	6	2,922	823
Middle East	227	480	(38)	6	675	448
North Africa and Sub-Saharan Africa	266	116	(73)	(2)	307	41
The Americas	46	36	(20)	0	62	16
Central Asia, Caspian and Turkey	410	64	(231)	(2)	241	(169)
Total	**6,451**	**2,654**	**(1,126)**	**(1)**	**7,978**	**1,527**

(*) includes promotions, changes in category following intercompany transfers / Job Title reclassification, as well the changes in contracts related to the Maire Tecnimont Foundation, which is not included in the consolidation scope.

Changes in workforce by operational region (31/12/2022 – 31/12/2023):

Region	Workforce 31/12/2022	Workforce 31/12/2023	Cge. Workforce 31/12/2023 vs. 31/12/2022
Italy & Rest of Europe	3,154	3,566	412
Central Asia, Caspian and Turkey	567	349	(218)
India, Mongolia, South East and rest of Asia, Australia	2,006	2,737	731
The Americas	56	72	16
Middle East	290	853	563
North Africa and Sub-Saharan Africa	378	401	23
Total	**6,451**	**7,978**	**1,527**

Average headcount:

Maire Tecnimont Group	Average headcount 2022	Average headcount 2023	Change
Maire Tecnimont S.p.A.	182	215	33
Neosia Renewables SpA (1)	8	1	(7)
Met Development S.p.A.	6	5	(1)
MET T&S Limited (*)	229	191	(38)
NextChem Tech S.p.A. (previously Nextchem SpA) (2)	72	92	20
Conser S.p.A. (3)	0	22	22
MyRechemical S.r.l.	13	20	7
MyRemono S.r.l. (4)	0	1	1
MyReplast Industries S.r.l.	36	40	4
Stamicarbon (*)	213	228	15
Stamicarbon USA Inc.	1	1	0
KT (*)	671	711	40
KT Arabia LLC	2	9	7
KT Star	2	2	0
KT – ANGOLA (SU) LDA.	54	27	(27)
Tecnimont S.p.A. (*)	1,963	2,307	344
Tecnimont HQC BHD	36	25	(11)

Maire Tecnimont Group	Average headcount 2022	Average headcount 2023	Change
MT Russia OOO	404	202	(202)
Tecnimont Philippines, Inc.	1	0	(1)
TCM-KT JV Azerbaijan LLC	97	87	(10)
Tecnimont Arabia Company Limited	60	128	68
Tecnimont Private Limited (*)	2,003	2,378	375
Tecni & Metal Private Limited	0	43	43

Maire Tecnimont Group	Average headcount 2022	Average headcount 2023	Change
TECNIMONT E&I (M) SDN. BHD.	2	2	0
Ingenieria Y Construccion Tecnimont Chile Y Cia. LTDA	6	26	20
TPI Tecnimont Planung und Industrieanlagenbau Gmbh	48	48	0
Tecnimont Usa Inc.	18	18	0
Tecnimont Mexico SA de CV	4	4	0
TWS	1	0	(1)
Tecnimont Nigeria Ltd	125	186	61
Tecnimont do Brasil-Contruçao de projetos LTDA	4	4	0
MST S.p.a. (5)	198	87	(111)
SE.MA. Global Facilities S.r.l. (5)	0	71	71
Total	**6,457**	**7,180**	**723**

(*) Figure also includes Branches and representative offices.

(1) The merger by incorporation of Neosia Renewables SpA into Tecnimont SpA became effective on February 20, 2023.

(2) Change of name effective on August 7, 2023.

(3) Acquired in 2023 through NextChem SpA (previously NextChem Holding SpA)

(4) Acquired in 2023 through NextChem Tech SpA (previously NextChem Holding SpA)

(5) Effective 17/07/2023, we report the transfer of the "Facility Management" business unit from MST S.p.A. to SE.MA. Global Facilities S.r.l.

Maire Tecnimont Group	Average headcount 2022	Average headcount 2023	Change
Engineering	3,013	3,349	336
Operations	1,341	1,464	123
Remainder Technical Area	960	1,097	137
Commercial Area	192	203	11
Staff Area	950	1,067	117
Total by professional category	**6,457**	**7,180**	**723**

Maire Tecnimont Group	Average headcount 2022	Average headcount 2023	Change
Italy & Rest of Europe	3,360	3,596	236
India, Mongolia, South East and rest of Asia, Australia	2,079	2,479	400
Middle East	145	432	287
North Africa and Sub-Saharan Africa	258	287	29
The Americas	34	55	21
Central Asia, Caspian and Turkey	580	331	(249)
Total by region of hire	**6,457**	**7,180**	**723**
Of which:			
Italian open-ended	2,713	2,921	208
Italian fixed term	28	29	1
Total	**2,741**	**2,950**	**209**

PERSONNEL TRAINING AND DEVELOPMENT

The Function pursued the review and updating of the institutional training catalog - in terms of its means of use and content - and launched the rebranding of the Academy, one of the preferred vehicles to foster the new corporate identity, to continue to guarantee its full alignment to all the training needs and with the strategic guidelines set out in the new business plan. In fact, approx. 7,800 hours of Project Management training were carried out, more than 45,200 in the technical specialists area and more than 24,000 to consolidate soft skills - such as, for example, multicultural awareness and managerial skills.

In addition, together with the Supervisory Boards, and in continuity with previous years, dedicated training initiatives were launched in terms of Legislative Decree No. 231/2001, Ethics Code and Business Integrity Policy knowledge (approx. 4,100 hours of training), also through the launch of a new e-learning unit.

In collaboration with the ICT Department - in order to further strengthen awareness of potential threats arising from the use of information technology and promote the consolidation of increasingly aware and secure conduct - a new cyber security training campaign was launched. This program, for all employees of the MAIRE Group, features a continuous learning approach, with the proposal of content renewed monthly, for a total of approx. 23,000 hours of training used.

At the same time, the traditional training activities to raise awareness of cybersecurity issues continued.

During the last quarter, the new MAIRE Academy App was launched, with an aim to further boost the Group's Learning Management System and encourage the professional development of company personnel, digitalizing the entire training management process right from the approval phase. The app went live involving specialized training for the Group's Italian entities. However, there are plans to include the automatic generation of related reporting and for further new implementation releases, integration with existing e-learning platforms and progressively extending it to include the entire company.

For MAIRE Sustainability Day, confirming that sustainability is a central issue for the group, a new and innovative training program dedicated to the Sustainability Strategy has also been launched, to consolidate knowledge of the relative issues throughout the organization and raise awareness of the importance of individual contributions to achieving the goals established. This program is divided into various modules and involves interactive exercises and material for further study, providing a participatory and stimulating learning experience. The launch of the training program was preceded by a knowledge mapping phase, based on a new stakeholder engagement platform, created by means of the involvement and cooperation of a group of young colleagues, who also made it possible to identify useful information for the development of further training initiatives, also dedicated to this issue.

Also, in line with the Sustainability Strategy goals, as part of the ongoing strengthening and development of the shared corporate culture concerning Diversity, Equity & Inclusion, a second phase of the training campaign for foreign companies has been launched, with a total of around 7,300 hours of training. Each session has been adapted to the target geographical area in question, hiring trainers from the same culture and of the same nationality, following a country-specific approach. Once again, in 2023, training programs were introduced as part of the association launched with VALORE D - a business association that promotes activities designed to guarantee gender equality and an inclusive culture within the organizations. Furthermore, participation in the Global Company Network Italy initiatives continued, with an aim to promote inclusive culture in the world of work, supporting the challenges of the new context and creating shared value. As regards the signing of the Women Empowerment Principles promoted by UN Global Compact, for the second year running, MAIRE participated in the WEPs Gender Gap Analysis Tool, a company performance measurement system regarding gender equality. Furthermore, it sponsored UN Global Compact's "Accelerator target gender equality" program, an intercompany workshop for comparison and sharing to support the definition of ambitious, yet realistic goals for the promotion of gender equality, the practical implementation of the Women's Empowerment Principles and the achievement of Sustainable Development Goal 5.5., globally designed to guarantee women full and effective participation and equal opportunities in the leadership of businesses.

On the other hand, the launch of two new HSE and Social Accountability training courses - as part of the ongoing update and improvement of training content at MAIRE Academy - has once again confirmed the company's commitment to promoting respect for human rights and redefining its approach to HSE culture. The commitment to promoting a culture of health and safety and well-being among Home Office staff translated into approx. 27,500 hours of information and training provided to a total of 10,617 participants, with an increase of around 50% on the previous year. In particular, training also included ad-hoc initiatives dedicated to further improving knowledge and increasing awareness of the Group's HSE & SA8000 Multisite management systems.

As regards local content, in relation to the Amiral Project (Saudi Arabia), we note the implementation of several training initiatives and cooperation with local institutes and universities, with an aim to fulfil the purpose of the contract related to Saudization, and, at the same time, consolidate the company’s presence in that country. Those initiatives related to the training and development of sixty young Saudi Arabians, involved in a Diploma Program - lasting 24 months - a training course on improving supply chain skills, with four workshops, which involved the participation of thirty vendors, on the subjects of In-Kingdom Total Value Add (IKTVA), Procurement Excellence, Risk & Opportunity Management and HSE & Sustainability.

As regards the corporate Human Capital Development strategy, the activities relating to Phase II of “MAIRE Flourishing Program” is highlighted. This program is specifically designed to support the new generation of managers in effectively handling change and embracing the Company's long-term energy and digital transition strategy. Following the presentation of the results of the mapping and development of the organizational culture, and the relating development tools, more than 150 Italian and Indian flourishers worked together with their managers to define individual development plans to support their professional growth. The activities dedicated to the Indian subsidiary, Tecnimont Pvt. Ltd., also continued, with the introduction of two training courses, with an aim to consolidate managerial and coaching skills - for the top-level company leadership and flourisher line managers.

The “Challenging Mentoring Program” also continued, with the introduction of an original skills development professional growth course, which involved around one hundred employees. The cross-generational mentor and mentee interaction initiative was dedicated to challenging issues that are priorities for the Group, necessary to achieve the strategic goals of the corporate ten-year growth plan. The initiative relied on mutual comparison and growth through the overlap of diverse professional standings and levels of seniority and intercompany and intracompany cooperation. As part of the program, a new training course entitled “Close Conversations” was also introduced, catering to approximately 90 employees. The course objective is to assist participants in consolidating the necessary skills and mindsets required to achieve the company's strategic growth objectives, partly with a view to proposing new paradigms in line with existing transformations and developing the organization’s internal and external potential.

The “MAIRE Digital Citizen” project was also completed, designed to provide the approximately forty young employees involved with tools to explore and experience the potential of digital technology and to act as digital culture ambassadors, creating value in the organization and producing practical output in relation to priority action areas.

Further confirming the focus on ongoing development and improvement of the corporate training offer, first a selected sample of employees tested a pilot project, allowing them access to the contents offered on the LinkedIn Learning platform, an extensive library of contents relating technical and business issues, soft skills and IT tools. Given the positive outcome of the aforementioned testing, the professional training tool for ongoing learning was then made accessible to the entire workforce (around 10,330 hours of training, making up a total of approximately 2,800 participants).

As part of the change management activities and, specifically, the KT EPC Fast Forward project, mention should be made of the important technical-specialist training course improving the efficiency of project execution, dedicated to the 220 employees who belong to the various company functions of the subsidiary KT.

With a view to enhancing and strengthening employee engagement, we note the continuation of a new partnership with the Polytechnic University of Milan relating to the Joint Research Center project "Deep Social Analytics for Employee Engagement”. This is designed to assess engagement levels and the interaction between well-being and performance of employees working on one of the Group's most significant contracts, and the resulting preparation of a specific action plan, enabling work on targeted areas of interest.

The initiatives organized on the topic of Employer Branding and to strengthen networks with the academic world saw the Group participate in 2023 Career Days at the Polytechnic University of Milan, LUISS Guido Carli University and the Biomedical Campus University, in addition to taking part in the Engineering Days organized by L’Aquila, Rome 3 and Palermo Universities. We further note the Group’s participation in the “Job Meeting STEM Girls”, a virtual Employer Branding and Recruiting event for female “technical engineering” profiles from any Italian university. In addition, the established partnerships continued with several international universities, including the Baku Oil School and various campuses located in the Mumbai area. We further note, in the international sphere, participation in the Career Day 2023 organized by Rijeka University (Croatia). Lastly, on a national level, company testimonials and Recruiting Days were specially organized at other major Italian universities, such as: Padua, Cagliari and Trieste universities. A new partnership was also launched with the Generation Italy Foundation, which combats unemployment in Italy by promoting cultural activities for educational purposes and the roll-out of training programs principally targeting "NEET" (Not in Education, Employment or Training) young people.

The activities relating to the Group's participation, through the subsidiary NextChemTech in the "ROAD - Rome Advanced District" project. This initiative involves a consortium of companies hoping to create the first technological innovation district focusing on new energy supply chains within the Gazometro area of Rome Ostiense. The project will be open to applied industrial research partnerships, in collaboration with the world of research and academia. In the field of human resources, we note the participation in several "JOBS" working groups, which seek to define new professions associated with energy and digital transition – and "MINDSET" working groups, which have the goal of identifying and developing an effective mindset to support transformation processes.

Following the creation of a training course called "Methodologies and Skills for Innovation", presented through the New Skills Fund and given in the 2022 course, MAIRE has established tools to verify and validate the skills acquired, thus completing the procedure for reporting and obtaining approved loans.

Lastly, thanks to the continued discussion and cooperation with trade union representatives, during the financial year in question, once again, training plans financed by the main sector-specific inter-professional funds were presented. These funds are dedicated to corporate, technical, and specialist training initiatives.

COMPENSATION AND INCENTIVES

As regards compensation, focus was concentrated, in the first part of the year, on the completion of the 2023 Remuneration Policy, presented in the "2023 Remuneration Policy and Report" prepared in accordance with Article 123-*ter* of the CFA and approved by the Board of Directors on March 1, 2023. This Policy is inspired by the principles of the Group's Code of Ethics and the provisions of the Corporate Governance Code. As in previous years, it is designed to contribute to achieving the Company's strategic objectives, confirming its purpose of attracting and retaining professionals with the skills necessary to manage and operate successfully within the Group.

As part of the equity-based incentive plans, the aforementioned Board also approved the Second Cycle of the three-year Long-Term Incentive Plan - approved by the Board of Directors on February 25, 2022 - relating to the three-year period 2023-2025 ("2023-2025 LTI Plan") and, following the previous positive experiences and confirming the focus on adopting incentive mechanisms targeting all employees, the 2023-2025 General Share Plan ("2023-2025 GSP"). The Shareholders' Meeting of April 19, 2023, approved the 2023 Remuneration Policy and approved the adoption of the 2023-2025 LTI Plan and the 2023-2025 GSP, instructing the Board of Directors to perform the related implementation.

In this regard, the Board of Directors on July 27, 2023, began the implementation phase of the 2023-2025 LTI Plan, designed to ensure continuance of the sustainable value growth path pursued in previous years. The Plan provides for not only annual access conditions of an economic-financial nature, but also performance targets, measured at the end of the three-year vesting period (December 31, 2025), identified in parameters related to sustainability issues and in line with the objectives of the Group's Sustainability Strategy and Business Plan. In October, following approval of the Plan Regulation by the Board of Directors on July 27, 2023, the Rights were assigned to the beneficiaries involved, that is the Chief Executive Office and the General Manager of the Company, and selected Senior Executives of MAIRE group companies.

With reference to the 2023-2025 General Share Plan, to consolidate and expand the Group's focus on and awareness of topics associated with its Sustainability Strategy, a new objective concerning Environmental, Social, and Governance (ESG) topics was introduced alongside the existing economic-financial goals from previous plans. The Board meeting of July 27 also confirmed the launch of the First Cycle (2023) of this Plan, for all employees, granting the relevant Rights on July 28, 2023. As in previous plans, the 2023 cycle recorded an overall membership rate of more than 94%, reflecting employees' ongoing appreciation of the initiative, which is seen as an important lever to further strengthen their sense of belonging to the Group.

For 2023, in compliance with the short-term incentive MBO plan for the Chief Executive Officer, General Manager and senior executives, approved by the Board on February 25, 2022, for the 2022-2024 three-year period, the Company has initiated the activities relating to the definition and assignment of objectives. The aforementioned plan provides for a mechanism for deferring a portion of the bonus, which allows short-term performance to be linked to achievement of sustainable long-term success and, in order to further strengthen the central focus on sustainability issues as an integral factor of the Groups business strategy, an objective closely linked to Environmental, Social and Governance (ESG) topics (relating to maintaining health and safety, valuing Human Capital and environmental sustainability), with a weighting of 10%.

Work on setting and assigning targets for 2023 was also performed for key individuals considered critical to business, in accordance with the current Group Incentive standard. Work also continued on the adoption of a rolling approach to projects, with the allocation of a target for H2 to guide the actions of key resources when managing new priorities promptly and flexibly. Also, with reference to the short-term incentive systems, an analysis phase was initiated for the implementation of digital solutions for process management - already in place in Italy - for certain overseas operating companies.

In the first half of the year, the objectives related to the incentive and engagement systems in place for 2022 were reviewed and the relevant bonuses were awarded. For the same year, in compliance with current trade union agreements, annual bonuses and profit sharing figures were also approved, in addition to the flexible benefits portion of the MAIRE4YOU Plan for the same period. We also note that, having verified the achievement of the Third Cycle (2022) performance objectives included in the 2020-2022 General Share Plan, the Board of Directors met on May 24 to approve the allocation - on July 17, 2023 - of shares to more than 4,300 beneficiaries. Lastly, on September 19, 2023, together with the trade union representatives, the Company entered into a new engagement and incentive agreement for the 2023-2025 three-year period, in which particular importance was placed on ESG targets, as described above.

In 2023, MAIRE also continued, with dedicated initiatives, to provide guidance and support to the operating companies, through the definition of Remuneration Policy guidelines based on the recognition of merit and best performance, in compliance with principles of aligning remuneration levels in terms of internal equity between organizational positions and external competitiveness with respect to local markets, while also taking into account the dynamics related to inflation trends. The operating companies were also supported in the management of the Remuneration Policy processes implemented during the year, asking them to continue the action of focusing compensation interventions on the professional skills that are particularly exposed to the risk of possible expressions of interest from competitors and/or that have distinguished themselves by exceeding expected performance levels. To achieve these objectives, in the first half of the year MAIRE undertook an evaluation of organizational positions and the review of compensation benchmarks in the Italian and Indian markets, in order to analyze the specific attrition situation within the relevant sector and identify retention measures for key professionals.

Lastly, we note the December launch of an in-depth study of Gender Equity Pay, designed to identify and correct any gender pay gaps, to continue to foster a fair, inclusive and sustainable environment within the Group.

9. ICT, IT Systems, Facility ed Energy Management

The Department carried out planned activities and guaranteed supervision and oversight, business continuity, and productivity at the Group's offices and operational sites by means of the advanced technological platform in use and ongoing investments in digital culture, skills, and the maintenance of high standards of corporate IT security, also thanks to the defense and integrated response approach of the Group's Cyber Fusion Center. The proper configuration and appropriate management of the threat detection and prevention system are of fundamental importance for the prevention of any cybersecurity incidents and to limit their impact by taking rapid mitigating action.

Regarding the subsidiary MST, tripartite meetings were held with the company trade union representatives, Abruzzo Region trade union organizations, and the relevant local health authority to urge the health authority commission to come up with solutions to safeguard employee services within the region.

Continuous improvement measures has likewise been implemented in relation to: (i) XDR and SOAR solutions, to detect and respond even more rapidly to any cyber-attacks and internal/external threats in real time; (ii) Zero Trust principles, to regulate access based on verification of the characteristics of the requesting party, the context of the request and the access environment risk; (iii) NDR solution, to identify and block evasive network threats; (iv) Web Application Firewall, to prevent and block web-borne attacks; (v) Bitsight platform, to continuously monitor the internal cybersecurity program; (vi) Breach and Attack Simulation (BAS) solution, based on Picus, to strengthen and measure cyber resilience, automatically and assiduously testing the effectiveness of our prevention and detection tools; (vii) Cybersecurity Awareness program, harnessing the characteristics of the two Awareness and Phishing solutions and constantly boosting awareness and behavioral aspects.

In terms of infrastructure, we note the enhanced use of the Cloud Azure platform and selected providers, as further guarantees of the high level of IT security and standards. We further note the use of the Microsoft M365 suite, providing an IT performance baseline that allows full use of collaboration tools and remote and/or cloud data.

The adoption of Wi-Fi 6-based technology has generated further improvement in wireless connectivity, ensuring the smooth management of data traffic and a fast, high-performance connection. Consolidation of the physical and virtual corporate DataCenters also continued, ensuring Business Continuity and Disaster Recovery.

In addition, the new IT infrastructure in the operations branch offices in Abu Dhabi (United Arab Emirates), Doha (Qatar) and Zils (Portugal) has been completed, and the IT infrastructure is being set up for the Cairo (Egypt), Astana (Kazakhstan) and Conser S.p.A (Rome) offices. The facilities and IT infrastructure have also been prepared for the sites in Sines (Portugal), Ruwais (United Arab Emirates), PHRC (Nigeria), Ras Laffan (Qatar) and for the Milan branch for Amiral and Hail & Gasha project clients.

As regards applications, a geo-tracking solution has been released for a Group site, to allow even more effective and efficient management of workers' health and safety, their presence in the site areas, and specific reporting.

With regard to corporate applications - as part of the Control Model Review process - the roll-out phase to all Group companies of the Planning & Control systems roadmap is currently underway. This involves adopting a BW4-based corporate data hub as the main planning and monitoring tool, with reporting available to all corporate functions. The cost control system available to Project Control is also being finalized on the same technological platform.

As regards business intelligence, new dashboards were introduced to support various activities, including claims management and tracking delivery and arrival at construction sites of the packing lists relating to the supply of bulk materials.

Among the main Process Improvement initiatives are: (i) the introduction of the People Analytics module; (ii) the implementation of SAP Liquidity calculation for the cash flow statement; (iii) the release of the dedicated functionality to Inspex for management of the SubVendor Order List, on the Dynamics r platform (iv) the introduction of a new Vendor document production control module, for the benefit of the Project Control area.

The Function also significantly contributed to the Hy2Rome project, which involves various Group companies, preparing the cost reporting system, taking into account the IPCEI requirements. The document system based on the Digital Documents solution was also prepared and delivered.

As regards the IoT4Met platform, among the main inter-functional initiatives, we note the release of new apps – including, QCF Inspection for the Borouge project, Shift Planning, for planning blue-collar work – in response to specific business needs, and the development of IoT Tracking SOS Safety Procedure, which generates an audible alert on the badges and monitors proper gathering of staff at the meeting points. This initiative further confirms the central focus and importance of the health, safety and protection of our people in the corporate approach to HSE culture.

As regards Facilities and General Services, the new operating model provides for the centralized and collaborative management and supervision of supplier relationships in Italy, to allow direct monitoring of compliance with the legal obligations, This approach also intends to make financial savings while directing actions and initiatives to reduce CO2 emissions, in line with the Group's commitments to its Sustainability Strategy, including: (i) Recycling and remarketing IT assets on expiry of the operating lease and obtaining the related environmental certifications; (ii) Monitoring emissions produced by the corporate fleet for 2023 registrations; (iii) For business travel, preparation of a method of calculation relating to CO2 emissions relating to business trips, in order to plan potential action to reduce them; (iv) in association with II Casa di Reclusione Bollate-Milano prison and a company that works within it, a project for the recovery or assignment to WEEE of disused IT assets, involving only incarcerated persons at the prison in the work.

As regards Energy Management, a management system based on the principles of ISO 50001 has been introduced and has achieved the following main results: (i) Energy Management System: reduction of electricity consumption (and the resulting CO2 emissions) by 2% against the planned budget for the financial year in question owing to the introduction of the aforementioned system for the Garibaldi Complex. 5 GWh of the electrical power purchased and consumed was from renewable sources; (ii) Energy Management System (EMS): designed and implemented at IoT4Met the relating functionality for monitoring energy consumption, emissions and quality of environments and for the implementation of improvement measures; (iii) Digital development: invoice and APE reader, Energy Market Price AI, Power BI EMS reporting, to provide continual energy diagnosis by monitoring energy data; (iv) BMS Torri Garibaldi: support for the implementation of new Building Management Systems, for further improved management of electrical and thermal loads and potential extension to remote display for several operators; (v) Black Box: this technological solution was installed to regulate thermal loads with micro-interruptions managed based on the microclimate on each floor and the weather data; (vi) Smart Relamping: testing with an aim to replace the entire lighting system with IoT4MET Space Lighting Integration, which can regulate the amount of light on the floors based on the natural light conditions and the presence of people; (vii) Energy Portfolio Management: energy acquisition policy implemented based on constant monitoring of the energy markets through the EEX platform; (viii) Speena.it: having completed the first phase of the project, developed in partnership with Microsoft, for the platform for the exchange of agreements between producers and consumers of green energy through PPAs E (ix) Energy Strategy Group: strategic participation in three PoliMi work groups was initiated (Energy Efficiency, Digital & Decarb, Zero Carbon Technology Pathways).

Lastly, with reference to company cars, a catalogue of vehicles available was introduced, in line with the MAIRE Group Sustainability Strategy, defined based on the level of CO2 emissions, in order to encourage the use of hybrid, plug-in and electric cars.

10. Organization & Quality

ORGANIZATION

During the year, there was further acceleration in the Group's strategic position, as an energy transition sponsor and a player on the global market. Leveraging its engineering skills, sustainable technologies and integrated Engineering and Construction approach, the new industrial cycle launched confirmed the company's innate concern with continuous development and transformation as an industrial and business strategy in response to the new challenges, always maintaining the central focus on a commitment to sustainability in the system of company values.

The Function guaranteed support within its remit for the initiatives to update the organization and transform the processes, to support implementation of the new integrated governance model and the new organizational structure. This was developed in the two business Units: i) STS (Sustainable Technology Solutions) - focusing on technological solutions and services, licensing and the provision of Proprietary Equipment and Feasibility studies - and ii) IECS (Integrated Engineering and Construction Solutions), for the development of executive projects for energy transition and traditional markets.

Given the continuous technological development as part of the STS strategy, the relative integrated governance model was formalized, establishing the Innovation Management Team to support the assessment of the opportunities and decisions with significant value and impact on the Group in the field of technological innovation.

As regards MAIRE, the following main measures should be noted, all of which are designed to further strengthen the capacity for risk management, develop synergies between operating companies and support the transformation process of the operating model:

- Setting up of Group Risk and Insurance Management (within Group Enterprise Risk Management, Special Initiatives and Regions Coordination) - divided into Group Enterprise Risk Management, Group Project Risk Management, and Group Insurance Management, which is responsible for managing and monitoring enterprise and project-level risks, and for providing support with insurance and risk issues, analyzing the insurance needs of projects, and negotiating and ensuring the proper management of related insurance coverage;

- the formalization of the roles of Chief Information Officer and Chief Information Security Officer, ensuring an increasingly adequate and timely response to cyber threats;

- updates to Group Fiscal Affairs' areas of responsibility, which involve overseeing activities regarding i) International Fiscal Affairs and Indirect Taxes, ii) Italian Fiscal Affairs and Extraordinary Operations, iii) Tax Risk, iv) Transfer pricing and Pre-Litigation and v) Fiscal Litigation;

- updates to Group Finance's areas of responsibility, which involve overseeing activities in i) Derivatives, Capital Markets & Corporate Loans, ii) Financial Planning & Treasury, iii) Financial Tools & Procedures, and iv) Trade & Export Finance and Guarantees;

- the appointment of a new Head of Investor Relations;

- the formalization of the role of Office of the CEO;

- review of the Group Internal Audit structure;

- strengthening category management to ensure coordinated and collaborative management of the procurement activities;

- updates to the four areas of responsibility covered by Group Institutional Relations, Communication & Sustainability, which oversee activities in the areas of i) Marketing & Communication, ii) Institutional and International Relations & Clients Assistance, iii) Media Relations, and iv) Sustainability & Corporate Advocacy;

- updates to the Sustainability Reporting, Performance and Disclosure responsibilities in relation and response to the developments in the regulatory environment and best practices regarding non-financial reporting, and synergies with Group Sustainability & Corporate Advocacy;

- the establishment of Transformation Enabling & System Quality (within Group Organization, ICT & System Quality), which supports departments in continuous improvement initiatives and transformation projects, with a view to achieving Group objectives;

- the ongoing regional development process, with the formalization of the appointment of a new North Africa Region Vice President;

- in view of the growing relevance and complexity of the projects, further strengthening of the coordination and strategic approach of the parent company within the framework of HSE, SA and Project Quality, coupled with Operations skills;

- updates to the Legal Affairs and Contracts areas of responsibility, which oversee activities regarding i) Contract Negotiation, ii) International Arbitrations, iii) International Regulations Management iv) Litigations v) Legal Support to Contract and Claim Management vi) Legal Support to Procurement & Sub-Contracts and vii) Extraordinary Transactions.

With reference to the subsidiaries, a review of the organizational structure of Met Development was performed, with the appointment of the new Managing Director and review of the relative organizational structure, made up of: i) Project and Capital Structuring, to assess investment operations and guarantee the proper financial structuring of project development initiatives and ii) Public Funding & Grants, for the analysis of opportunities for public funding and access to incentives to support company projects.

NextChem Group:

- NextChem S.p.A.: we note the establishment of three departments:1) Chief Technology Innovation Officer – with an aim to provide an integrated, coordinated and synergic vision of the research and development activities at the NextChem group companies; 2) Business Process Excellence - to optimize, strengthen and monitor the business processes, relative best practices and the portfolio of initiatives and 3) Energy Transition Strategy - to support the Chief Executive Officer in defining the NextChem group strategic plan, and identify and promote strategic partnerships and alliances.

- NextChem Tech: i) appointment of the new Managing Director, and Commercial and Operations Vice President; ii) closure of Strategy and Business Innovation; iii) the corporate Business Development model was revised, with the allocation of Bio-Based Solutions, Circular Economy, and Hydrogen, reporting directly to the Managing Director; iv) a new Head of Procurement was also appointed and v) Institutional Relations, Communication and Sustainability was closed, in line with the other Group companies;

- MyReplast Industries: the organizational structure was revised;

- acquisition of Conser and Myremono and definition of relating organizational structures.

Tecnimont Group:

- Tecnimont S.p.A.: i) development of the organizational structure following the merger by acquisition of Neosia Renewables S.p.A. and MET Gas Processing Technologies S.p.A., with the creation of Renewables, a department responsible for the management of renewable energy projects, including those relating to sales and operational activities; ii) there was an organizational review of Procurement, headed by the new Procurement Vice President, made up of the following: a) Company & Projects Services; b) Project Procurement Management; c) Supply Market Management; d) Expediting & Inspection and e) Logistics; iii) in Engineering, second-level organizational solutions were implemented, partly to support supervision of the roles related to the operational application of the standards regarding non-financial reporting (e.g. EU Taxonomy).

In relation to the Indian subsidiary TCMPL, a new department was established supporting activities and initiatives in the Development and Compensation field.

KT Kinetics Technology S.p.A., reported: i) the establishment of Corporate Affairs & Compliance and the change in name of Legal Affairs & Contracts (previously Legal, Contracts & Corporate Affairs), both reporting directly to the Chief Executive Officer; ii) the appointment of the new Project Control Vice President and the organizational review of the relative function consistently with the other Group operating companies; iii) the establishment of Services Projects within Operations, for the effective management of the projects within their remit (FEED and PMC) and the closure of the Integrated Projects department; iv) the appointment of the new Procurement Vice President and the new Project Engineering manager; v) in the Engineering department, the appointment of a new Commissioning & Start-up manager, and second-level organizational solutions in the Technology, Process & DHSE & Commissioning Department and vi) the review of the HSE&SA and Project Quality Department.

At MST S.p.A., we note the appointment of a new Managing Director and the establishment of the subsidiary SE.MA. Global Facilities.

As regards Stamicarbon B.V.: i) a new Sales Advance and Planning and Control manager was appointed; ii) the Operations Launch and Procurement departments were revised and iii) the Risk Management activities were incorporated in QHSE.

To support the organizational strategic planning activities consistently with the business plan and the prospective workload, new Workforce Planning functions were implemented, and the relating training was introduced for key users in the Group companies involved, thus ensuring the involvement of the main project and structural stakeholders.

Work continued on the multidisciplinary “Horizon” project, which involves the adoption of a new control model, including related tools based on SAP BPC. To support this initiative, communication and change management initiatives were launched for the entire population.

TRANSFORMATION ENABLING AND QUALITY SYSTEM

In 2023, with the changes to the corporate strategy, the department's expertise in supporting portfolio management activities for transformation initiatives and the evolution of work processes (including digital transition) became even more crucial.

As regards the transformation initiatives, the portfolio of projects managed has been consolidated by means of: i) expanding the workforce, by coordinating the following activities: a) definition of the targets and strategies for the expanded workforce at the Indian subsidiary TCMPL and at the other group companies, in line with the strategic plan and considering the expected increase in the volume of activities; b) increase in resources equal to +1 million working hours at the disposal of the projects running at TCMPL; c) opening of a new STS operations center in Southern Italy; d) identification of potential growth opportunities by means of the establishment of operations centers in Europe; d) definition of EPC project executive models: Working together with the corporate departments, the development of the operating model has been prepared for the execution of the production portfolio to ensure even more effective management of the start-up and close-out phases of the executive projects, and e) working on the “Risk Evolve” project, creating an integration plan for the recently acquired companies and development of the risk management model at project/regional/corporate level.

The department was also involved in working on the “NEXT” project, the purpose of which is to transform the HR administration operating model and transition towards a new service model. The scope of application of this project includes the Group companies registered in Italy (including MAIRE, Tecnimont, KT and NextChem), involving a total of around 3,000 employees. During the year, the preparatory activities were completed for the launch of phase one of the transition and the new service. The decision to a favor a service-based model comes in response to the need to manage the expected growth in the workforce effectively and efficiently, leveraging the skills of a qualified provider, which will provide the services in accordance with set cost and performance obligations (SLA and OLA), enabling high scalability. The aim of the new model, which involves the ongoing use of the existing technological platform, is to streamline HR workflows - personnel administration and digital paperless innovative interfaces - for the personnel officer/administration, in line with operational business and project needs (trips and mobilization of personnel to the various operating centers and construction sites).

As regards the System Quality activities, once again the function supported the activities related to achieving and maintaining certifications, and to updating and maintaining the Group's document system. In this regard, we note the successful outcome of the surveillance audit conducted by the third-party DNV. As a result, the Group maintained its ISO 9001:2015 and ISO 29001:2020 certifications, with the scope extended to include the company Stamicarbon. At the date of this report, the following companies fall within the scope of this certification: Maire Tecnimont, Tecnimont, Tecnimont Private Limited, Tecnimont Planung und Industrieanlagenbau GmbH, KT Kinetics Technology, NextChem S.p.A., Stamicarbon B.V.

The second three-year cycle of ISO/IEC 27001 certification was also successfully initiated for the companies already certified (MAIRE S.p.A., Tecnimont S.p.A., KT Kinetics Technology S.p.A. and TCMPL), and extending its scope to the subsidiaries NextChem and Stamicarbon. This certification confirms once again the importance placed on safeguarding information security. The Group Quality Management System ISO 29001:2020 and ISO 9001:2015 compliance certifications were confirmed, renewing the latter for MST S.p.A. and MyReplast Industries S.r.l. The certifications were also attained by the newly established company Se.Ma. Global Facilities S.r.l.: i) ISO 900:2015 Quality Management System; ii) Implementing Regulation

(EU) 2015/2067 (company certification relating to stationary refrigeration, air conditioning and heat pump equipment containing certain fluorinated greenhouse gases) and iii) ISO 50001 Energy Management System.

The current SOA Certifications (Italy) have likewise been retained.

As part of the audit/update of the document system, to define the shared Group operating processes and guidelines, we note the issue of the following Operating Instructions, prepared in accordance with implementation of the Tax Control Framework: i) Group VAT management (WIG-002) by all Group affiliates registered for VAT in Italy and permanent Italian organizations of foreign Group subsidiaries; ii) Definition of the outgoing and incoming invoicing methods (WIG-008) of Group affiliates registered for VAT in Italy and permanent Italian organizations of foreign Group subsidiaries; iii) Preparation and submission of Intrastat forms (WIG-009) by all MAIRE group affiliates registered for VAT in Italy and permanent Italian organizations of foreign Group companies; iv) Management of the issue of letters of intent and monitoring of the VAT plafond (WIG-010) with reference to Tecnimont S.p.A. and the other MAIRE group companies, if registered for VAT in Italy and the meet the applicability requirements of regulations relating to the normal exporter and the VAT plafond, and v) Preparation and transmission of communications to the Tax Registry (WIG-011), with reference to all the Italian Group affiliates that may be classified as non-financial holdings.

In addition to the above, we note the review of i) the methods of preparation, approval and distribution of the Project Status Report (PRG-703); ii) the MAIRE group Privacy Guidelines, the Group Whistleblowing Management Procedure (PRG-100, Whistleblowing Procedure) - which governs the communication, receipt, analysis and checking of whistleblowing reports on conduct in breach of the Code of Ethics, Business Integrity Policy, Organization, Management and Control Model pursuant to Legislative Decree no. 231/01 ("Model 231"), events constituting offences under Legislative Decree No. 231/01, or any other conduct in breach of the law or of the MAIRE group document system and, lastly the Group Procedure (PRG-803), for sharing, and capitalization, of corporate knowledge and experience for the continuous improvement of the operating results.

To further consolidate the effectiveness of the information security management system and guarantee business continuity, the following documents have been issued: i) Group Procedure PRG-314, ICT Change Management, to ensure effective governance and correct, standardized management of the changes to the ICT systems (regarding both applications and infrastructure) in all MAIRE group companies; ii) the Operating Instructions for cybersecurity incident management (WIG-316) and access control for persons outside of the Group information systems (WIG-310) and iii) the Procedure governing physical access to Italian MAIRE group offices (PRG-203 Control procedure of physical access to the Milan and Rome offices of MAIRE group). We further note the update of a) the Operating Instructions governing access of external users to the information systems (WIG-310, External Users and Consultant Provisioning) and b) the Group Standard on methods of IT tool management (STDGR-301).

In addition, consistently with the corporate commitment to operate in compliance with the principles of transparency, sobriety, accuracy and timeliness, the managements methods have been defined for the Communication of information in the public domain or in any case deemed to be non-inside information by all MAIRE group companies (PRG-900, Communication Management).

In line with the continuous evolution of our business, the Group Procedures for the following purposes have been updated i) to provide guidelines and instructions regarding Projects Portfolio cash-flow management (PRG-709, Projects Portfolio Cash-flow process) and ii) regulated the guarantee management process (PRG-014, Guarantee management).

The Group Procedure (PRG-1001, Reporting and internal control procedure for the drafting of the sustainability report) was also revised. This Procedure defines responsibilities and methods for the management and control of drafting the Sustainability Report, containing the consolidated MAIRE Group Non-Financial Statement (drawn up pursuant to Legislative Decree no. 254/16 and subject to further reporting obligations required by Consob, according to the Regulations adopted with resolution no. 20267 of January 18, 2018), and as regards its publication and further disclosure. Lastly, in line with the Group's constant focus on business objectives, Group Operating Instructions were issued in relation to i) define guidelines to identify and monitor additional costs due to the increase in raw material prices (WIG-707) and ii) contractually manage critical purchase orders (WIG-506).

GROUP PROCUREMENT, CATEGORY MANAGEMENT & SUPPLY EXCELLENCE

The Department worked to create a procurement system with an adequate and resilient supply chain with respect to the needs of ongoing operational projects, recent acquisitions, and market developments. The goal was to ensure the availability of quantitatively and qualitatively adequate suppliers - including with respect to Sustainability - and the management of contracts, logistics, and post-order activities. Expert support was provided to facilitate the optimization of business performance throughout the entire EPC cycle in terms of supply chain efficiency and the strengthening of a diversified, collaborative, and well-coordinated Group approach. The goal was to respond to the specific procurement requirements of projects and accommodate ongoing geographical diversification. The Group process standardization and consistency targets and those for harmonization and management of the Category Management initiatives were pursued - for materials and services, defining a new strategic approach to address the expected growth in volume of business and, more generally, the complexities of the current geopolitical and economic situation.

Given the high backlog of projects in the Middle East Region and the need to meet clients' specific In-Country value and local content requirements, the on-site presence of procurement staff was further reinforced. This was achieved through local staffing initiatives and the recruitment of qualified personnel. Additionally, operational staff were allocated to the region to rebalance workloads in line with the procurement needs of goods and services for projects and the strategic nature of the region (mainly the Middle East and India). With reference to the corporate sustainability strategy, the Function also provided the relevant support to the inter-functional task force dedicated to issuing the 2023 sustainability-linked bond.

We report, in the period, the further strengthened in the area of post order, in terms of increasing homogenization and standardization of processes, procedures and reporting and operational systems, also through adopting IT solutions with attention to the specifics of the different Group companies.

Means and methods of cost analysis of the technical project materials to support project procurement, the purchasing department and Group Category Management; computational models of the expected cost were created, initiating the relating implementation process on the dedicated platform, with the dual objective of further increasing valuation process efficiency and safeguarding corporate know-how in the form of the models created in-house. The Group Function "Should Cost Analysis", involved in the project technical materials cost analysis to support project procurement, the purchasing department and Group Category Management, further strengthened the workforce, both nationally and internationally (mainly at the Indian subsidiary TCMPL).

Regarding the area of Category Management for direct materials, we highlight, within the Group's ongoing digitization process, the implementation of the dedicated module that, thanks to interdepartmental and interdisciplinary collaboration, allows predictive analyses on future purchases according to supply families and types of projects typical of the Group, generating category plans and initiatives for Countries/Regions with strategic value, enhancing and promoting the interdisciplinary approach for the management of rapidly developing and highly complex dynamics. In continuity with previous years, the strong cross-functional Engineering - supply chain collaboration continued in the Category Management team; we highlight the preparation of a standard methodology for the development of the economics resulting from Category Management, which also permitted the monitoring of the results achieved and comparison with the forecasts. New digital solutions were also released for the management of (i) electrical and instrument cables in the Dynamics software solution and (ii) the Vendor Document List and related reporting.

As regards the Category Management activities involved in the Services:

- Technical: ongoing cooperation with Engineering (particularly Tecnimont and KT) to ensure delivery capacity in terms of Supply Base times and costs through Group Framework Agreements and "Take or Pay" Contracts with selected partners. We further note the initiation of actions to ensure coordination and visibility of Group-level requirements, and standardization and streamlining of the approach to the procurement market.
- Corporate: Work continued on the optimization of corporate services aimed at limiting the impacts attributable to the contingent market context and its development, impacted by strong inflationary trends. This was performed in close collaboration with the corporate functions involved and by closely monitoring the supply chain to identify and take the necessary mitigation actions - related to costs of materials, and services, and supply times - for the definition of supply strategies, coordination with other functions and governance of the activities and initiatives.

The various initiatives include the Procurement Excellence program, which is now fully operational throughout the organization, and will be extended to the whole order portfolio. To date, the program comprises 9 international projects, involving a total of 300 human resources in various departments, including Procurement, Engineering, Project Control, and Project Management, and in the various geographical areas where the Group has a presence. The program features: i) the implementation of a new operating model and advanced analytics tools, aimed at optimizing procurement processes, and an ad hoc capability-building drive to further strengthen the key skills of the resources involved, and ii) the revision and iii) updating of policies and procedures to consolidate the new operating model also in terms of documentation.

Furthermore, in continuity with previous years, and in close collaboration with the company departments involved, service optimization activities were carried forward with a view to limiting negative market impacts, such as rising inflation, by monitoring the supply chain, identifying and enacting mitigations, and coordinating supply strategies, governance and initiatives across the various departments.

Regarding Vendor Management, while guaranteeing the continuity of services, the qualification procedure was revised to include the screening of sanctioned legal entities, and the Vendor Performance Evaluation program was extended to engineering services.

In relation to the Logistics and Post-order services, the strategy of diversifying the transportation and logistics services, involving multiple providers of the same service even within the same project, to mitigate potential risks in terms of costs and service levels, was confirmed as the correct policy.

To define a common approach and overall vision for the transport and associated services market, a dedicated management tool has been developed to make data more readily available and shareable, to effectively monitor relevant KPIs, and to strengthen cross-company coordination and information sharing.

Procurement management solutions have also been developed in collaboration with suppliers, including: i) Suborders, to track the availability of the critical supply materials; and ii) IRC, to certify the acceptance of project materials. This marks the full implementation of the end-to-end materials management program for the collaborative management of over 70% of supplies and its total integration with company processes.

In continuity with previous years, support was guaranteed for: i) commercial and new project Proposal and Cost Estimate phases, incorporating, in line with the Group’s guidelines, more local content, increasingly in demand from customers, local market scouting activities, and the digitalization of Project Vendor Lists; and ii) Group Contract & Subcontract Management, for the management of supplier relationship strategies and discussions and disputes regarding supply chain issues and contracts.

Finally, in the area of Compliance, in accordance with the Group procedure PRG-500, and in full collaboration with the Functions involved from time to time, the activities of supplier master data management, anti-terrorism compliance and sanctions list checks, and the supervision of the qualification process were regularly and systematically carried out.

11. Industrial Relations and Security

INDUSTRIAL RELATIONS

Once again, in 2023, the managements of the parent company and subsidiaries held numerous meetings with territorial trade union organizations and representatives of the chemical and metalworking sectors, to discuss various issues of common interest and consolidate the good industrial relations developed over previous years. These meetings were marked by effective and collaborative discussions on a range of topics, such as corporate welfare, training and sustainability.

In this regard, September 2023 saw the conclusion of the union consultation on the renewal of the Maire Group Engagement and Incentive Policy, for the three-year period from 2023 to 2025, which sets out profitability, productivity and sustainability goals, and awards flexible and monetary benefits for chemical and metalworking sector workers.

Moreover, to limit the impacts of inflation on employee income and purchasing power, the Maire Group decided, after notifying the trade union representatives, not to implement the economic increases envisaged by the chemical and metalworking sector collective bargaining agreements.

Also noteworthy was the signing, with the respective company union representatives of the Maire Group companies Tecnimont S.p.A. and KT-Kinetics Technology of trade union agreements for the 2023 training program, and the close of negotiations with the representatives of Maire Group managers for the revision of supplementary healthcare coverage option for managerial staff.

Regarding the subsidiary MST, tripartite meetings were held, involving the Company Trade Union Representatives, the Regional Trade Union Organizations of Abruzzo, and Local Health Authority 1 in Abruzzo. These meetings sought to initiate a constructive dialogue to urge the ASL 1 Commissionaria company to propose adequate solutions ensuring the continuity of current activities and consequently safeguarding employment in the area. A union consultation procedure, as per Article 47 of Law 428/1990, was undertaken for the transfer of a business unit from MST to the newly established subsidiary SE.MA. S.r.l., resulting in the signing of two union consultation reports.

As for the Dutch Subsidiary, Stamicarbon, Management concluded negotiations with trade union representatives for the renewal of some sections of the Collective Labor Agreement (CLA) applied to its employees and mainly focusing on the awarding of salary increases and an even more flexible work modulation. Furthermore, an analysis was launched to integrate the company and group-level parental leave policy, to bring an economic benefits to all employees wanting to take advantage of it.

SECURITY

In line with the adoption of the Group's general security policies, which recognize the value of human resources as a key asset and prioritize safeguarding the integrity and security of employees, the following were ensured:

- guided support i) for management and operational company departments, within the general Corporate Governance system and in the management of "critical" and/or potentially critical situations; ii) for ongoing projects during the proposal phase, with the goal of examining the risk conditions in the relevant country/region and qualifying/quantifying the consequent mitigating security measures and, finally, iii) for projects in Italy, in order to complete the roll-out of corporate policies related to the organization and management of executive offices/operational sites.
- monitoring of the socio-political-economic conditions in countries of interest for the Group, reporting periodically to senior management and the heads of the companies involved and ensuring adequate security for management's commercial and/or operative missions in at risk countries;
- ongoing updates on country situations through the SECUR corporate portal and administration of a "security induction" containing country/region information data and behavioral guidelines.
- specialist support for projects in the Gulf region (UAE, KSA, Qatar, Oman), with a specialist stationed at the Abu Dhabi branch headquarters, to provide constant monitoring and the organization of ad hoc security services for individual projects;

- information support (constant monitoring of the effects of the conflict on the procurement of goods, on cybersecurity and on the safety of personnel employed in the various operational projects in the area) to top management and the various corporate departments involved, with the set-up of a crisis unit immediately following Hamas' October 7 attack on Israel;

- operational support, provided to the remaining employees working on projects in Russia, which are currently in the process of being wound down. This involved cooperation with company departments and provided extensive and ongoing information and behavioral training;

The intensive use of the Compliance Catalyst platform for monitoring and possible disambiguation of entities involved in project execution was also confirmed.

Finally, Cyber Security aspects continued to be the subject of constant attention by the department, which continued, in close cooperation and with the support of expertise from the relevant departments, the related analysis activities to proactively identify and adopt the necessary mitigation measures to safeguard people, the integrity of assets, and the protection of company information.

12. Health and safety

For the Maire Group, the safety and protection of people are values we apply on a daily basis in all of our activities, and represent a key goal in our corporate strategy. We are therefore actively committed to engaging our colleagues, customers and subcontractors on health, safety and the environment (HSE), as an essential set of values that we must all believe in and identify with.

Our goal is to promote the culture of health and safety through a working environment where individual experiences are a lever for shared improvement and growth. We therefore dedicate continuous attention to creating a positive working environment, where people can carry out their activities safely, are aware of the risks and environmental implications of their work, and have the opportunity to collaborate and share their professional and personal experiences.

For the MAIRE Group, people therefore have a distinctive value. For this reason, risks to the health and safety of employees in offices and construction sites are subject to constant monitoring and mitigation measures.

The Group – which strives to prevent accidents and mitigate its impacts on the ecosystem – is thus committed to providing working environments, services and industrial facilities that satisfy applicable legal requirements and the highest international health, safety and environment standards, through constantly promoting a "safe workplace" and environmental protection, throughout all areas of its operations and all stages of execution of a project, at both its offices and construction sites.

In order to best achieve these goals described above, we have designed and set up a MAIRE Group Health, Safety and Environment Multi-Site management system, complying with the ISO 14001:2015 and ISO 45001:2018 standards. We believe that a global approach and centralized management are essential in order to strive for excellence in these areas, and therefore improve safety, minimize workplace accidents, and mitigate environmental impacts, by optimizing the use of resources and the efficiency of work processes, with a view to improving the organization's image in the eyes of customers and maximizing awareness and engagement regarding HSE issues.

The Group HSE Policy clearly lays down the principles, goals, targets, roles, responsibilities, together with the management criteria essential to managing health, security and environment issues. Top Management communicates these goals and targets to the various companies, and these are pursued with the involvement of all personnel in each activity during the engineering, procurement, construction and commissioning stages of our projects. To guarantee full compliance with our HSE obligations, both internal HSE auditors and certified external bodies conduct regular monitoring and audits of the organization.

Training plays a crucial role in creating value for our stakeholders, and in continuously developing the professional skills of our employees across the entire Group.

We have implemented an intensive training program on health, safety and environmental knowledge tailored to specific roles and responsibilities. Training is also key to preventing accidents at construction sites. The various training activities include: onboarding and refresher training on HSE & SA8000 management systems, mandatory training on applicable legislative requirements, employee and subcontractor construction site HSE & SA8000 inductions, and specialist HSE training for construction and project activities.

In the past three years, over 5 million hours have been dedicated to HSE & Social accountability training courses.

In 2023, we delivered a substantial increase in employee and subcontractor construction site HSE&SA training hours (up 86% compared to 2022), due not only to an increase in the total hours worked, but also to a net increase in training hours provided to each employee (as much as double the number in 2022), demonstrating our continuous commitment to training and awareness-raising on HSE and Social Accountability issues.

	2021	2022	2023
Total employee and subcontractor construction site training hours (HSE & Social Accountability courses)	1,584,303	1,312,575	2,437,685
Ratio of construction site training hours to working hours (HSE & Social Accountability courses)	2.98%	2.68%	3.42%

In 2023, each employee received 32 hours of training at the Group's offices and construction sites, marking a substantial increase compared to 2022.

	2021	2022	2023
Training hours per capita provided to headquarters and construction site employees (HSE, Social Accountability & Project Quality courses)	11.6	15.2	32

All workers of subcontractors working on the Group's construction sites also receive training on health, safety, environmental and human rights issues. The numbers are significant and indicative not only of the adoption of proper methodologies and great commitment but also the awareness and engagement of all those who take part in our activities.

Maire Group's results in the HSE field go beyond mere adherence to international practices and regulations, and reflect a broad awareness and active participation. The goal is to humanize HSE, integrating safety into every aspect of daily life, and going beyond traditional compliance to touch on cultural and value aspects. With the Safethink HSE Awareness Program, launched in 2018, our goal is to reformulate our cultural approach to HSE across all corporate roles levels and fields. The program focuses on empowering HSE awareness through various initiatives and a strong communications campaign entitled Safethink, which has gained broad engagement and strengthened the Group's HSE identity.

HEALTH AND SAFETY PERFORMANCE

The MAIRE Group is firmly committed to a preventive approach that minimizes the risk of accidents and their consequences, safeguards the health and safety of both employees and other workers under its responsibility and minimizes all negative impacts at offices and construction sites.

Safety indicators	2021	2022	2023
Person-hours worked			
Total Group (employees+subcontractors) – million, of which:	**61.5**	**57.8**	**80.9**
Employees	13.4	15.8	18.9
Subcontractors	48.1	42	62
Lost Time Injuries (LTI)			
Total Group (employees+subcontractors), of which:	8	9	12
Employees[1]	6	6	2
Subcontractors	2	3	10
Total Recordable Injuries (TRI)			
Total Group (employees+subcontractors), of which:	19	22	26
Employees[2]	7	7	2
Subcontractors	12	15	24
***Group Lost Time Injury Rate (LTIR)**, of which:*	0.130	0.156	0.148
Construction sites (employees+subcontractors) - LTIR E&C BU[3]	**0.038**	**0.062**	**0.070**
***Group Total Recordable Injury Rate (TRIR)**, of which:*	0.309	0.381	0.322
*Construction sites (employees+subcontractors) TRIR E&C BU**	**0.245**	**0.309**	**0.265**

Over the last three years, hours worked globally at Group offices and sites numbered **over 200 million.**

The Group's Lost Time Injury Rate (LTIR) and Total Recordable Injury Rate (TRIR), on millions of hours worked, decreased in 2023 compared to 2022.

[1] Site accidents, excluding travel

[2] Site accidents, excluding travel

[3] E&C BU of the Group, excluding MST

Site performance

For the Integrated E&C Solutions business unit, the Group adopts the main injury performance indicators of the US Occupational Safety and Health Administration (OSHA) and International Association of Oil & Gas Producers (IOGP) standards for monitoring, identifying improvement areas and promoting a committed approach to workplace HSE.

Over the last three years, on-site work hours of the MAIRE Integrated E&C Solutions business unit numbered over **173 million**.

The following table presents the main safety indicators for the MAIRE Group on the basis of the IOGP criteria.

Safety indicators for Integrated E&C BU according to IOGP			
	2021	2022	2023
Construction site person-hours worked (employees+subcontractors) – million, of which:	**53.1**	**48.6**	**71.6**
Construction site employee person-hours worked - mln	5	6.6	9.7
Subcontractor person-hours worked – mln	48.1	42	61.9
Lost Time Injuries (LTI)			
total no., of which	2	3	5
Employees	0	0	0
Subcontractors	2	3	5
Total Recordable Injuries (TRI)			
total no., of which	13	15	19
Employees	1	0	0
Sub-contractors	12	15	19
Lost time injury rate - LTIR[4]	**0.038**	**0.062**	**0.070**
Total recordable injury rate - TRIR [5]	**0.245**	**0.309**	**0.265**

The values and trends established by these indicators are periodically compared with international benchmarks, such as those provided annually by IOGP for EPC (Engineering Procurement & Construction) contractors.

By their nature, events classifiable in the LTI category have very low frequencies of occurrence, therefore, to statistically understand their trend over time, it is necessary to embrace a much longer observation period than a single year; to this end, the IOGP, whose statistical elaborations are used by us as an industry benchmark in the HSE field, has adopted the 5-year rolling formula for the LTIR indicator, and our organization has also made a similar elaboration.

The trend over recent years bears out the Group's commitment to excellence in accident prevention, with our values constantly well below IOGP benchmarks, despite the slight upward trend reversal also reflected in the IOGP trend over the five-year period from 2018 to 2022[6].

[4] Lost Time Injury Rate (LTIR) is the number of injuries resulting in an absence from work of at least one day, divided by the hours worked in the year multiplied by one million. The LTIF indicator considers fatal accidents and injuries with lost days.

[5] Total Recordable Injury Rate (TRIR) is the total number of injuries recorded, divided by hours worked in the year multiplied by one million. The TRIR indicator considers: fatal accidents, injuries with lost work days, events limiting working activity, events requiring medical care.

[6]The IOGP figures for 2023 are not yet available (as the benchmark figures will be published in Q2 2024) and the Group will therefore maintain the same 2022 benchmark figures also for 2023.

The Group's strong focus on health and safety issues is an aspect documented by an average injury rate (LTIR) constantly below the industry average. In 2023, if the same reference data are kept as in 2022, the LTIR indicator is approx. 2.6 times lower than the benchmark, while the TRIR is 3 times lower than the benchmark.

For MST S.p.A. over the past three years, the hours worked totaled approx. 0.6 million. The Injury Frequency Index[7], as defined by INAIL, increased in 2023, compared to 2022. The Injury Severity Index[8] (UNI:7249), however was down compared to 2022.

In the three-year reference period, three injuries were recorded at the MyReplast plant, two in 2021, and one in 2023. The Lost Time Injury Rate (LTIR) indicator, according to OHSA, increased in 2023 compared to 2022. The Total Recordable Injury Rate, as defined by OHSA, was down on 2022.

The MyReplast plant recorded one injury in 2023 (with 6 lost working days), no injuries in 2022, and two injuries in 2021 (with 40 lost working days).

In accordance with Article 5, paragraph 3, letter b, of Legislative Decree 254/2016, the Group prepared a consolidated non-financial statement as a separate report; pursuant to Articles 3 and 4 of Legislative Decree 254/2016, the 2023 Sustainability Report, published on the company website at www.mairetecnimont.it., in the "Investors" section, constitutes the Non-Financial Statement, which should be consulted for additional details regarding health and safety activities.

13. Technological Innovation and Research & Development

The main driver of innovation is understanding the unrealized desires of the end market, translating these expectations into combinations of technological solutions that are more effective in terms of performance, cost and environmental sustainability. In recent years, the MAIRE Group has been increasingly involved in the engineering and development of more sustainably aligned processes. Through the innovation process, the MAIRE Group aims to create distinctive processes that enable it to make a significant impact on the reduction of GHG emissions from hard-to-abate industries and move into the production of new materials and products, from biofuels to biopolymers, circular molecules and sustainable fertilizers, thus opening up the possibility of increasingly shifting profitability and earnings to these segments.

To date, the MAIRE Group has set itself apart as an integrator of excellence in the petrochemical and fertilizer sectors, with a major role in innovation as an EPC contractor. Today, the goal is to also become a leading global Technology Provider in creating decarbonized processes.

Leveraging an awareness of the importance of combining different skills within a single entity operating in an integrated approach, the MAIRE Group has embarked on a path of transformation that can consolidate and strengthen its leadership in green chemistry and energy transition, as well as enable the Group to maintain a leadership position in the hydrocarbon industry, which is also undergoing reorganization and change.

Through the identification of two hemispheres, one operating on the development of sustainable technology solutions and the other operating on the implementation of integrated EPC solutions, interconnected through the project development phase, the Group is able to fully cover the value chain starting from the development and sale of licenses based on proprietary technology solutions to the supply of the turnkey plant.

In this context, innovation plays a primary and subservient role for the Group in its transformation journey. In the Group, business development, essential for interacting with the market and identifying new opportunities, goes hand in hand with research and development, to transversally scout out global emerging technologies and innovative projects that can then be supported through acquisitions, investments and partnerships. It is crucial for the Group to implement the concept of open innovation, understood as openness to the world, to develop new technologies with other partners, such as start-ups, universities and

[7] The Lost Time Injury Frequency index is the number of accidents with loss of working days (fatal events + events causing the loss of working days + events work activity limitations + events requiring medical treatment) / hours worked x 1 million. The TRIR indicator considers: fatal accidents, injuries with lost work days, events limiting working activity, events requiring medical care.

[8] The Injury Severity Index is the total number of lost working days divided by hours worked x 1000. The indicator considers the lost working days following accidents. The gravity index is defined as per the OSHA Forms 300 method.

Research Centers. This is being undertaken with a view to outlining a pathway in which NextChem's role is elevated from participant to coordinator and developer, with the ultimate goal of achieving ownership of the technology.

In terms of market opportunities, the Group has identified 4 strategic clusters: (i) sustainable fertilizers, (ii) sustainable hydrogen and circular economy, (iii) sustainable fuels and chemicals, and (iv) sustainable polymers. The innovation structure is therefore aimed at developing specific horizontal technology platforms that meet vertical market opportunities, thereby enabling the development of distinctive and proprietary processes. We talk about the development of electrochemistry (reactions that allow the reduction of CO2 to carbon monoxide and valorization into a reactive gas that enables the production of carbon neutral or low carbon products), CO2 mineralization, production of hydrogen with reduced/no carbon footprint, and new technologies (pyrolysis, depolymerization) to enable the recycling of waste material that cannot be mechanically recycled. This is in addition to that already undertaken by MyReplast Industries in the Upcycling of post-consumer plastic waste.

Realizing that the development of proprietary technologies can only leverage the validation of the technology, the Group's innovation structure has a specific function operating in terms of the creation and management of prototype units that represent the meeting point between the research and development phase and the technology development phase. Over the past 15 years, the MAIRE Group has designed and implemented a significant number of pilot units with the aim of validating the technologies being innovated at increasingly advanced levels of technological maturity, thus pursuing the goal of moving from development at the "proof of concept" level to validation of the technological system in an operational environment. In this regard, at the end of 2023, a project was launched to design and construct a technological hub for strategic technological experimentation, research and development.

This technology hub will be built at the NextChem Tech headquarters in Rome, and will represent an important site for demonstrating to customers Maire Group's technological portfolio and innovation capabilities.

At the end of 2023, the MAIRE Group has a portfolio of approx. 2,253 patents (+10% vs 2022), mainly in the urea and fertilizer sectors.

	Families	Equivalents
Number of Maire Group patents[9]	174	2,253

Patents and other intellectual property rights concerning the Group products and services, including the commercial brands, are a key asset for the Group's positioning and success.

Innovation is also one of the Group's main competitive advantages. We therefore constantly improve our Research and Development operations and our portfolio of innovative proprietary technologies in order to develop our position as a supplier of technology for the refinery, energy, oil&gas and petrochemical sectors. We develop a certain number of innovation projects each year and actively cooperate with research centers and industrial partners to continuously improve the overall performance of our technologies.

Number of Innovation Projects	219
Number of technology development partnerships	33
Number of Innovation Centers	410
People involved in Research, Development and Innovation (*)	~68

(*) as full-time equivalents - FTEs

[9] The table lists the number of patents including patent applications. Each family has different equivalents (i.e. the same invention but presented in a different country).

Collaboration with universities and research centers

Our commitment to partnering with universities and research centers is a core pillar for our Group. As a promoter of industrial innovation, we have long been committed to forging links with academic institutions and research bodies, including through joint participations in a wide range of research projects.

In a context where innovation is crucial for success, we adopt an Open Collaboration strategy, and promote Open Innovation. This approach allows us to share resources and expertise with various actors, accelerating the development of new solutions and facilitating the adoption of innovative processes.

Over the years, we have consolidated our partnerships with renowned Italian and foreign universities, promoting a variety of research projects and training initiatives. This has helped create firm links between the academic and industrial worlds, which are crucial for technological progress and sustainability.

Technological innovation for sustainability demands the development of new ideas and the involvement of a growing number of graduate experts in energy transition technologies. This process leads to the creation of new circular business models, technological solutions for decarbonization, and the development of technologies with low environmental impacts.

One noteworthy partnership is with the Sapienza University of Rome, which brought to life the Green Chemistry and Mechatronics Open Innovation Lab, at our NextChem headquarters in Rome. Here, university researchers and company engineers work together, demonstrating the tangible benefits of open collaboration, on projects focused on the Waste To Chemicals principle.

Another demonstration of our commitment to Open Innovation was the establishment of the Maire Open Innovation and Sustainability chair at Luiss University, the first tenure of its kind in Europe. This partnership involves the sharing of knowledge through lectures given by experts of the Group, and seminars held by eminent academics such as Prof. Henry William Chesbrough.

We actively participate in the Rome Technopole Foundation, which, under the auspices of the Sapienza University of Rome, brings together 25 public and private entities. In the foundation, Maire Group has taken on the role of the leader of the project "Digital Transition in the Decarbonization Process and in Waste Recycling Processes".

Our long partnership with the Polytechnic University of Milan, dating from as far back as the 1920s and giving rise to pioneering work such as the synthesis of polypropylene (also known as "Italian plastic"), continues to bear fruit. We continue to support the university's chair of Chemical Engineering and Project Management, and actively participate in various research projects, such as the Hydrogen Joint Research Platform, and the Joint Research Center for Deep Social Analytics for Employee Engagement.

Once again in Milan, and regarding hydrogen technology as an important vector in the energy transition, NextChem and Bocconi University's Institute for Data Science and Analytics have developed research for the project entitled "Support for the Creation of the Simulator ArcHy (Architecture for Hydrogen installations) Modelling Tool".

In support of the training of transversal professionals in the field of sustainability, the Group actively collaborates with the ALTIS Graduate School of Sustainable Management of the Catholic University of Milan as a partner in the Master's degree in Sustainable Business Administration. In addition, important collaborations are under way with the Campus Bio-Medico University of Rome, on the specialist degree course in Chemical Engineering for Sustainable Development, and with the University of Salerno and the University of Messina, on various research projects.

Furthermore, the Maire Project Control Academy was created in partnership with the University of Catania, with a view to taking on approximately 50 recent graduates selected from the university's faculties of Engineering and Economics. The Academy's goal is to provide training for professional roles in the Project Control field.

At an international level, India is the Group's main point of presence, through its important operations center in Mumbai and new hub in New Delhi. Accordingly, we have established strong partnerships with institutions there, such as with the National Institute of Technology, Karnataka, In March 2021, in Karnataka, we inaugurated the Maire Tecnimont Centre for Research in Waste Recycling and Circular Economy. Furthermore, from 2020 to 2023, the Group has awarded over 20 scholarships to students there.

Once again in India, in partnership with the Indian Institute of Technology Bombay, the Group is the promoter of a project to deliver a variety of educational opportunities and scholarships to deserving young people.

In December 2023, Maire Group signed a memorandum of understanding with Abu Dhabi University to collaborate on a range of activities, including internships, research, seminars and support for projects and innovative ideas proposed by the students of the university. The initiatives agreed on for early 2024 will focus three workshops on the energy transition.

In Azerbaijan, since 2016, the Group has collaborated with Baku Higher Oil School, offering support to students through a special development program. It also supplied equipment for the school's polymer characterization laboratory. Recently, the collaboration was extended to the Campus Bio-Medico University of Rome through a tripartite agreement on the energy transition and the circular economy.

These are just some of the many collaborations that fuel our commitment to innovation and sustainability, demonstrating our constant drive to promote research and education in sectors crucial to the future of our planet.

Sustainable innovation: Our vision for 2030 and beyond

Stamicarbon, Maire Group's innovation and licensing company, has been at the forefront of innovation to improve sustainability in the production of fertilizers, and was recognized by the EU Innovation Radar as a key innovator for its EU-funded project PROMETEO. Determined to be part of the solution of sustainability, we are investing our more than 75 years of know-how into innovation in the industry, and, as part of our 2030 Vision, are focusing our efforts on the future-proofing of fertilizer technologies. For the various phases in the life cycle of fertilization processes, the company has developed technologies and solutions to lower energy consumption, cut emissions and fossil fuel use, and optimize nutrient absorption.

Ultra Low-Energy - An innovative ultra-low energy technology was introduced in 2012, and contracted out to ten urea plants. The technology allows savings of approximately 35% to be made on steam consumption, and approximately 16% on cooling water consumption, compared to traditional CO_2 stripping processes, as demonstrated in four plants in operation, with the possibility of further optimizing processes using digital tools such as the Ultra-Low Energy Operator Training Simulator (OTS) and the Process Monitor, which are part of the Stami Digital product portfolio.

Emissions Reduction - Stamicarbon has developed the MicroMist Venturi™ and Jet Venturi™ scrubbers to cut emissions from granulation plants and prilling towers. The MicroMist Venturi™ (MMV) Scrubber for granulation plants removes submicron urea dust particles below 10 mg/Nm^3 and 0% opacity, as demonstrated in three granulation plants currently in operation. On the other hand, the Jet Venturi™ Scrubber for prilling towers cuts urea dust emissions to below 15 mg/Nm^3, based on conducted tests.

Renewable Fertilizer Production - With the launch of Stami Green Ammonia Technology, Stamicarbon has pioneered the sustainable production of green ammonia and nitrogen fertilizers. In 2023, contributing to the decarbonization of the fertilizer industry through the use of renewable energy, a first license and PDP for a green ammonia plant was sold to JWestling (USA).

Special Fertilizers - In 2018, Stamicarbon partnered with Pursell Agri-Tech in the United States to license controlled-release fertilization technology. This technology minimizes fertilization nutrient losses, optimizing urea use, and helping address the challenge of feeding growing populations with limited available arable land. As a next step, Stamicarbon is currently working with its partners on special fertilizers with biodegradable coatings and added micro-nutrients.

Innovative methane cracking for the production of turquoise hydrogen - Hydrogen is one of the fundamental pillars for limiting CO_2 emissions and achieving net zero. The adoption of clean technologies for its production will allow hydrogen and hydrogen-based fuels to make a significant contribution to the decarbonization of all sectors where emissions are difficult to abate, including heavy and maritime and aviation transport, steel and petrochemical industries, and, in the future, even domestic heating. One of the most promising and alternative avenues to methane reforming technologies with carbon capture and sequestration (CCS) and water electrolysis is the production of hydrogen via methane pyrolysis.

This process involves the parallel production of hydrogen and coal, using green energy to provide the heat for the reaction, without any associated CO_2 emissions. This process has many advantages: the raw material, natural gas, is abundant and relatively cheap; biogas can be an alternative raw material; solid carbon can be sold as carbon black, if not as graphitic carbon and stored underground at negligible cost; and the energy absorbed per Nm^3 of H_2 is much lower than that required by water electrolysis or steam methane reforming (75 kJ/mol as reaction heat, vs. 484 and 165 respectively for the 2 reactions, and about one fifth of the electrical consumption of electrolysis).

NextChem has developed a new process for the methane cracking reaction, based on a proprietary concept of an electrically heated molten metal reactor, operating at 1100-1150°C, under a pressure of 15 BarG. The key distinguishing factors of the NextChem solution are the ways in which heat is transferred through an electrode system, and the removal of carbon from the molten pool. Overall, in our research, methane cracking hydrogen production costs are comparable and even lower than those of steam methane reforming (SMR), depending on the feedstock and energy costs, even without considering coal sales. This is with production costs calculated for a hydrogen capacity of 5,000 Nm^3/h, and compared to SMR and electrolysis. The results demonstrate that this method has the potential to significantly reduce hydrogen production costs, and represents a viable process for producing hydrogen without generating CO_2 emissions.

A pilot unit, powered by 25 Nm^3/h of natural gas is currently being designed, and is expected to be built and operational by 2025.

NXRe - An innovative technology for the depolymerization of plastic and waste materials, for the production of monomers and other chemical products with high added value. Plastics are a fundamental material in our daily lives. According to the OECD’s Global Plastics Outlook, published in February 2022, between 1950 and 2019, the plastic materials production increased by almost 230 fold, from 2 to 460 Mt, and is expected to reach approximately 1,231 Mt by 2060. However, the success of plastics is also turning into their greatest threat. According to the OECD’s Global Plastics Outlook Policy Scenarios through to 2060, published in June 2022, 353 Mt of plastic waste was produced in 2019 alone, a number estimated to exceed 1,000 Mt by 2060. Appropriately managing this amount of plastic waste will demand significant efforts to be made in the creation of new production chains focused on recovery and recycling, and the integration of mechanical recovery technologies with new chemical recycling technologies, capable of handling fractions of plastic waste that cannot be recovered through traditional recovery processes. In this context, one of the most promising avenues is depolymerization, which, by acting on the molecular bonds of plastic waste, allow the production of monomers and other chemical products with high added value, which can then be reused in the chemical and plastic production industries.

NextChem, through its subsidiary MyRemono, has developed NXRe, an innovative continuous depolymerization process, using a molten metal flow maintained at a temperature of between 300 and 500°C. The polymeric materials to be treated are introduced in the form of ground particles into the depolymerization reactor. Optimal mixing with the continuous flow of molten metal then improves the quality of both the breaking of molecular bonds and the recombination of molecules to obtain the desired monomers, while reducing overall depolymerization reaction times. Using a laboratory-scale prototype plant and a semi-industrial scale one, NXRe was tested on different types of plastic materials and waste, including poly methyl methacrylate (PMMA), polystyrene (PS), and polyolefins (PO). The PMMA and PS tests generated a liquid final product with a high concentration of the basic monomer of the respective polymers. Differently, in polyolefin tests, the technology mainly produced a gaseous effluent with a composition close to the gas generated by steam naphtha cracking.

The first industrial plant based on NXRe technology, with an annual processing capacity of 5,000 tons of PMMA is currently under development, and is expected to be operational by 2025.

Research projects

MAIRE, via its subsidiaries NextChem, KT – Kinetics Technologies and Stamicarbon participates, as a coordinator or partner, in numerous research projects. Some of the projects are funded by the EU, while others are funded at the national level.

Sustainable circular hydrogen and carbon solutions

MECCA (Green hydrogen from bioMEthane cracking via innovative technology based on non-thermal plasma and Catalysis with nanoCArbons) is a hydrogen research project funded under the National Recovery and

Resilience Plan. The project involves the development of a green hydrogen production process that is competitive in terms of both costs and carbon footprint, compared to electrolysis, by using an innovative biomethane cracking technology, which, by combining non-thermal plasma and catalysis with nanocarbons, allows for operating temperatures lower than those of conventional catalytic cracking, using renewable energy throughout the process, operating continuously, and producing a high-quality coal product. The project consortium is made up of 5 Italian partners: the University of Messina, as project leader, the University of Calabria, ENEA, FBK, and NextChem Tech.

The Horizon Europe project EPOCH (*Electrocatalytic Production of liquid Organic hydrogen carrier and CHemicals from lignin*) aims to develop an electrolytic cell powered by electricity from renewable sources, for the production of a liquid hydrogen carrier (LOHC+) made from the hydrogenation of an organic precursor. Furthermore, the anodic reactions will be used for to generate value from lignin derivatives, abundantly produced as waste from various processes, including paper mills, biorefineries, and so on. The production of a liquid carrier allows for more efficient transport of hydrogen than current methods, and eliminates hydrogen storage problems, such as with compressed hydrogen cylinders, cryogenic hydrogen, and metal hydrides. Furthermore, the oxidation of lignin derivatives at the anode produces abundant organic waste to be exploited for the production of chemical products with high added value. The project consortium is made up of 7 partners from 5 European countries: five academic partners, including the Luleå University of Technology, as project leader, Aalto University, Delft University of Technology, the Technical University of Munich, and the University of Messina, one large company, NextChem Tech, and an SME, Hydrogenious LOHC Technologies GMBH, under Grant Agreement No. 101070976.

The Horizon Europe project ēQATOR (*Electrically heated catalytic reforming reactors*) aims to validate, in an industrially relevant environment (at Technology Readiness Level 6), new electrically heated catalytic reactors for the conversion of biogas into syngas (and subsequently into products with high added value, such as methanol, fuels, and hydrogen), with a greater efficiency than the state of the art. ēQATOR's core innovation is the integrated development of different but complementary reactors, catalysts and electrical, resistive and microwave heating technologies. ēQATOR will help reduce reactor volumes, compared to traditional burner-heated reactors, and allow them to be heated by renewable energy. The project consortium is made up of 15 partners from 8 European countries: 2 private research centres (SINTEF AS, as project leader, and Steinbeis Innovation GGMBH), 2 public research centres (MCI -Management Center Innsbruck Internationale Hochschule GMBH, the University of Stuttgart, and CNRS - Centre National de la Recherche Scientifique), 1 public-private non-profit organization (Parco Scientifico e Tecnologico D'abruzzo Srl), 4 large companies (NextChem Tech, Walter Tosto SpA, Johnson Matthey PLC, Equinor Energy AS), 4 SMEs (Microwave Energy Applications Management, Keramik Innovation Berthold, RANIDO, IFEU - Institut für Energie- und Umweltforschung Heidelberg GmbH), and 1 association (European Biogas Association), under Grant Agreement No. 101058293.

The Horizon 2020 project PROMETEO (hydrogen *PROduction by MEans of solar heat and power in high TEmperature Solid Oxide Electrolysers*) aims to develop technology for the production of hydrogen from renewable energy through a solid oxide cells electrolysis process. The technology will be demonstrated through the creation of a 25 kWe solid oxide electrolyser prototype capable of producing 15 kg of hydrogen per day. The system, conceived as modular, can be industrially scaled to the order of MWe. The prototype will be integrated with a storage system that will optimize the use of (intermittent) solar energy for the production of hydrogen. The project consortium is made up of 8 European partners: ENEA, as project leader, Fondazione Bruno Kessler, Capital Energy, Solid Power, IMDEA - Institutos Madrileno de Estudio Avanzados, SNAM, EPFL - École Polytechnique Fédérale de Lausanne, **and** Stamicarbon and NextChem Tech, under Grant Agreement No. 101007194.

The Horizon 2020 project INITIATE (*Innovative industrial transformation of the steel and chemical industries of Europe*) involves major industrial players in the steel, fertilizer and energy transition industries (Arcelor Mittal, SSAB, Stamicarbon, NextChem Tech), functional materials suppliers (Johnson Matthey, Kisuma Chemicals), multidisciplinary research centres (TNO, SWERIM, POLIMI, Radboud University), and experts in the dissemination of topics related to the circular economy (CO_2 Value Europe). In the INITIATE project, from a circular economy perspective, the carbon and energy contained in gases emitted by steelmaking processes can become raw materials for the urea production industry, as the basis for the production of fertilizers and other products. The project will demonstrate a reduction in primary energy intensity by 30%, carbon footprint by 95%, raw material intensity by 40%; and waste production by 90%. INITIATE will validate the proposed technologies on a pilot scale in a real industrial environment (Technology Readiness Level 7), producing NH_3 from the residual gases of steel production, in three experimental test campaigns, lasting six weeks each, under Grant Agreement No. 958318.

The project MACBETH (*Membranes And Catalysts Beyond Economic and Technological Hurdles*) aims to demonstrate catalytic membrane reactor technology at an industrial level. The project, coordinated by Evonik, brings together the know-how of 27 partners, working in selected teams, on four lines of technological development, in simultaneous cross-fertilization activities, to identify further ideas for innovation. The large project consortium therefore leverages various technological skills related to catalysis, membranes, media, reactors, engineering and modelling, as well as involving various end-users of the proposed technologies. Sustainability is the key driver of the project, as the new technology aims for a greater than 20% reduction in greenhouse gas emissions, with a simultaneous 20% increase in energy efficiency. The project has received funding through the European Union's Horizon 2020 research and innovation program, under Grant Agreement No. 869896).

The project LIFE SUGAR (*SUstainable Glass: Architecture of a furnace heat recovery system including a steam Reformer*) involves a consortium of 6 Partners, with Stara Glass acting as project leader. The project aims to provide the glass industry with new technology for cutting melting process consumption and CO_2 emissions through the integration of a steam reforming unit in the plant set-up. The concept will be demonstrated in the design, construction and testing of an innovative steam reformer pilot unit, installed in an industrial environment. The project has received funding under the European Union's LIFE Research and Innovation program (LIFE19 CCM/IT/001314).

Sustainable fuels and chemicals

The project PYROCO$_2$ (*Demonstrating sustainable value creation from industrial CO_2 by its thermophilic microbial conversion into acetone*) aims to demonstrate the scalability and technical and economic feasibility of carbon capture and use (CCU) to produce acetone from industrial CO_2 and green hydrogen. The heart of the technology is a biological process based on the use of energy-efficient thermophilic microorganisms. The acetone produced by the PYROCO$_2$ process will be used for the catalytic synthesis of a wide range of products, from methanol through to fuels and recyclable polymeric materials. The PYROCO2 demonstration plant will be capable of producing at least 4000 tons of acetone per year from 9100 tons of industrial CO_2 and 1100 tons of green hydrogen. The system will be demonstrated in the industrial district of Heroya Industrial Park in Southern Norway. The project consortium of the PYROCO$_2$ project is made up of 20 partners from 10 European countries and Thailand. These include seven large companies (ARKEMA, FIR, SCG, JM, NextChem Tech, CTECH, BIOPROCESS TECH), five SMEs (SC, BPT, RANIDO, HIP, ECOIN), four academic partners (CTH, DTU, Univ. Lyon1/IRCELYON/CNRS, KIT), three research and technology organizations (SINTEF, NORCE, NORNER), a public-private cluster (AXELERA), and a public body (VTC), supported by Grant Agreement No. 101037009.

The Horizon 2020 project DECADE (*DistributEd Chemicals And fuels production from CO_2 in photoelectrocatalytic Devices*) proposes a new photoelectrocatalytic (PEC) approach for the conversion of CO_2, in order to overcome the limits of current PEC systems, and maximize the effective use of solar energy. Bioethanol and waste CO_2 are used to produce a mixture of high added value products (ethyl acetate, and ethyl formate in ethanol), to be used as a green solvent or as a performance improvement additive for biofuels. The application of the technology on the fumes (containing CO_2) emitted from methanol production plants will be analyzed, in order to research the production of compounds with higher added value, to reduce the overall carbon footprint of methanol production, to create value from waste CO_2, and to introduce renewable energy into the production chain. The project consortium is made up of 14 European partners: European Research Institute of Catalysis A.I.S.B.L. - as coordinator, Interuniversity Consortium for Materials Science and Technology, Fundacio Privada Institut Catala D'Investigacio Química, MAX-PLANCK-Gesellschaft Zur Forderung Der Wissenschaften EV, Asociacion Centro de Investigacion Cooperativa en Biomateriales - CICbiomagune, Forschungszentrum Jülich GMBH, NextChem Tech, HYSYTECH SRL, EKODENGE Muhendislik Mimarlik Danismanlik Ticaret Anonim Sirketi, UNISMART Padova Enterprise, Motor Oil Hellas Diilistiria Korinthou AE, MERIT Consulting House, FILA Industria Chimica, CASALE SA, and one international partner: the University of Tokyo. Grant Agreement No. 862030.

Open Innovation

Change, environment, climate, future, sustainability, new humanism are some of the most recurring keywords, which increasingly take on concrete, tangible, real meaning in a changing socio-economic context where change is increasingly discontinuous and difficult to manage. In this uncertain situation, each public or private entity is called upon to make its own important contribution through the identification of new responsible business models, new approaches to investment, new processes for technological development, and the identification of new value chains.

It is evident how the key element in addressing this profound transformation is precisely to espouse the paradigm of Sustainable Open Innovation, that is, the correct combination of innovation (product, service or process) and sustainability, in order to develop, through innovative technologies, new sustainable solutions that are in line with the SDGs. Open Innovation aims to challenge the status quo and adapt companies to a rapidly changing world. The definition of an Open Innovation management strategy then becomes a critical success factor, as does its implementation process, which depends on its alignment with the corporate Vision, generating acceptance of the process first at management level and then at the broader corporate culture level.

In a scenario in which innovation becomes a critical success factor, the adoption of open collaboration systems with different players enables the pooling of resources and expertise that can develop new solutions.

MAIRE felt a strategic need to adopt an open innovation model that seeks not to confine innovation processes, but to open them up to collaboration through an extended network of actors, leverage external resources, develop new services/products and generate new business ideas and opportunities for the group and system. To this end, the Group has decided to adopt an Open Innovation practice to support the ongoing process of transformation relating to the issues of Open Innovation and Open Green Innovation, to promote and spread a culture of Open Innovation, to keep track of hotbeds and areas of innovation, to coordinate open innovation internal and external to the Group and to enable an innovation ecosystem.

During the year we consolidated some initiatives, in continuity with the work started in 2022, and started new strategic collaborations always with a view to enabling the Open Green Innovation model.

In accordance with Article 5, paragraph 3, letter b, of Legislative Decree 254/2016, the Group prepared a consolidated non-financial statement as a separate report; pursuant to Articles 3 and 4 of Legislative Decree 254/2016, the 2023 Sustainability Report, published on the company website at www.mairetecnimont.it., in the “Investors” section, constitutes the Non-Financial Statement, which should be consulted for additional details regarding Innovation, Research and Development activities.

14. Risks and uncertainties

In this section the main risks and uncertainties concerning the Maire Tecnimont Group and its sectors are outlined. The factors considered by the company risk system regarding the foreseeable future are for this purpose analyzed.

Maire Tecnimont Group's business involves the concentration of activities in two business units ("BUs"), namely: i) "Integrated E&C Solutions", which specifically covers the general contractor executive responsibilities and all typical EPC (Engineering, Procurement and Construction) project activities; given the nature of these activities, high volumes for this business unit are expected and margins in line with the average for EPC contracts. and ii) "Sustainable Technology Solutions", covering all of the Group's sustainable technology solutions/operations, in addition to the high value-added/innovative services primarily focused on the energy transition and the "green acceleration"; given its technological nature, this BU expresses low volumes but with significantly high margins, also accompanied by a low level of risk.

The Group's internal control and risk management system includes a continuously evolving Risk Management framework integrated in business processes, extended to all operating entities, and aimed at identifying, assessing, managing and monitoring risks according to sector best practices.

BACKLOG RISKS

The consolidated Backlog at December 31, 2023 was Euro 15,024.4 million. The timing of revenue and expected cash flows is subject to uncertainty as unforeseeable events may occur which impact Backlog Orders (such as for example the slowdown of works, the delayed start-up of works or indeed the interruption of works or other events). The Group mitigates this risk through termination/cancellation clauses which ensure adequate reimbursement on the occurrence of such events.

BACKLOG CONCENTRATION RISKS AND DEPENDENCE ON A CURTAILED NUMBER OF MAJOR CONTRACT OR CLIENTS

At December 31, 2023, approx. 65% of Group consolidated revenues related to 10 major contracts, corresponding at the same date to approx. 76% of the Backlog value. Any interruptions or cancellations to even one of the major contracts, subject to applicable legal and contractual remedies, may impact on the Group's results and balance sheet. In addition, the Group works with a contained number of clients. In relation to the concentration of the value of the Backlog by Region, please refer to the specific section "Backlog by BU and Region", which illustrates that the highest concentration was in the Middle East, while volumes in non-EU Europe dissipated. This essentially concerned Russia. One of the key operational guidelines concerns the greater distribution of initiatives among more clients and thereafter the opening up to new markets and clients.

RISKS RELATED TO GROUP SECTOR INVESTMENT

Group markets are cyclical, principally dependent on available investment, which in turn is impacted by: (i) economic growth and (ii) a significant number of economic-financial (e.g. interest rates and the price of oil) and political-social (economic, public spending and infrastructure policies) variables. Therefore, general recessions may impact the Group's results and balance sheet. Due to the nature of such risks, the Group must therefore rely on its event forecasting and management capabilities. In particular, the Group has integrated the risk philosophy into strategic and commercial planning processes through the definition of commercial and risk guidelines and process structuring aimed at selecting and prioritizing initiatives according to country and sector risks, rather than counter-party risks. Consideration of such risks is also guaranteed by strategic goal progress monitoring in terms of portfolio composition and diversification, and risk profile evolution.

RISKS RELATED TO INTERNATIONAL OPERATIONS

The Group is engaged in approx. 41 countries and is therefore exposed to a range of risks, including any restrictions on international trade, market instability, foreign investment restrictions, infrastructural deficiencies, currency movements, currency limitations and controls, regulatory changes, natural catastrophes (e.g. earthquakes and extreme weather events) or other extraordinary events (e.g. wars and acts of terrorism, major raw material or semi-finished product or energy supply interruptions, fires, sabotage, attacks or kidnappings). The Group in addition is subject to the risk of greater operational difficulties in regions featuring high corruption levels, distance from the markets and the traditional workforce and material procurement sources, and which often are politically and socially difficult and unstable. In order to mitigate this risk, appropriate insurance and/or coverage for the type of risks at issue to mitigate financial impacts from such instability may be undertaken and also specific contractual termination/cancellation clauses that provide for adequate reimbursements upon the occurrence of such circumstances. Further steps in the governance strengthening process led to the adoption of the Maire Tecnimont Group Business Integrity Policy by all direct and indirect Maire Tecnimont subsidiaries, with the aim of consolidating and rationalizing the anti-corruption principles already outlined in the Group's Internal Control and Risk Management System.

LEGAL AND COMPLIANCE RISKS

This category comprises risks relating to sector or country specific management of legal issues, compliance with legal and regulatory requirements (e.g. taxation, local legislation) and contractual risks in relation to Business Partners. Maire Tecnimont considers the monitoring of the legal aspects of contracts and of counterparty relations of critical importance. Risks include possible cases of internal and external fraud, and, more generally, of non-compliance with procedures and policies designed to regulate company operations.

In light of such factors, Maire Tecnimont adopts a multi-level regulatory risk monitoring, management and mitigation policy through constant collaborative dialogue with counterparties and business units affected by regulatory developments, and full assessment of potential impacts.

RISKS RELATED TO JOINT LIABILITY TO CLIENTS

Group companies execute orders independently or together with other operators through the incorporation (for example) of consortiums in Italy or joint control arrangements overseas. In this latter case, each party under applicable public regulations or general contractual practice are usually jointly liable to the client for the design and construction of the entire works. In the case of damage suffered by a client caused by an associated operator, the Group company involved may be called to replace the damage-causing party and fully compensate the damage caused to the client, subject to the right of regress against the non-compliant associated operator. The right to regress among associated operators is normally governed among the partners through contracts (usually called cross indemnity agreements). Group policy is to conclude agreements/associations with operators of proven sector experience and appropriately verified available capital. This policy has ensured that the assumption of partner obligations by a Group company has not yet been requested as a result of non-fulfilment.

RISKS CONCERNING LIABILITY TO THE CLIENT FOR NON-FULFILMENT OR DAMAGE CAUSED BY SUB-CONTRACTORS OR SUPPLIERS

In executing operations the Group relies on third parties (including sub-contractors) to produce, supply and assemble part of the plant constructed, in addition to suppliers of raw materials, semi-finished products, sub-systems, components and services. The Group’s capacity to discharge its obligations to clients is however reliant also on the fulfilment of contractual obligations by sub-contractors and suppliers. In the case of Group sub-contractor or supplier non-fulfilment (even partially), the provision of products and/or services not in line with that agreed or falling short of the required quality or with defects, the Group may incur additional costs due to delays or the need to deliver replacement services or procure equipment or materials at a higher price. In addition, the Group may in turn not fulfil that agreed with the client and be subject to compensation claims, subject to the Group’s right to regress from non-compliant sub-contractors and suppliers. However, where the Group is unable to reclaim the entire compensation paid from such parties through its right to regress, the Group results and balance sheet may be impacted. The Group system for the assessment and selection of suppliers, identified on the basis of price, in addition to their technical abilities and capital structure, requires the request and provision of bank performance guarantees from such parties. Group companies are also covered by appropriate insurance policies to meet any particular difficulties.

RISKS RELATED TO ORDER EXECUTION

Almost all of Group consolidated revenues concern long-term contracts, whose settlement (in favor of the Group) is established at the date of the tender or the awarding of contract, particularly for lump sum - turn key contracts. For such contracts, the margins originally estimated by the Group may reduce due to higher costs incurred by the Group during order execution. Where the Group’s policies and procedures to identify, monitor and manage costs for order execution do not reflect the duration and complexity of such orders, or are no longer accurate following the occurrence of unforeseeable events, the Group’s results and balance sheet may be impacted.

This dimension is critical in the effective assessment of Group core business risks, requiring the definition of tools to identify and monitor contract risks right from the bidding phase, as part of an in-depth risk and opportunity assessment procedure. Once risks have been assumed on the basis of informed decisions by management, constant monitoring is critical in proactively and dynamically managing risk exposure and evolution over time.

The analysis of significant risk dimensions and related risk areas offers management both a detailed (i.e. contract) and portfolio (i.e. total exposure) vision of the risk profile assumed by the Group, as well as exposure limits set by risk containment capacities. Through the use of appropriate risk management tools, the portfolio vision facilitates systematic assessments of the potential risk profile evolution due to certain events or decisions.

The risk management framework, outlined above and subject to ongoing developments, is oriented to supporting decisional and operational processes at every step in the management of initiatives, in order to minimize the occurrence of certain events that might compromise ordinary operations or defined strategic objectives of the Group. For this reason, the framework is integrated into strategic and commercial planning processes, thus incorporating formal consideration of the Group’s risk profile and decisions regarding its risk appetite.

IT RISKS

The reliability of the Group’s IT systems is critical to achieving its corporate goals. Particular attention is paid to the technology used to protect confidential and proprietary information managed by IT systems. However, both hardware and software products and information contained in corporate IT systems may also be vulnerable to damage or disruption caused by circumstances beyond our immediate control, such as malicious or fraudulent activities by unauthorized third parties accessing confidential information via written or verbal communications, e-mails, faxes, letters, phone, cyber attacks, network or computer failures, or computer viruses. The inability of IT systems to function properly for any reason may compromise operational activities, resulting in reduced performance, significant repair costs, transaction errors, data losses, processing inefficiencies, downtimes, disputes. The continuous evolution of digital services offered and the exponential growth of the amount of data processed inevitably contributes to an increase in the number and type of cybersecurity risks to which a company is exposed, with economic, operational, regulatory and reputational consequences. The ability to prevent, monitor and detect an incident is a key security measure with the purpose of protecting resources from unwanted access, ensuring the integrity of information, and ensuring the operation and availability of services.

Appropriate configuration and management of the threat detection and prevention system are key measures for preventing security incidents by decreasing their likelihood of occurrence, or limiting their impacts through a prompt and effective containment response, which is why commitment to security continues to be a priority for the Maire Tecnimont Group.

In order to respond adequately and quickly to current cyber threats, the Group's IT function constantly monitors and guarantees supervision and oversight, business continuity, and productivity at the Group's offices and operational sites by means of the advanced technological platform in use and ongoing investments in digital culture, skills, and the maintenance of high standards of corporate IT security, also thanks to the defense and integrated response approach of the Group's Cyber Fusion Center.

Regarding the subsidiary MST, tripartite meetings were held with the company trade union representatives, Abruzzo Region trade union organizations, and the relevant local health authority to urge the health authority commission to come up with solutions to safeguard employee services within the region.

Continuous improvement actions have been implemented in solutions to detect and respond ever more quickly to cyber-attacks and real-time internal and external threats by deploying: zero-trust principles to control access based on the verification of requester credentials, the context of the request, and the risk of the access environment; an NDR solution, for identifying and blocking evasive network threats; a web application firewall service, to prevent and block web attacks; a Bitsight platform, for continuous monitoring of the internal cybersecurity applications; a Breach and Attack Simulation (BAS) solution based on Picus, to support the measurement and strengthening of cyber resilience, by automatically and assiduously testing the effectiveness of our prevention and detection tools; a Cybersecurity Awareness program, based on two Awareness and Phishing solutions, and constant stimulation of awareness and behavioral dimensions.

In addition, a periodic audit of IT security continues, in line with ISO 27001 guidelines.

CLIMATE CHANGE RISK

In relation to "climate change" the Group is potentially exposed to several types of risks such as: (i) the impact of more restrictive laws and regulations on energy efficiency and climate change that may lead to increased operating costs and, consequently, a reduction in the overall investments made by the Group's clients in the relevant sectors; (ii) the impact of customer awareness and sensitivity to climate change and emissions reduction, resulting in a shift to low-carbon products; and (iii) the impact related mainly to greenhouse gases, the cause of global warming and extreme weather events in various geographical areas. These risks have been appropriately considered in the preparation of this Annual Financial Report, and also in the Group's business plan used to support the impairment test of goodwill and other assets.

Environmental protection is a key factor and essential corporate goal for Maire Group. The Group is continuously engaged in the control and mitigation of environmental and ecosystem impacts associated with development projects and office activities.

The Group's environmental policy is defined at the engineering stage, representing an opportunity to propose technological solutions to minimize environmental impacts, with consequent environmental and economic benefits for customers, stakeholders and the entire community.

The materiality analysis indicated climate change as one of the material topics for Maire Group's stakeholders, and the Board of Directors has become increasingly proactive on climate issues, integrating relevant goals into the company's business strategy.

It should also be noted that evolving awareness of "climate change" issues are already generating significant new business opportunities for the Group in the growing market for low-carbon products and services. The Group's expertise in developing sustainable solutions for its clients and its ability to respond with innovative technological and executive proposals to the increasingly stringent constraints imposed by environmental regulations represent, above all, clear competitive advantages. In fact, the number of clients and end users demanding increasingly sustainable solutions and technologies based on renewable energy or alternative fuels to fossil fuels is consistently on the rise. The Maire Tecnimont Group is also strongly committed to the circular economy for the recovery and reuse with proprietary technologies of that already in the ecosystem in the form of plastics or waste, and therefore has the means and expertise to manage the potential growth in demand, especially through its Sustainable Technology Solutions BU, headed by the Nextchem S.p.A. Group. NextChem's know-how with respect to "green" technologies has been strengthened with the entry of several specialists, with innovative technological propositions developed internally or otherwise available to the Group, through cooperation and development agreements with leading domestic and international partners. NextChem continues to closely focus on the industrialization of new proprietary technologies in the circular economy, bioplastics/biofuels, CO2 capture, hydrogen and green fertilizers sectors. Similarly, the ability of all Group companies is expanding to offer lower-carbon technological, process and construction solutions, even in traditional lines of business. The design, building and management of the sites is subject to several work streams to reduce energy intensity per unit of product and limit emissions to the atmosphere.

For further details on the topic of climate change effects and how they are managed, including the environmental policies adopted, please refer to the 2023 Non-Financial Statement available on the website www.mairetecnimont.com ("Investors" - "Results and Presentations" - "Sustainability Reports" section).

15. Financial risk management

The Group's principal financial risks stemming from core operations are outlined below:

MARKET RISK

The Group operates within an international environment and is subject to interest rate, exchange rate and price risk. A risk of fluctuating cash flows from core operations therefore follows, which may only partly be mitigated through appropriate policies.

PRICE AND CASH FLOW RISK

Group results may be impacted by raw material, finished product, transport and insurance cost price changes. This risk is mitigated through a precise and timely procurement policy, the use of derivative contracts, and/or in some cases, by charging the client for increases in the price of supplies, where contractually allowed.

The Group is closely monitoring the supply chain in order to identify and take action to mitigate potential impacts in terms of the cost of materials and services and of procurement times as a result of developments in ongoing conflicts. Furthermore, given the extreme unpredictability of this situation and its impact on contracts, we are adapting our execution strategies and in constant discussions with our clients and with the entire supply chain in order to negotiate mechanisms for managing and sharing the risk and for mitigating the impact on ongoing contracts.

CURRENCY RISK

The currency used for the consolidated financial statements is the Euro. As stated, the Group operates in an international environment, with part of its receipts and payments made in currencies other than the Euro. A significant amount of projects are quoted in or linked to the US Dollar; this factor, together with timing differences between the accrual of revenues and costs in currencies other than the presentation currency and their financial realization, exposes the Group to currency risk (transaction currency risk).

The Maire Tecnimont Group seeks to minimize transaction currency risk through derivative contracts. Group level planning, coordination and management of such operations is carried out by the Finance Department, which monitors the correct correlation between derivative instruments and underlying cash flows and their appropriate representation as per international accounting standards.

The Group furthermore has investments in subsidiaries in countries not belonging to the Eurozone and shareholders' equity changes from local currency movements against the Euro are temporarily recognized to the "translation reserve" shareholders' equity reserve.

INTEREST RATE RISK

Maire Tecnimont Group interest rate risk essentially concerns its variable medium/long-term loans. Variable rate debt interest rate risk not hedged through derivative instruments is however partly mitigated by liquidity remunerated at rates indexed to the same debt parameter (euribor). Any consequent interest rate fluctuations may create similar effects upon cash flows generated from inventories, although in an opposing manner than those produced on cash flows related to debt positions.

The Group also has Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE's Garanzia Italia (Italy Guarantee).

The risk on the variable rate debt is partially mitigated by the fact that Group cash deposits are remunerated at interest rates indexed to the same debt parameter (Euribor).

In 2013, Maire S.p.A. issued a non-convertible Euro 200 million Senior Unsecured Sustainability-Linked bond, stipulating an interest rate increase where specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO_2 emissions ("Scope 1 and Scope 2") by 35% compared to the 2018 level, and reduce the CO_2 emissions of its suppliers by 9%, particularly through the "Scope 3" emission intensity related to purchased technology-content goods and services, measured as tons of CO_2 relative to value added, compared to the 2022 level. These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality

Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN's SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

At present, there is no indication of the risk of such a rate increase as the Group to date has recorded an approx. 26% reduction in CO_2 emissions (Scope 1 + Scope 2) to 2023 compared to the 2018 baseline, and an approx. 4.5% reduction in Scope 3 intensity (by specific goods and services clusters) on value added compared to the 2022 baseline.

MAIRE TECNIMONT SHARE PRICE CHANGE RISK

The company utilizes derivative instruments to hedge against movements in the Maire Tecnimont share price, in view of the implementation of a buy-back program to satisfy the "Equity Settled" employee plans, as the Group has assigned its capital instruments as additional remuneration for services received (employment). Maire Tecnimont S.p.A therefore subscribed cash-settled Total Return Equity Swap (TRES) derivative instruments, undertaken to hedge against movements in the Maire Tecnimont share price. For accounting purposes, the TRES derivative instruments cannot be designated as a hedging derivative instrument and are valued, in accordance with IFRS 9 at fair value, with the related changes recorded in the income statement.

CREDIT RISK

The Maire Tecnimont Group credit risk represents the exposure to potential losses deriving from the non-compliance with obligations by counterparties. Credit risk stems from normal operations and is monitored by the operating and financial departments on the basis of set procedures, which establish the methods for quantifying and controlling client risk.

They are managed according to procedures, including credit recovery and dispute management. Presently, there is no significant concentration of credit risk by region or by Client, as the Group operates on geographically diversified markets and through a range of clients and business lines.

The maximum theoretical exposure to the credit risk for the Group at December 31, 2023 is the carrying value of the financial assets recorded in the accounts, and the nominal value of the guarantees given on debts and commitments to third parties.

Receivables at December 31, 2023 were recognized net of write-downs calculated according to counterparty non-compliance risk, based on client reliability (third parties, related parties and public sector clients).

In addition to the assessments of the collectability of receivables and in accordance with IFRS 9 concerning impairment models, the Group estimated losses on receivables using the expected loss model based on supporting information available without undue effort or burden, which includes actual data and forecasts and was essentially obtained from information providers and in quantifying expected losses at the closure date incorporating any effects of current conflicts.

Credit risk is represented by the exposure to potential losses deriving from the non-compliance of obligations by buyers, who are almost entirely connected to sovereign states, government bodies, overseas state entities, public administrations or large oil companies. Credit risk is, therefore, in many cases linked to country risk.

LIQUIDITY RISK

This risk concerns the difficulty in sourcing new funding or access to liquid assets, resulting in the enterprise's failure to satisfy payment commitments, being forced to incur additional funding costs or, in extreme instances, being faced with potential insolvency which may put its going concern at risk.

The Group objective is to implement a financial structure which, in line with business objectives, guarantees an adequate level of liquidity, credit facilities and committed credit lines for the entire Group. The objective is oriented toward securing sufficient financial resources to meet short-term commitments and maturing obligations (including by refinancing transactions or advance funding) and ensuring that an adequate level of financial flexibility is provided for development programs, seeking to maintain a balance in terms of debt duration and composition and an appropriate structure of bank credit facilities. Activities to measure and control liquidity risk are conducted by continuously monitoring forecast cash flows, the maturity of financial liabilities, and the parameters of the main bank loan agreements. These indicators measure expected cash availability in the short term, maturity concentration of financial liabilities and derivatives, and the ratios between financial sources and expected uses in the short and medium term.

Among the measures adopted by the Maire Group to control and make efficient use of its liquidity is a centralized cash pooling system involving the Group's main companies.

At the present moment, Maire Tecnimont considers that the good levels of liquidity held and prudent and functional management of the credit lines available are important elements for stability and sufficient to guarantee the resources necessary for operating continuity. The management of liquidity risk is based above all on the strategy of containing debt and maintaining financial equilibrium.

Cash and cash equivalents at December 31, 2023, amount to Euro 915,501 thousand, a significant increase of Euro 153,037 thousand compared to December 31, 2022. Assets held-for-sale include additional cash and cash equivalents for Euro 1,871 thousand for an overall increase for the year of Euro 154,908 thousand; cash and cash equivalents ensure short-term financial equilibrium.

Cash flow from operations saw a net generation of cash in the amount of Euro 367,911 thousand for the year, with a constant improvement over the year driven by earnings and changes in working capital.

The Group also believes that the acquisition of major new projects in 2023 will enable it to maintain good levels of liquidity.

The following tables shows the lines of credit and other credit facilities available to the Group as of December 31, 2023, broken down by type, distinguishing between amounts granted and used:

Credit lines granted to and used by the Group at December 31, 2023			
Description	**Amt. Granted (€)**	**Amt. Used (€)**	**Amt. available**
Overdraft facilities, revolving facilities and lines of credit	185,482,866	19,944,901	165,537,964
Advances on invoices - Factoring	5,500,000	2,365,361	3,134,639
M/L loans - Bonds	681,659,252	681,659,252	-
Total	**872,642,118**	**703,969,514**	**168,672,604**

The Euro Commercial Paper (ECP) Program will also allow the Company to diversify its short-term financing instruments, obtain a wider choice of funding and optimize its debt management in terms of maturity and pricing profile. The amounts used and the total granted are set out below:

Credit lines approved and used by the Group at December 31, 2023			
Description	**Amt. Granted (€)**	**Amt. Used (€)**	**Amt. available**
Euro Commercial Paper	150,000,000	21,600,000	128,400,000
Total	**150,000,000**	**21,600,000**	**128,400,000**

FINANCIAL COVENANT RISK

This concerns the possibility that loan contracts include clauses permitting the lending Banks and other lenders to request immediate repayment on the occurrence of certain events, resulting therefore in a liquidity risk. The main positions to which the Group is potentially exposed are outlined below.

In 2023, the Group issued a new bond for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million.

In this regard, we report the following:

On September 28, 2023, the public offering in Luxembourg and Italy of the Maire Tecnimont S.p.A. "Senior Unsecured Sustainability Linked Notes due 5 October 2028" Bonds was concluded in advance, with a total nominal value of Bonds subscribed of Euro 200 million, at an issue price of 100% of their nominal value, represented by 200,000 Bonds with a nominal value of Euro 1,000 each. The gross proceeds from the Offering amounted to Euro 200 million.

The interest rate of the Bonds, corresponding to the yield at issuance, is 6.50% per annum gross. It should also be noted that there is a maximum interest rate increase of 0.50% overall where the specific CO2 emission reduction targets are not met.

In fact, the new Bond stipulates an interest rate increase if specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO2 emissions ("Scope 1 and Scope 2") by 35% compared to the 2018 level, and reduce the CO2 emissions of its suppliers by 9%, particularly through the "Scope 3" emission intensity related to purchased technology-content goods and services, measured as tons of CO2 relative to value added, compared to the 2022 level.

These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN's SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

Consequently, 200,000 Bonds were issued on October 5, 2023. On the same date, the Bonds began accruing interest, which shall be settled, in arrears, on April 5 and October 5 of each year beginning April 5, 2024; the Bond provides the option of voluntary early redemption from the third year.

The trading commencement date of the Bonds on the MOT set by Borsa Italiana S.p.A., pursuant to Article 2.4.3 of its Regulation, was October 5, 2023. On the same date, the Bonds were also admitted to listing on the official list of the Regulated Market of the Luxembourg Stock Exchange, with the commencement of trading.

The Company continues to integrate its sustainability goals into its financial management, as it did in 2019 with the ESG-linked Schuldschein Loan.

In fact, the new Bond takes into account the Sustainability-Linked Financing Framework approved by the Board of Directors. The Framework, drafted in line with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles, has been certified by Sustainalitycs as a Second-Party Opinion Provider, and is available along with the certification on the Company's website (www.mairetecnimont.com), in the "Investors" - "Investors and Sustainability" section. The transaction further strengthens MAIRE's commitment to the energy transition, as already represented in the 2023-2032 strategic plan.

The new Bond also includes an incurrence covenant, non-compliance with which would result in debt restrictions and default events in line with the Group's existing medium to long-term debt; specifically, the bond financial covenants require a maximum debt level and the maintenance of a stated net financial position/EBITDA ratio. The measurement of this financial covenant is on an annual basis, whose next measurement will take place with reference to final figures at December 31, 2023.

On July 8, 2020, Maire Tecnimont S.p.A. signed a loan agreement for Euro 365 million, 80% of which was backed by SACE's "Garanzia Italia" (Italy Guarantee), and disbursed by a syndicate of leading Italian financial institutions comprising Banco BPM, Cassa Depositi e Prestiti, Intesa Sanpaolo and Unicredit. The loan mainly supported the working capital needs of the parent company Maire Tecnimont and its main operating companies in Italy, in line with the provisions of the Liquidity Decree of April 9, 2020 and has a total duration of 6 years, of which 2 years grace period and a rate of 1.7% per annum, plus the cost of SACE's Italy Guarantee The financing, with extremely flexible features, as it can be repaid in whole or in part at any time without additional cost, will contribute to strengthening the group's financial structure to cope with the volatility of the markets caused by Covid 19.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

On March 13, 2023, Maire Tecnimont S.p.A. signed a new Euro 150 million loan, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Maire Tecnimont Group's financial structure. This loan was issued by a syndicate of leading Italian banks, comprising Banco BPM, MPS Capital Services and Intesa Sanpaolo (IMI Corporate & Investment Banking Division). This latter shall act also as the "SACE Agent" and Agent Bank for the transaction. In accordance with Legislative Decree No. 50 of May 17, 2022, the loan shall mainly support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the MAIRE Group's main operating company headquartered in Italy. The new loan shall have 6-year duration, of which 3 years grace period, a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

On May 25, 2023, MAIRE S.p.A. signed a new Euro 40 million loan with BPER Corporate & Investment Banking, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Group's financial structure. In accordance with Decree-Law No. 50 of May 17, 2022, the loan is mainly to support the funding (including

R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the Group's main operating company headquartered in Italy. The loan matures in December 2028 and has a three-year grace period. It provides for a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

In 2019, Maire Tecnimont made a further commitment to its Green Acceleration project, launched in 2018, by taking out a "ESG Linked Schuldschein Loan" to support Group investments in green technologies. The instrument originally was divided in two tranches (Euro 7.5 million repaid in 2022 and Euro 55 million maturity in 2024) with an average duration of approx. 5 years, total repayment at maturity, and an average rate of approximately 6.15%. The cost of the instrument may also vary – including downwards – in relation to the achievement of the Group's CO_2 emission reduction targets.

The bonds are supported by covenants in line with market practice; specifically, the bond covenants regard the maintenance of a ratio between the net financial position and EBITDA on a yearly basis, with the next measurement based on the figures at December 31, 2023.

Maire Tecnimont is currently not aware of any default situations regarding the above-mentioned covenants. The bond covenants, which regard the maintenance of a ratio between the net financial position and net equity, as well as between the net financial position and EBITDA to be next measured based on FY 2023 figures, have been complied with according to the results currently available.

RISKS CONCERNING THE GROUP CAPACITY TO OBTAIN AND RETAIN GUARANTEED CREDIT LINES AND BANK GUARANTEES

In the course of operations and, in particular, for participation in tenders, the signing of contracts with operators or receiving advances and payments from such during order execution, the Group is required to issue bank and/or insurance guarantees in favor of operators.

The Group's capacity to obtain such guarantees from banks and/or insurance companies depends on an assessment of the Group's financial statements and, in particular, of the Group company involved, from analysis of the order risk, experience and the Group companies competitive positioning within its sector.

A constant stream of information is sent to the national and international banks and insurance companies with which the Group operates and which are involved in supporting the Group with the granting of the aforementioned banking and/or insurance guarantees in connection with projects for which bidding is in progress. In addition to the existing lines of credit, normally financial counterparties are selected and grant dedicated lines of credit after the Group company is awarded the contract.

At the present moment, the Group is satisfied with the level of credit lines available, which are considered sufficient to guarantee the resources necessary for operating continuity.

16. Disputes

Maire Tecnimont Group disputes concern outstanding proceedings relating to ordinary operations of Group companies. A summary of the main positions at December 31, 2023 according to currently available information is presented below.

CIVIL, ADMINISTRATIVE AND ARBITRATION PROCEEDINGS

NAGRP Kuwait

Acquired in July 2010 from Kuwait National Petroleum Company (KNPC). The EPC contract regards the provision of three portions of plant: a new process plant (New AGRP), a steam generation plant (Utilities) and the development of an existing plant (AGRP Revamping). Without any notice and entirely unexpectedly, on May 16, 2016, the Client terminated the contract and which was immediately contested by Tecnimont S.p.A. before the competent judicial courts. Following the resolution Tecnimont in fact commenced a civil procedure requesting the competent judge to accept the illegitimacy of the contract resolution as well as requesting condemnation of the Client for the payment of the contractual price matured to the date of the resolution, to the restitution of the sums received following the enforcement of the bank guarantees and payment for all damages incurred. The Court Technical Consultant announced that its work would finish by March 2021. Following the opinion (CTU) put forward by the court-appointed expert, who essentially upheld Tecnimont's claims, KNPC dismissed these viewpoints and submitted new applications for verification by the court-appointed expert. A final CTU was produced in October 2022 and this time was contested by Tecnimont, which, in its latest reply brief in May 2023, updated its compensation claims to KWD 47,531,794, plus KWD 15,237,822 with reference to the bank guarantees. In December 2023, the first instance court awarded in favor of Tecnimont that reported in the last CTU of October 2022, i.e. KWD 2,547,296 and required KNPC to pay court costs amounting to KD 1,000 and rejected all counterparty claims. Tecnimont then appealed to the second instance by referring to the compensation claims reported in its last brief in May 2023 on the grounds that the first instance order was found to contain significant errors in terms of quantification.

Gulf Spic General Trading & Contracting CO W.L.L. (Kuwait)

This is an international arbitration administered by the International Chamber of Commerce (ICC Case No. 25986/AYZ) brought by Gulf Spic against Tecnimont S.p.A. (Tecnimont) pursuant to the arbitration clause contained in Subcontract Agreement 7500038742 dated March 27, 2013, whereby Tecnimont had entrusted Gulf Spic - against payment of the total amount of KWD 13,000,000 - with the performance of certain mechanical works commissioned by the Kuwait National Petroleum Company (KNPC), in the framework of a project for the construction and upgrading of an AGPR (Acid Gas Removal Plant) at the Mina Al-Ahmadi Refinery. The Subcontract Agreement between Tecnimont and Gulf Spic initially provided for completion dates of December 31, 2013 for the commissioning of the Boiler and interconnection with the AGRP Piperack ("PTO 1") and April 30, 2014 for the pre-commissioning of the NAGRP ("PTO 2"). The execution of the contract with Gulf Spic was conditioned from the outset by KNPC's late payments to Tecnimont and Gulf Spic's inability to make concrete progress on the work fronts made available which necessitated an extension of the deadline for completion of both PTO1 and PTO2. Following the souring of relations between the parties, the dispute began in January 2021 with the filing by Gulf Spic of a request for arbitration with the ICC, which demanded that Tecnimont be ordered to pay the following amounts: 1) KWD 14,307,882 for prolongation and disruption costs due to delays in the completion of works caused by acts or omissions allegedly attributable to Tecnimont itself; 2) KWD 19,231,546 as idle cost for a period of time prior to termination of the contract between the parties; 3) KWD 930,914 for the late payment of certain invoices; 4) KWD 34,372 for the costs relating to the issue of additional bank guarantees to secure payments that it allegedly received directly from KNPC; 5) the award of all arbitration costs. On March 29, 2021, Tecnimont filed its reply to the request for arbitration with a counterclaim in which, in addition to the complete rejection of all opposing claims and the payment of all costs for the arbitration proceedings, it demanded that Gulf Spic pay Tecnimont the sum of KWD 500k due for services rendered for the completion of PT01. Tecnimont also reserved the right to submit further questions in the course of the arbitration proceedings. The Arbitration Panel was subsequently constituted and the procedural schedule established, with respect to which Gulf Spic filed its first brief on October 18, 2021. Tecnimont filed its first brief on February 18, 2022, and Gulf Spic filed its second and final brief on June 17, 2022. Tecnimont filed its second and final brief on October 14, 2022. After a final Gulf Spic closing brief scheduled for November 4, 2022, hearings were held in February 2023, at which the parties appeared after updating their claims. Gulf Spic has updated its claim as follows: 1) KWD 16,839,252 for prolongation and disruption costs 2) KWD 7,605,805 for idle costs; 3) KWD 3,456,591 for late payments; 4) KWD 24,600 for guarantee costs; 4) dismissal of all counterclaims filed by Tecnimont; 5) award of all legal costs incurred; 5) payment of pre- and post-Award interest; and 6) any other amount determined by the court. Tecnimont has updated its counterclaim as follows: 1) KWD 1,300,000 as the maximum possible amount for contractual liquidated damages; 2) KWD 500,000 for services rendered for the completion of PT01; 3) dismissal of all claims filed by the client; 3) award of all legal costs; and 4) any other amount determined by the court. On August 21, 2023, the Arbitration Court issued an award in favor of Gulf Spic of KWD 7,171,811, plus KWD 2,163,492, plus interest, for arbitration costs. The parties then signed an agreement to defer payment of the consideration to two tranches of equivalent value, by December 15, 2023, and by March 15, 2024.

ONGC Petro Additions Limited (India)

This concerns two UNCITRAL arbitration proceedings brought by the consortium comprising Tecnimont S.p.A. and Tecnimont Private Limited against the Indian company ONGC Petro Additions Limited ("OPaL") with regards to two turnkey EPC Contracts (total value of approx. USD 440,000,000.00), regarding respectively the construction by the Consortium of a 340 tons per annum polypropylene plant (PP Project) and two HD/LLD "swing" polyethylene plant, each of 360 tons per annum capacity (PE Project). The PP and PE polyolefin plant are located in Dahej, in the State of Gujarat (India). Both Notices of Arbitration cite the following demands: a) recognition of a "time at large" situation regarding the two projects due to the actions of OPaL; b) the recognition of additional costs incurred and compensation for damage for delays owing to OPaL; c) recognition of and payment for extra works; d) the release of amounts overdue or incorrectly held by OPaL. Arbitration was suspended as the parties attempted to reach a settlement privately. Arbitration was thereafter reinitiated, with Tecnimont S.p.A. and Tecnimont Private Limited filing at the Indian Court a motion for the appointment of the Arbitration Board Chair. The Arbitration Board Chair was appointed, who issued the first procedural order which: i) requires unification of the two arbitration procedures into a single procedure; ii) sets OPaL's jurisdictional claims for a subsequent hearing; iii) set the procedural timeline. Subsequently, the Court was declared as competent to consider the issue and the New Delhi Arbitration Board was assigned the case. At the end of 2017, Tecnimont and Tecnimont Private Limited filed their Statement of Claim. Opal filed on April 2, 2018 its Statement of Defense and Counterclaim. On April 10, 2018 a procedural hearing was held in Singapore. In May 2018, the parties appointed their respective technical experts. On September 27, 2018, the technical experts of the parties filed their respective Expert Reports. On October 1, 2018, Tecnimont and Tecnimont Private Limited filed their Reply and Defense to Counterclaim. On December 24, 2018, OPaL filed its Reply to Defense to Counterclaim. On February 28, 2019, the parties presented their respective Rejoinders. On March 24, 2019, a procedural hearing was held in Singapore in preparation for the relevant hearings. The hearings were held from June 7 to 14, 2019, in New Delhi. The parties filed post-hearing submissions on July 24, 2019, and reply post-hearing submissions on August 14, 2019. The last hearing was held from September 16 to 18 in London. Subsequently, the parties filed submissions on costs on October 4, 2019, and reply submissions on costs on October 14, 2019. On January 6, 2020, the Court of Arbitration issued the final award, accepting the claims of Tecnimont and Tecnimont Private Limited for the delay incurred in completing the project and ordering OPaL to pay the following sums: INR 828,013,043, EUR 5,049,443 and USD 4,977,199 (relating to prolongation costs, withheld amounts and payment of contractual milestones). The court also rejected all OPaL counter-claims and ordered OPaL to pay the legal costs incurred by Tecnimont S.p.A. and Tecnimont Private Limited for a total of: INR 18,866,620, EUR 3,275,000, GBP 450,080, USD 751,070, RUB 152,500 and MYR 3,750. The amounts were collected by Tecnimont S.p.A. and Tecnimont Private Limited, subject to the appeal for cancellation subsequently filed by OPaL before the Delhi High Court. In 2021, OPaL put its position before the Indian court in hearings held on the following days: March 15, 2021, July 15, 2021, September 8, 2021, October 21, 2021, November 29, 2021, and concluded its arguments on January 3, 2022. In 2022, Tecnimont began to present its arguments against the annulment of the award. On December 22, 2023, the Delhi High Court dismissed the appeal to annul the arbitration award filed by OPaL.

Yara Sluiskil B.V

The dispute refers to the EPC contract signed in July 2015 between Tecnimont SpA and the customer Yara Sluiskil B.V, a subsidiary of Yara International ASA, for the realization, on a lump-sum turn-key basis, of a new urea granulation fertilizer plant and associated units in Sluiskil, Holland. The complex, with a fully operational production capacity of 2,000 tons per day, uses proprietary technology developed by Yara enabling the production of a particular type of sulphur-enriched urea. Since the beginning of the project, Tecnimont has encountered significant difficulties which have impacted the timely execution of works and led to additional costs and damages. After several months spent in vain trying to find an amicable agreement between the parties, on January 15, 2020, Tecnimont S.p.A. filed its request for arbitration with the International Chamber of Commerce in order to initiate the arbitration proceeding. The request for arbitration reported in the petition, as an initial amount, a provisional value of approximately Euro 49 million. The request for arbitration was made in relation to, inter alia, the following claims: a) acknowledgement and payment of certain extra works; b) acknowledgement of higher costs incurred and compensation for damages incurred due to delays attributable to Yara; c) payment of a portion of the residual contract price. By February 24 last, Yara filed the reply to the request for arbitration, together with the Answer to the Request for Arbitration and Counterclaim. Yara's counterclaim provisionally amounts to approx. Euro 24 million. The parties and the arbitration tribunal formed signed the Terms of Reference of the arbitration procedure in May 2020. On November 29, 2020 Tecnimont filed its Statement of Claim, providing further arguments with regard to the claims made in the Request for Arbitration and increasing the amount sought to approximately Euro 70 million (eq.), not including any additional damages and legal costs. On May 24, 2021, Yara filed the company's Statement of Defense and updated counterclaim provisionally estimated between roughly Euro 23,343,408 and Euro 51,729,448. On November 15, 2021, Tecnimont filed its Reply to Yara Statement of Defense, as well as its Statement of Defense to Counterclaim. With its reply, Tecnimont increased its claim to the equivalent of approx. Euro 81 million. On March 3, 2022, Yara filed its Rejoinder to the claim and its Reply to Tecnimont's Statement of Defense on Counterclaim. In May, June, July and August 2022, Yara filed further updates to its counterclaim, provisionally estimating its claim at between Euro 26,628,220 and Euro 55,014,260. In July and October 2022, Tecnimont filed its Rejoinder (divided into two parts) to Yara's counterclaim. The preliminary hearing - originally set for May 2022 - was held between November 14 and 25, 2022. On January 17, 2023, the parties exchanged their first closing submissions. On February 10, 2023, the parties filed their respective final rejoinders. In March and April 2023, the parties exchanged further briefs regarding Tecnimont's request to have the final project milestone (Milestone 47) recognized. Arbitration activities have concluded. In an award dated October 2, 2023, the Arbitration Tribunal partly granted Tecnimont's claims for a total amount of approx. Euro 13,615,000 plus "pre-award" (not quantified) interest and partly granted Yara's claims for a total amount of Euro 16,665,120 plus "post-award" interest. On November 16, 2023, Tecnimont filed an "Application for Correction of the Award" pursuant to Article 36(2) of the ICC Regulations of 2017, requesting, among other matters, the correction of numerous computational errors in the award, and quantification of the "pre-award interest" awarded to Tecnimont. Yara filed its reply on December 8, 2023. On January 19, 2024, the Arbitration Tribunal issued its addendum granting most of Tecnimont's requests for corrections by substantially rectifying the amounts owed to Yara. Yara subsequently put forward its own requests for further corrections on the issued addendum. A final decision by the Tribunal is pending.

Siirtec Nigi

This is a case (General Registry 20666/2020) pending before the Court of Milan between Tecnimont S.p.A. and Siirtec Nigi S.p.A.. By writ of summons served on 19.6.2020, Sirtec Nigi S.p.A. ("SN") sued Tecnimont S.p.A. ("TCM") before the Court of Milan, seeking payment of approximately Euro 6,000,000.00 for alleged breaches by TCM of its obligations under the contract signed by the parties under which SN was to provide TCM design, materials and components, engineering and procurement, assembly, construction and inspection for the building of a gas dehydration and glycole regeneration plant. SN claims, in particular, that TCM: - did not pay some amounts due to unpaid invoices; - requested additional engineering and procurement services without paying for them; - requested change orders, without paying for them; - negligently committed additional breaches that allegedly delayed the work and increased the material costs borne by SN; and - unlawful enforced the surety guarantees granted to it. Entering an appearance with a statement of appearance and counterclaim, TCM rejected all of the adverse party's arguments and claimed that SN: had failed to properly comply with its contractual obligations; had constantly delayed delivery of documents and goods; had delivered low quality goods; had failed to provide assistance at the side; had failed to manage its sub-suppliers; and had failed to deliver the contractually mandated replacement parts. A judgment issued on January 15, 2024 recognized a payment to Tecnimont of approximately Euro 430 thousand and to Siirtec of approximately Euro 299 thousand, in addition to the payment of some commercial invoices for approximately Euro 1,480 thousand. Tecnimont then appealed the ruling on the basis of serious errors made by the trial judge.

Total E&P Italia S.p.A.

This is arbitration administered by the International Chamber of Commerce (ICC Case 26154/GR/PAR) between the temporary consortium (ATI) between Tecnimont S.p.A./KT Kinetics Technology S.p.A. and Total E&P Italia S.p.A. concerning execution of the EPC contract signed by the parties in November 2012 for the creation of the "Tempa Rossa" oil and LPG center in Basilicata (the "Contract"). The Contract originally called for a price of Euro 504,782,805.80 and a completion time of 42 months. Execution of the Contract was significantly compromised by numerous events attributable to Total E&P Italia, including the issuance of a large number of change orders, which radically altered the scope of the work to be done by the temporary consortium (ATI). After an attempt to settle the dispute, on March 23, 2021, filed a Request for Arbitration with the ICC, including a request to adjust the price of the contract by about Euro 570 million. On June 22, 2021, Total E&P Italia filed an answer to the request, asking to reject ATI's demands, and issued a counterclaim in the amount of Euro 314 million. The Arbitration Panel was formed on September 3, 2021. In an Order dated February 25, 2022, the Court divided the proceedings into two stages. By order dated May 19, 2022, the Arbitration Board granted the parties deferred deadlines for briefs and respective replies on the issue. The parties completed all the steps required in this first stage of the proceedings and the Arbitration Tribunal reserved the case for judgment. On November 14, 2023, the Arbitration Tribunal issued a partial award, settling some preliminary issues and ordering that proceedings continue to the second phase. Specifically, the partial award issued by the Arbitration Tribunal declares that Tecnimont is precluded from making claims for events that occurred during the course of the contract until July 27, 2018 (not precluding, however, from that date the revision of the price pursuant to Article 22.6 of the Contract Agreement). It states that, on the one hand, Tecnimont is entitled to bring the claims within its competence before the Arbitration Tribunal and, on the other hand, the investment fund that has partially acquired from Tecnimont the claims arising in the contract with the Client has the right to bring the same claims before the ordinary Italian Court.

As a result of this partial award, which was subsequently appealed on February 20, 2024 by Tecnimont only in terms of the first point relating to the claims up to July 27, 2018, therefore, both Tecnimont and the investment fund will have the right to present in the two relevant venues (Arbitration and Ordinary Court) the claims outlined above.

On December 4, 2023, a procedural hearing was held in which the parties and the Tribunal discussed the procedural schedule for the second phase of the proceedings. On December 5, 2023, the Arbitration Tribunal issued Procedural Order No. 22 establishing the procedural timetable. This provides for the filing of the Statement of Claim by ATI on May 31, 2024 and the filing of the Statement of Defense by Total E&P Italia on November 29, 2024.

Pending the ICC arbitration proceedings described in the communication dated July 9, 2021, received from Swiss RE International SE, Total requested the payment of the performance guarantee (issued by Swiss RE in the interest of Tecnimont under the EPC contract), in the amount of Euro 51.5 million, equal to the amount of the penalties referred to in the counterclaim made by Total in the arbitration proceedings. In an appeal pursuant to Article 700 of the code of civil procedure, filed on August 3, 2021 before the Court of Milan, Tecnimont instituted emergency precautionary proceedings. By decree dated August 5, 2021, the Court of Milan ordered Swiss Re *inaudita altera parte* (without prior hearing of the other party) not to pay the Guarantee. Following the various defense pleadings and related replies, with the parties having failed to reach the hypothesized settlement agreement, the Court, following on from that preliminarily decided at the hearing on February 23, 2022, issued a definitive order dated March 10, 2022, revoking the injunction previously granted in favor of Tecnimont. In a complaint pursuant to Articles 669-*terdecies* and 737-738 code of civil procedure, filed on March 25, 2022 before the Court of Milan, Tecnimont filed a complaint proceeding against the Revocation Order. Following the filing of defense briefs, the court, following on from that preliminarily decided at the hearing on April 27, 2022, definitively rejected Tecnimont's complaint.

By an application (i.e., "application for interim measures") filed on May 27, 2022, Tecnimont requested in the ICC arbitration proceedings described above, the issuance of a precautionary measure aimed at: (i) temporarily suspending the collection of the Guarantee, and (ii) ordering the transfer of an amount equal to the amount demanded under the Guarantee to an escrow account, to be released following the decision taken by the Arbitration Board at the outcome of the arbitration proceedings and, in the meantime, ordering the suspension of the enforcement of the Guarantee. By order dated May 27, 2022, the Arbitration Board ordered Total to refrain from collecting the Guarantee, assigning a deadline of June 3, 2022 for the filing of reply briefs. By order dated June 8, 2022, the Arbitration Board revoked the aforementioned order based on Total's commitment not to force payment from Swiss Re. Following the exchange of further briefs between the parties, the Arbitration Board, noting Total's commitments to hold the amounts paid under the guarantee in a dedicated bank account until the end of the Arbitration Proceedings and the issuance of a comfort letter by parent company TotalEnergies to guarantee the repayment of the aforementioned amount, rejected Tecnimont's request for precautionary measures.

National Petrochemical Industrial Company (NatPet)

NatPet, a national petrochemical company under Saudi law, has filed an arbitration proceeding against Tecnimont S.p.A. and Tecnimont Arabia Ltd. with the International Chamber of Commerce (ICC case No. 25791/AZR) by virtue of the arbitration clause contained in the Umbrella Agreement referred to in the contracts signed by NatPet with both companies in 2005 for the construction of a polypropylene plant located in Madinat, Yanbu Al-Sinaiyh in Saudi Arabia. The arbitration proceedings formally commenced on November 11, 2020 with notification by NatPet to Tecnimont S.p.A. and Tecnimont Arabia Ltd of a Request for Arbitration whereby NatPet initially asked the upcoming Arbitration Tribunal to order Tecnimont S.p.A. and Tecnimont Arabia Ltd to pay the sum of USD 350 million (later reduced to USD 80 million by means of the Terms of Reference dated October 6, 2021) as damages for the explosion at the plant allegedly caused by breach of contract and/or negligence. A silo valve was reportedly closed during polymer unloading operations, causing the polymer to explode. On February 2, 2021, Tecnimont filed an Answer to the Request for Arbitration with which it requested that the upcoming Arbitration Tribunal reject in full the claims made by NatPet both for lack of grounds and because the prescriptive period had expired, and that the Tribunal further order NatPet to pay costs, reserving the right to supplement its claims during the arbitration proceedings. Subsequent to the May 2021 Case Management Conference, the Arbitration Tribunal, once constituted, issued Procedural Order No. 1 which included the procedural schedule and stated that it would rule on two preliminary issues after a hearing to be held on October 5, 2021. These issues concerned the statute of limitations for NatPet's claims under the contracts, and the eventual settlement of those claims as a result of the Global Settlement Agreement entered into between the parties at the time of the issuance of the Final Acceptance of Plant Certificate. On November 15, 2021, the Arbitration Tribunal ruled on the statute of limitations, refusing to accept, on the one hand, that this period had expired for NatPet's claims under the contracts and rejecting, on the other, the notion that Tecnimont S.p.A. and Tecnimont Arabia Ltd could be held liable for any claims for compensation or damages accrued at the time of the Settlement Agreement. NatPet filed its Statement of Claim on December 22, 2021, while Tecnimont S.p.A. and Tecnimont Arabia Ltd will filed their Statement of Defense on April 12, 2022. According to the procedural schedule, a second exchange of briefs between the parties followed between August and November 2022, and hearings were held between April and May 2023. The award is not expected until the first half of 2024.

Rome Metro – Extension of line B1

The contract is currently under execution on behalf of Roma Metropolitane (Municipality of Rome) by a consortium comprising Salini-Impregilo S.p.A., Neosia S.p.A. (now merged into MST S.p.A.) and ICOP S.p.A. In relation to the contract for the Bologna – Conca d'Oro line, the test report was issued in February 2013. The acceptance certificate has also been issued for the additional Conca D'Oro extension. Both sections are in commercial operation. Legal proceedings to recognize the reservations required pursuant to Article 240 continue.

Fiumetorto Railway line doubling

Acquired in September 2005, the contract concerned the doubling of the rail line between Fiumetorto and Ogliastrillo and is under execution on behalf of Rete Ferroviaria Italiana S.p.A. On December 17, 2017 the entire line became operational and the work contracted was completed in 2019, in line with the final contractual extension granted by the client. Activities are underway to carry out technical/administrative testing of the contract and hand back some work to local authorities and Anas. On August 4, 2022 the Cefalù 20 Project Company went into liquidation. The proceedings against Rete Ferroviaria Italiana - RFI S.p.A. initiated before the ordinary court continued before the Court of Rome for recognition of the reserves recognized and the higher charges incurred in the execution of the contract. In 2022, the court-ordered technical expert opinion was completed. This explicitly and exclusively attributed to the client as many as eight prolongations of work which resulted in additional contractual deadline deferrals. As regards quantification, we note that Cefalù 20 claims costs incurred from the date of the first contract extension for the execution of the work, and thus seeks full compensation for all costs incurred until the completion of the work. The court-appointed expert expressed the need for documentary support for recognition of 100% of the costs. The Judge was therefore shown the financial data which, based on the financial statements of Cefalù 20 as a special purpose company, attested that at the date originally scheduled for completion of the work it had already spent the entire contractual fee. On November 14, 2022, the court stated that, at the current stage of the proceedings, “the criteria and all the details required for quantification have been provided” and set the hearing for the clarification of conclusions for March 28, 2023. The parties filed their closing statements and reply briefs and the Judge reserved the case for judgment.

LLC EuroChem North-West-2

This is an dispute administered by the International Chamber of Commerce (ICC Case 27195/ELU) between Tecnimont S.p.A. and LLC MT Russia (respectively “TCM” and “MTR”) and LLC EuroChem North-West-2 (“ENW2”). It relates to the performance of two contracts (Offshore EP and ONSHORE EPC) and a “Coordination and Interface Agreement” (jointly the “Contracts”) signed between the parties on June 1, 2020 for the construction of a 3.000 MTPD Ammonia Plant and a 4,000 MTPD Urea Plant (in addition to related ancillary infrastructure) located in Kingisepp, Leningrad Region (Russian Federation) (the “Project”). The Contracts originally provided for a price (on a Lump-Sum Turn-Key basis) of Euro 393,018,133 and USD 212,390,560 (for the Offshore portion) and USD 430,346,867 (for the Onshore portion), with an expected Project completion date of August 16, 2023. The execution of the Contracts has been significantly affected by several events attributable to the client ENW2, COVID-19 and the geopolitical situation of the Russia-Ukraine crisis and the resulting sanctions measures implemented by various international authorities (including the European Community) against Russian entities and subjects since late February 2022. In the face of the geopolitical crisis which has had a particularly profound impact on the purchase and transportation of equipment and materials needed to carry out the Project, TCM and MTR notified ENW2 in May 2022 that the respective Contracts would be suspended. On August 4, ENW2 served termination notice of the Contracts for alleged non-performance by TCM and MTR, effectively beginning arbitration proceedings to resolve the dispute. On August 15, 2022, TCM and MTR filed a Request for Arbitration with the ICC, in which TCM and MTR requested the constituting court of arbitration to, among other matters, recognize that ENW2's termination of the Contracts should actually be qualified as “convenience” and to order ENW2 to pay the provisional (minimum) amount of Euro 400,000,000 as contract price revision, termination compensation and other damages (including those resulting from ENW2's “repudiation” of the Contracts). On October 17, 2022, ENW2 filed its Answer to the Request and Counterclaim, requesting that TCM and MTR's claims be dismissed and making a counterclaim with a provisional value of approximately Euro 800 million. On December 16, 2022, TCM and MTR filed their Reply to Counterclaim. At the same time, on October 12, 2022, TCM and MTR also filed with the ICC a request for “joinder” to the arbitration proceedings of EuroChem AG (parent company of ENW2). ENW2 and EuroChem AG opposed this request on November 29, 2022. TCM and MTR filed their reply on December 19, 2022. On February 3, 2023, the ICC admitted EuroChem AG's “joinder” in the first instance, then referred the final decision on the matter to the Arbitration Tribunal. The Arbitration Tribunal was constituted on May 17, 2023 with the appointment of the Chairperson. On June 26, 2023, the Case Management Conference (CMC) was held, during which the parties discussed the issue of EuroChem Group AG's Joinder and the Arbitration Tribunal assigned deadlines for the Parties to file related written briefs. Tecnimont filed its brief on the above Joinder on July 21, 2023. In Procedural Order Number 1 dated August 23, 2023, the Arbitration Tribunal established the overall procedural timetable, defining the various deadlines for filing substantive pleas, fulfilling discovery tasks, and the date of the related hearing. By Procedural Order Number 2 dated September 26, 2023, the Arbitration Tribunal rejected Eurochem AG's request that the Jurisdictional Issues be decided on a preliminary basis. These issues will therefore be dealt with along with the merits of the dispute. On November 27, 2023, Tecnimont then filed its Memorial of Claim and related Exhibits and Expert Reports. In this, Tecnimont asked the Tribunal to, *inter alia*: (i) declare that there was no breach or default of the Contracts by Tecnimont and that the suspension of the Contracts was fully lawful in view of the geopolitical context and applicable sanction regulations; (ii) declare, accordingly, that the termination of Eurochem and the enforcement of the Guarantees were entirely unlawful; and, consequently, (iii) order Eurochem to pay full compensation for the damages suffered relating to the Project for a total amount provisionally quantified at no less than Euro 572 million, plus USD 41 million and RUB 124 million. Eurochem must file its Memorial of Defense and Counterclaim in May 2024. Issuing of the final award is not expected before 2026.

Sadara Chemical Company (Kingdom of Saudi Arabia)

This is an arbitration dispute administered by the International Chamber of Commerce (ICC Case 26963/AB) between Tecnimont S.p.A. and Tecnimont Arabia Company Limited (jointly, "Tecnimont") and Sadara Chemical Company ("Sadara"), pertaining to the performance of two contracts, an Out of Kingdom contract ("OOK Contract") and an In Kingdom contract ("IK Contract") signed on July 23, 2012 for the construction of a High Pressure Low Density Polyethylene Train Unit. Work concluded on February 14, 2017, 23 months behind the contract date as a result of events attributable to the developer Sadara, including delays in design and supply for which Sadara was responsible, and changes in the work. During the execution of the project, Tecnimont submitted its complaints to Sadara. These were discussed in several conciliation attempts between the Senior Executives of the parties, which did not lead to the settlement of the dispute. Following completion of the project, Tecnimont claimed compensation for additional project delays and costs, restitution of withholdings from the contract price, and payment of outstanding invoices for a total value of claims to date estimated at USD 75,636,628.71 plus interest from Mechanical Completion, which occurred on February 14, 2017. The current estimate of the latter figure is USD 20,234,811. On April 5, 2022, Tecnimont filed its Request for Arbitration before the ICC. On May 11, 2022, Sadara submitted its Answer by filing a counterclaim for USD 36,532,587.47. The parties subsequently agreed to suspend arbitration in an attempt to reach an amicable settlement through a mediation procedure. Mediation meetings were held in London on September 7 and 8, 2022, and did not lead to the settlement of the dispute. The Arbitration Tribunal was constituted on September 29, 2022. In an order dated December 3, 2022, the Arbitration Tribunal established the procedural schedule. Tecnimont submitted its Statement of Claim on January 30, 2023. On May 5, 2023, Sadara filed its Statement of Defense and Counterclaim. On June 16 and June 30, 2023, the parties' technical advisors submitted their reports. On October 12, 2023, the parties reached a settlement agreement, providing for the payment of USD 35,904,200.54 by Sadara. The parties consequently ended the arbitration proceedings.

Amistad, Wind Plant (Mexico)

This is an arbitration dispute administered by the International Chamber of Commerce between Met Newen México, S.A. de C.V. and Neosia Renewables S.p.A. (now merged into Tecnimont S.p.A.) and Kino Contractor, S.A. de C.V.m Parque Amistad II, S.A. de C.V. and Enel Green Power México, S. de R.L. de C.V. relating to the performance of the contract acquired in 2016. The project, concerning the construction of the Amistad wind park, one of the largest in the country with an installed capacity of 200 MW, comprises three parts: the execution of civil works, with the delivery of the park access roadway, the internal roadways, the foundations and the platforms for the installation of 57 turbines and the medium-tension underground network; execution of electromechanical works, with detailed design, supply, installation, testing and entry into service of 5 high-tension electricity lines, 2 power stations and 4 collateral electricity stations; execution of civil works for the first extension of the Amistad wind park, with the construction of the foundations and the platforms for an additional 29 turbines, of the internal park roadways and of the medium-tension aerial network. The work was completed behind the contractual date as a result of events attributable to the client; during the execution of the project, Met Newen México, S.A. de C.V. and Neosia Renewables S.p.A. filed claims for recognition of additional project costs. These were discussed in various attempts at conciliation by the parties, which did not result in settlement of the dispute. On September 20, 2022, Met Newen México, S.A. de C.V. and Neosia Renewables filed its Request for Arbitration before the ICC. On February 8, 2023, the Arbitration Tribunal composed of three members was constituted. On

March 7, 2023, the case management hearing was held to set the procedural schedule. The Terms of Reference containing the procedural schedule were signed on March 15, 2023. On June 28, 2023, Met Newen México, S.A. de C.V. filed its *Memorial de Demanda*. On October 25, 2023, the defendants filed the *Memorial de Contestacion y Reconvencion*. November 8, 2023 marked the beginning of the document production phase, which ended on January 24, 2024 with the production of documents ordered by the Arbitration Tribunal. Met Newen's reply brief is scheduled for March 25, 2024.

<u>Velesstroy Llc</u>

These are two proceedings before the Moscow Commercial Court taken by Vellestroy LLC (VLS) against MT Russia LLC (MTR), pursuant to the Subcontract Agreement entered into between the parties on December 31, 2021 as part of the EuroChem North-West-2 project for the construction of an Ammonium plant and a Urea plant (as well as related ancillary infrastructure), located in Kingisepp, Leningrad Region (Russian Federation). The execution of the Contract with EuroChem North-West-2 was greatly affected by several impactful events attributable to the client ENW2, as well as the geopolitical situation stemming from the Russia-Ukraine crisis and the resulting sanctions implemented by various international authorities, so that Tecnimont S.p.A. and MT Russia notified ENW2 of the suspension of the Contracts. In this regard, Vellestroy LLC in the first proceedings brought demanded payment for services performed under the Subcontract Agreement totaling approx. RUB 2.2 billion. In the second proceedings brought by Velesstroy on March 9, VLS is claiming the alleged damages arising from the termination of the Subcontract (including recovery for costs) in the amount of approximately RUB 4 billion; the amount claimed includes (i) indirect costs to which VLS considers it is entitled under the Contract and which it was unable to charge MTR due to the suspension of the Subcontract; and (ii) other costs that VLS incurred due to MTR's alleged breach of the Subcontract (i.e., damages). The next hearings for both proceedings are scheduled for the end of August; in the meantime, VLS has also filed motions for protective measures in the form of injunctions on MT Russia's current accounts, that were accepted as a precautionary measure by the court in July.

On March 17, 2023, Tecnimont S.p.A. and LLC MT Russia, on the other hand, instituted against LLC Velesstroy ("VLS") arbitration proceeding ICC No. 27660/ELU, based on the arbitration clause contained in the Cooperation Agreement concluded between Tecnimont S.p.A. and LLC MT Russia, on the one hand, and VLS on the other hand on December 13, 2021. The Cooperation Agreement is governed by English law and the arbitration is based in London; the Cooperation Agreement is in the context of the EuroChem North-West-2 Project, and through this contract the Parties have established the scope of work under their responsibility in the Project and agreed on mutual obligations to cooperate in the execution of this work.

The arbitration formally commenced on March 17, 2023 through the service on VLS of a Request for Arbitration in which Tecnimont/LLC MT Russia requested the constituting Arbitration Tribunal to declare VLS's breach of its cooperation obligations arising from the Cooperation Agreement and accordingly order VLS to pay approximately Euro 25 million in damages. On June 1, 2023, VLS filed its Answer to the Request for Arbitration in which it requested the constituting Arbitration Tribunal to reject the claims made in their entirety. On June 22, Tecnimont and LLC MT Russia filed a Request for Joinder against the beneficial owner of VLS in order that the constituting Arbitration Tribunal declare it jointly and severally liable with VLS to pay the above amounts. By Application for Emergency Measures filed on July 13, 2023, Tecnimont and LLC MT Russia also requested the appointed Emergency Arbitrator to order that VLS (i) abandon the proceedings instituted against LLC MT Russia before the Russian courts in violation of the "no-claim principle" established by the Cooperation Agreement and (ii) waive the precautionary measures issued in the context of these proceedings. Subsequently, the English judge ordered VLS to abandon all proceedings initiated in Russia, as well as to release all restrictions on LLC MT Russia's accounts. By Order on the Application for Emergency Measures dated July 29, 2023, the Emergency Arbitrator granted Tecnimont and LLC MT Russia's Application for Emergency Measures. On July 28, 2023, Filipovich Kreshimir filed his Answer to the Request for Joinder. On September 1, 2023, the Arbitration Tribunal granted Tecnimont and LLC MT Russia's Request for Joinder. On September 14, 2023, following VLS's violation of the Order on the Application for Emergency Measures dated July 29, 2023, Tecnimont and LLC MT Russia then filed a second Application for Emergency Measures.

To prevent the matter continuing in the judicial and arbitration forums, the Parties signed a satisfactory agreement that, among other matters, brought to an end the arbitration proceedings and the two proceedings before the Moscow Commercial Court.

ACC Lahoud (ALJV) (United Arab Emirates)

Please refer to the 2022 Annual Report for a detailed description of the dispute. Following the issue of the award on April 28, 2023, on May 24, 2023, Tecnimont submitted an application for correction of the award, requesting that certain computational errors be corrected. Subsequently, the parties on June 5 submitted their statement of cost. The court's final decision came on July 14, 2023, and was not satisfactory to Tecnimont. Following the issuance of the Award, in order to avoid the continuation of the matter in the courts, and in view of the mutual interest in participating in upcoming projects in the area, the Parties signed a satisfactory agreement that also takes into account and prefers future commercial and industrial relations.

Covestro NV (Belgium)

On January 13, 2022, Tecnimont S.p.A. and Covestro NV signed an EPC contract for the construction of an aniline production plant at Covestro's site in Antwerp, for a payment of Euro 254,762,666. The work was affected by several events outside Tecnimont's responsibility, such as the sudden and significant increase in materials and labor prices, in addition to action by the client Covestro, including the imposition of overly stringent requirements regarding the use of subcontractors. These events led to additional costs and a delay in the execution of the work. On the basis of these events, Tecnimont issued a number of iterations of a claim, most recently requesting an additional payment of Euro 183,193,706 and an 11.3 month extension of the completion deadline. Covestro has been consistently and unreasonably opposed to discussing Tecnimont's claims, and Tecnimont has been forced to begin litigation before the Antwerp judicial system. On November 17, 2023, Tecnimont filed a writ of summons against Covestro, requesting as a preliminary measure that a court-appointed technical expert be appointed to establish the damages suffered by Tecnimont, and requesting the payment of Euro 183,193,706 in addition to a 339 day extension of the project completion deadline. Engineering is 96.2% complete, with material procurement at 68.0%, while construction is 21.1% complete. The total advancement of the project is 52.8%. Mechanical completion is scheduled for June 2025. The parties are currently exchanging briefs regarding the appointment of the court-appointed technical expert, and a hearing is scheduled for the second half of May 2024.

On January 10, 2024, unexpectedly and contrary to that stated in the Contract, during the execution of the excavation work and subsequent disposal of soil by the subcontractor, the presence of PFAS contamination was discovered in the soil at levels higher than the legal limits in Belgium. A further notification was received by Tecnimont on January 17, 2024 from the subcontractor after further analysis performed to evaluate the initial result, which was confirmed.

Tecnimont informed Covestro immediately after the subcontractor was notified and asked for guidance from the Client on how to proceed and therefore, given the safety issues, Tecnimont then suspended some of the works.

Numerous letters were subsequently exchanged between Tecnimont and Covestro, whereby Tecnimont insisted on clarity on the matter and measures to be taken. Covestro ignored these requests and simply continued to insist that Tecnimont continue all work, or at least that which was not related to the excavation work. Subsequently, Covestro began denying Tecnimont opportunities for further investigation and did not allow Tecnimont experts access to the site.

As stated above, the PFAS issue and the suspension of work by Tecnimont led the parties to open proceedings before the President of the Commercial Court of Antwerp, initiated on January 30, 2024, in which Covestro asked the President to order Tecnimont to resume work. The February 16 decision of the President of the Antwerp Commercial Court reopened the debate on the following matters: a (proposed) roadmap, preferably drawn up by mutual agreement and in consultation with the third parties involved; the need to appoint a descriptive judicial expert.

At the next hearing on February 23, 2024, the parties provided an update to the President. Pending the proposed plan of action from Covestro's expert, the parties agreed to postpone the case to March 8, 2024.

GEMLIK GUBRE (Turkey)

In March 2020, Tecnimont S.p.A. signed an EPC contract with GEMLİK GÜBRE SANAYİİ ANONİM ŞİRKETİ relating to the construction of a new urea plant and a UAN (urea and ammonia nitrate solution) plant in Gemlik, 125 km south of Istanbul in Turkey. The scope of works concerns the execution of engineering, the supply of all equipment and materials and the construction works. Home Office Services (Detail Engineering-Procurement services - Subcontracting Services) work is 100% complete, manufacturing and materials delivery are 100% complete, while construction is 87.0% complete. The total advancement of the project is 95%. As of December 9, 2023, work on the site has been temporarily suspended for safety reasons. This follows a gas leak during startup of the neighboring, client-owned plant, which saw personnel at our Construction Subcontractor hospitalized. In the absence of guarantees from the client - which to date have not been forthcoming - on December 23, 2023, Tecnimont demobilized the Subcontractors' personnel, leaving only personnel necessary to maintain the installed equipment and the safety of the plant. For a number of reasons, including the market situation and the geopolitical crisis, negotiations continue with the client in order to agree an extension of the project completion time. The Parties held several mutual consultation meetings without success and on February 1, 2024, Tecnimont submitted its Request for Arbitration before the International Chamber of Commerce (ICC).

TAX DISPUTES

Maire Tecnimont Group Tax disputes concern outstanding tax proceedings relating to ordinary operations of Group companies. A summary of the main positions at December 31, 2023 according to currently available information is presented below.

TECNIMONT S.p.A.: audit for 2014, 2015 and 2016 of direct taxes, IRAP, VAT and withholding tax

On December 6, 2018, following the general audit of direct taxes, IRAP, VAT and withholding tax by the Tax Agency's Lombardy Region Directorate, in reference to the tax periods of 2015 and 2016 (extended to 2014 for the sole purpose of checking the correctness of the normal value of transactions with the subsidiary Tecnimont Private Limited), the company received a Tax Assessment (PVC) indicating the following findings:

recovery of taxes regarding the costs for the acquisition of engineering services by the subsidiary Tecnimont Private Limited in the financial years 2014, 2015 and 2016 (totaling Euro 18,827,000), deemed in excess of the fair value;

alleged higher interest income of Euro 1,085,000 in relation to the loan granted to Tecnimont Arabia Limited.

The company had previously prepared the documentation required by Article 1, Paragraph 2-ter, of Legislative Decree No.471/97 and the Tax Agency Director's Provision of September 29, 2010. This documentation, submitted during the audit, was deemed (i) to be adequate for demonstrating that the applied transfer prices were consistent with the fair value, and (ii) to be valid for the purposes of the beneficial regime for the waiving of penalties under Article 1, Paragraph 2-ter, of Legislative Decree No. 471/97.

In October 2019, the Large Taxpayers Office of the Tax Agency's Lombardy Regional Directorate notified the company of separate assessment notices for IRES corporate income tax (No. TMB0E3M00491/2019) purposes, notifying also Maire Tecnimont SpA in this regard as a consolidating and jointly liable party, and IRAP regional tax (No. TMB0C3M00492/2019) for the 2014 tax period. The Tax Agency essentially confirmed the findings of the tax audit report, calling for Euro 1,015 thousand in terms of IRES and Euro 138 thousand in terms of IRAP, plus interest.

On May 21, 2021, the Tax Agency's Lombardy Regional Directorate notified the Company of a single IRES assessment notice for corporate income tax purposes (No. TMB0E3M00055/2020), notifying also Maire Tecnimont S.p.A. in this regard as a consolidating and jointly liable party, and IRAP regional tax (No. TMB0C3M00056/2020) for the 2015 tax period. The Tax Agency essentially confirmed the findings of the tax audit report, calling for Euro 1,781 thousand in terms of IRES and Euro 235 thousand in terms of IRAP, plus interest (citing the same justifications as those presented for 2014).

On July 29, 2021, the Tax Agency's Lombardy Regional Directorate notified the Company of separate assessment notices for IRES corporate income tax purposes (No. TMB0E3M00596/2020), notifying also Maire Tecnimont S.p.A. in this regard as a consolidating and jointly liable party, and IRAP regional tax (No. TMB0C3M00597/2020) for the 2016 tax period. The Tax Agency confirmed the findings of the tax audit report, calling for Euro 2,716 thousand in terms of IRES and Euro 360 thousand in terms of IRAP, plus interest (citing the same justifications as those presented for 2014 and 2015).

Tecnimont SpA and Maire Tecnimont SpA (as the IRES consolidating party), considering that the objections formulated by the Tax Agency in the previous assessments for the 2014, 2015 and 2016 periods, supported by a prominent law firm, were unfounded, filed a timely appeal against the assessment notices (pending consideration before the Milan Provincial Tax Commission).

It should also be noted that the company filed an application for a Mutual Agreement Procedure as per Article 26 of the Convention between the Government of the Republic of Italy and the Government of the Republic of India. Through this application, Tecnimont S.p.A. intends to seek action by the Office for the Resolution and Prevention of International Disputes to eliminate the double taxation caused by the adjustment applied by the Revenue Agency in the assessment notices for 2014, 2015 and 2016. Following this application, which was declared admissible by the Office for the Resolution and Prevention of International Disputes, the Milan Provincial Tax Commission ordered the suspension of the judgments for fiscal years 2014, 2015 and 2016.

Furthermore, in order to avoid further similar disputes on the correct transfer pricing methodology to be used in transactions with the subsidiary Tecnimont Private Limited, on December 31, 2019, the company submitted an application to the Office for the Resolution and Prevention of International Disputes of the Tax Agency to request the commencement of the bilateral preventive agreement procedure pursuant to Article 31-ter of Presidential Decree No. 600/1973 and Article 26 of the Convention between the Government of the Republic of Italy and the Government of the Republic of India. An analogous request was submitted by Tecnimont Private Limited to the corresponding Indian APA Office.

TECNIMONT S.p.A.: audit for 2017 of direct taxes and IRAP

On December 28, 2023, following the tax audit on direct taxes and IRAP conducted by the Lombardy division of the Tax Agency for the 2017 tax period, the Company was notified of a tax assessment pursuant to Legislative Decree No. 218/97, for IRES (No. TMBI11D00712/2023, also communicated to Maire Tecnimont S.p.A. as consolidating company and jointly and severally liable) and IRAP (No. TMBI11D00713/2023) for the tax period 2017.

With these acts, the Tax Agency invited the Companies to present an opposition and begin the assessment procedure regarding the recovery for taxation of costs related to the purchase of engineering services from the subsidiary Tecnimont Private Limited in fiscal year 2017 for a total of Euro 4,312 thousand, considered to be in excess of the normal value, ascertaining higher IRES in the amount of Euro 1,035 thousand and higher IRAP in the amount of Euro 168 thousand, plus interest. The assessment relates to cases that are similar to those previously disputed in fiscal years 2014, 2015 and 2016.

The company had previously prepared the documentation required by Article 1, Paragraph 2-ter, of Legislative Decree No.471/97 and the Tax Agency Director's Provision of September 29, 2010. This documentation was deemed (i) to be adequate for demonstrating that the applied transfer prices were consistent with the fair value, and (ii) to be valid for the purposes of the beneficial regime for the waiving of penalties under Article 1, Paragraph 2-ter, of Legislative Decree No. 471/97.

Tecnimont S.p.A. and Maire Tecnimont S.p.A. (as the IRES consolidating company) presented their opposition to the Lombardy office of the Tax Agency, during which they declared that the objections offered by the Agency were not acceptable and unfounded. Supported by leading law firm, they also pointed out that the documents served were completely unfounded from a technical point of view and compromised by certain calculation errors. The opposition process with the Tax Agency is still ongoing.

Ingeniería y Construcción Tecnimont Chile y Compañía Limitada: tax audit related to fiscal years 2011, 2012, 2013 and 2014

In May 2013 Ingeniería y Construcción Tecnimont Chile y Compañía Limitada ("Tecnimont Chile") was notified of an application by the Chilean tax authorities regarding tax findings and claims. In particular, the calculation of the 2011 tax result was contested, rejecting the tax losses accumulated (approx. CLP 78 billion) and claiming taxes for a total of approx. CLP 4.9 billion. Tecnimont Chile promptly requested nullification of the claim as illegitimate and unfounded, providing fresh and extensive documentation not previously considered by the Chilean Tax Agency.

On the basis of this documentation provided, on August 8, 2013 the Chilean Tax Agency partially nullified the act, acknowledging the validity of part of the tax loss, while also almost entirely cancelling all payment demands for increased taxes and interest previously notified to the company.

Tecnimont Chile continued to appeal in support of the correctness of its conduct and, backed by a leading legal firm, proposed an appeal against the first level unfavorable decision of November 20, 2017.

In its judgement on January 17, 2019, the Court of Appeal of Santiago accepted all the requests made by the company. Against this decision, the Tax Agency appealed to the Court of Cassation on February 4, 2019 (awaiting consideration).

The Chilean Finance agency in addition issued additional acts containing challenges from the years 2012, 2013 and 2014, mainly relating to the non-recognition of the losses carried forward for 2011. Tecnimont Chile requested on time cancellation of the assessments as considering them unlawful and unfounded:

demonstrating the correctness of its conduct and supported by a leading legal firm, the company challenged the assessments (still awaiting hearing).

17. Corporate Governance and Ownership Structure Report

In accordance with the regulatory obligations of Article 123-bis of the CFA, the "Corporate Governance and Ownership Structure Report" is drawn up annually and contains a general outline of the Corporate Governance System adopted by the company and information upon the ownership structure, including the main governance practices applied and the features of the risk management and internal control system with regards to financial disclosure.

This report is available on the company website www.mairetecnimont.it, in the "Governance" section.

18. Treasury shares and shares of the parent company

On June 21, 2023, Maire Tecnimont S.p.A. launched the treasury share buyback program as per Article 5 of Regulation (EU) No. 596/2014 (the "MAR"), in service of the Maire Tecnimont share-based remuneration and incentive plans adopted by the Company and specifically to service the Third Cycle (2022) of the "2020-2022 General Share Plan for Maire Tecnimont Group employees" adopted by the Company.

As part of the share buy-back program, between June 21, 2023 and July 7, 2023 inclusive, 1,100,000 treasury shares were acquired (corresponding to 0.335% of the total number of ordinary shares), at an average weighted price of Euro 3.476, for a total amount of Euro 3,824,103, and the program was therefore completed.

In light of the purchases made and the treasury shares already held in portfolio before the start of the Program, on the completion of the buy-back program on July 7, 2023, the Company held a total of 1,209,297 treasury shares.

Subsequently, 1,086,211 shares were delivered to the beneficiaries of the Third Cycle (2022) of the "2020-2022 General Share Plan".

As of December 31, 2023, the Company, by virtue of the remaining treasury shares from the previous year, the new purchases in 2023 and related deliveries, thus holds a residual 123,086 treasury shares to be used for the next cycle of the long-term general share plan.

19. Going Concern

Based on the results achieved, the Group and the Company consider the going concern principle appropriate for the preparation of the annual report at December 31, 2023. See also the "Key Events in the year" and the "Subsequent events and outlook" paragraphs of the Directors' Report.

20. Subsequent events and outlook

NEXTCHEM TO DEVELOP THE NEW "E-FACTORY FOR CARBON-NEUTRAL CHEMISTRY" USING ITS OWN TECHNOLOGIES AND EXPERTISE, SUPPORTED BY THE AGREEMENT SIGNED WITH NEWCLEO TO SECURE THEIR IV-GENERATION SMALL MODULAR REACTOR (SMR) ON AN EXCLUSIVE BASIS FOR THE CHEMICAL SECTOR

On January 10, 2024, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions business unit), through its subsidiary NextChem Tech, leveraging its expertise in chemistry and electrochemistry, has launched a new model of the "e-Factory for carbon-neutral chemistry." The initiative is supported by the signature of a cooperation agreement with newcleo for the development, on an exclusive basis, of a conceptual study to produce carbon-neutral hydrogen using innovative, clean and safe nuclear technology.

Tecnimont (Integrated E&C Solutions BU) will provide high-level consulting services for newcleo's project to build a power generation plant based on newcleo's LFR-AS- 200 technology, a Small Modular Lead-cooled Fast Reactor that uses MOX fuel. The project will make use of Tecnimont's state-of-the-art modular approach to optimize construction and planning methodology, reducing time and cost.

This will enable the production of hydrogen from electrolysis and sustainable chemicals, including carbon-neutral ammonia, methanol, e-fuel and derivatives, in line with the European Union's recent decision to include innovative Gen-IV nuclear technology, such as newcleo, in the EU taxonomy of environmentally sustainable economic activities.

NEXTCHEM (MAIRE) SELECTED UNDER EU INNOVATION FUND FOR GRANT AGREEMENT THANKS TO ITS CHEMICAL RECYCLING TECHNOLOGY

On January 15, 2024, MAIRE announced a new milestone for NEXTCHEM (Sustainable Technology Solutions business unit): MyRemono, NextChem Tech's subsidiary working in plastics depolymerization, was pre-selected for the preparatory phase of the grant agreement "Innovation Fund 3rd call for Small Scale projects."

The Innovation Fund is one of the world's largest funding programs for the implementation of innovative clean technology projects. The project selected concerns the industrial scale-up of MyRemono's modular NXRe PMMA technology, which will be based on the implementation of a unique plant with a processing capacity of up to about 5,000 tons per year.

Developed in conjunction with Biorenova, this is a state-of-the-art plastic depolymerization technology which, using a continuous chemical recycling process, recovers extremely pure monomers (building blocks of the plastic value chain) from selected plastic waste, particularly polymethyl methacrylate (PMMA or Plexiglas). The project seeks to increase the EU’s PMMA waste and scrap recycling rate and reduce dependence on fossil raw materials in the production of these intermediates, embracing a fully circular model.

TECNIMONT AWARDED FRONT-END-ENGINEERING DESIGN FOR GREEN AMMONIA PLANT IN NORWAY

On January 17, 2024, MAIRE announced that Tecnimont (Integrated E&C Solutions Business Unit) had been awarded a FEED contract by Fortescue, an international company operating in green technologies, energy and metals, for a green ammonia plant to be built in Nordgulen Fjord, Norway.

The scope of work includes the design of the integration of electrolyzers, the air separation unit for nitrogen production, the ammonia production plant, and ship storage and loading facilities. The agreement will also see Tecnimont submit a proposal for the engineering, procurement and construction phase of the building of the plant.

The plant will produce green ammonia from electrolyzers that will use hydroelectric power to produce hydrogen. Unlike other renewable energy sources such as wind and solar, hydropower remains stable over time, greatly simplifying plant setup, operation and efficiency.

The project seeks to commercialize the green ammonia produced on domestic and European markets, contributing to the decarbonization of hard-to-abate industries. These objectives are in line with Norwegian and European ambitions to accelerate the green energy market.

NEXTCHEM SIGNS AGREEMENT TO USE INERT GRANULATE FROM WASTE-TO-CHEMICAL PROCESS TO DECARBONIZE CEMENT PRODUCTION

On January 23, 2024, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions), through its subsidiary MyRechemical, a leader in waste-to-chemical technology solutions, and Colacem, a major Italian cement producer, had signed a memorandum of understanding to exploit the inert granulate created by the waste-to-chemical process, reusing it to produce cement. The agreement will apply to all of MyRechemical's Italy-based initiatives in the area of chemical conversion from waste.

Research conducted by the University of Modena and Reggio Emilia, supported by laboratory tests carried out by Colacem, has confirmed that the inert granulate from the waste-to-chemical process can be effectively reused as raw material in cement production.

The agreement will see MyRechemical supply Colacem with inert granulate from its waste-to-chemical process, maximizing material recovery and minimizing its own disposal to landfill. MyRechemical will thus be able to achieve a conversion rate of approx. 95% of treated waste, reducing the amount of remaining waste to be landfilled to 5%, well below the EU's 10% target for 2035. Colacem, in turn, will contribute to decarbonizing its industrial process through the use of a circular material, in line with its sustainability plan.

NEXTCHEM AWARDED LICENSING AND ENGINEERING STUDY BY PAUL WURTH FOR NX CPO TECHNOLOGY, TO BE APPLIED TO NORSK'S FIRST INDUSTRIAL-SCALE E-FUEL PLANTS IN NORWAY

On January 30, 2024, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions), through its subsidiary NextChem Tech, had signed a contract with Paul Wurth S.A., an SMS Group company ("Paul Wurth"), and Norsk e-Fuel AS ("Norsk e-Fuel") for a licensing and engineering package related to the NX CPO technology, to be used in the first industrial-scale plant capable of producing SAF from green hydrogen and carbon dioxide (CO2) in Mosjøen, Norway. This will be the first plant developed by the Norwegian enterprise Norsk e-Fuel AS, a project development company backed by a Group of shareholders, including Paul Wurth.

NextChem Tech will apply its proprietary NX CPO1 technology, an innovative and advanced process to produce synthesis gas through controlled partial oxidation through very rapid reactions. Applied in the production of synthetic fuels, this versatile technology helps improve the efficiency of carbon recovery.

The first plant developed by Norsk e-Fuel will have a production capacity of 40,000 tons per year (Tpa) of synthetic fuels, and will begin operation after 2026. Two more plant, each with a capacity of approx. 80,000 Tpa, are scheduled to be built by 2030, based on the initial design. The objective is to effectively reduce current flight emissions by harnessing cutting-edge technologies to produce synthetic aviation fuels.

NEXTCHEM AWARDED LICENSING AND PROPRIETARY EQUIPMENT SUPPLY CONTRACTS BY JIANGSU HUACHANG CHEMICAL CO. IN CHINA FOR AN "ULTRA-LOW ENERGY" UREA PLANT

On February 1, 2024, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions), through its subsidiary Stamicarbon, a nitrogen technology licensor, had been awarded the licensing and proprietary equipment supply contracts by Jiangsu Huachang Chemical Co. for an "Ultra- Low Energy" urea plant in China. The plant will be located in Zhangjiagang (Jiangsu Province) and will have a capacity of 1,860 tons per day, using Stamicarbon's Ultra-Low Energy (ULE) design.

Proprietary ULE technology allows heat supplied as high-pressure steam to be used three times as opposed to twice. This heat recovery scheme leads to a 35% reduction in steam consumption and 16% reduction in cooling water compared to the traditional CO_2 stripping process. With two plants currently in operation, the Ultra-Low Energy solution is bringing unprecedented energy savings to the market. This is a result of Stamicarbon's continued commitment to innovation and excellence in urea fertilizer technology.

Jiangsu Huachang (Group) Co. Ltd. is a listed chemical company active in fertilizer production.

TECNIMONT AWARDED A BASIC ENGINEERING DESIGN STUDY FOR AN INTEGRATED HYDROGEN AND GREEN AMMONIA PLANT IN PORTUGAL

On February 5, 2024, MAIRE announced that Tecnimont (Integrated E&C Solutions) had been awarded a FEED by MadoquaPower2X to develop an integrated hydrogen and green ammonia plant in the industrial zone of Sines, Portugal. MadoquaPower2x is a consortium comprising Madoqua Renewables, Power2X, and Copenhagen Infrastructure Partners (CIP) through its Energy Transition Fund.

The project involves producing green hydrogen through the combined technology of alkaline electrolyzer hydrolysis and green ammonia production using the Haber-Bosch process. The green ammonia will be transported by pipeline to the port of Sines and loaded for export and/or used as maritime fuel.

The scope of Tecnimont's work includes the design of the integration of the electrolyzer, the air separation unit for nitrogen production, the ammonia production plant, and the ship storage and loading facilities. The agreement will also see Tecnimont submit an EPC proposal for plant construction activities. The Final Notice to Proceed is expected by March 22, 2024.

This follows the PRE-FEED awarded to NextChem Tech, MAIRE's sustainable technology solutions subsidiary, and is further evidence of the synergies and cross-fertilization underlying MAIRE's positioning as a leader in offering integrated E&C and technology solutions.

Tecnimont will provide its EPC expertise, leveraging NextChem Tech's technological skills in hydrogen production and storage.

MadoquaPower2X will use renewable energy generated by solar and wind plant being developed in Portugal, providing up to 500 MW of electrolytic capacity to produce up to 1,200 tons of green ammonia per day. This will be the first plant in Sines, the largest industrial and logistics hub on the Iberian Peninsula, to produce clean energy on an industrial scale and according to the highest environmental and safety standards. The project seeks to create an energy export value chain between the port of Sines and the Northwest European hub.

NEXTCHEM AND ENGIE COOPERATE IN DEVELOPING ADVANCED BIOMETHANE TECHNOLOGY TO PRODUCE SYNTHETIC METHANE FROM DRY WASTE BIOMASS

On February 6, 2024, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions), through its subsidiary NextChem Tech, and ENGIE will collaborate in developing and selling an advanced biomethane technology designed to produce synthetic methane from dry waste biomass. Under the terms of the agreement, NextChem Tech will act as a strategic partner and co-developer to optimize, integrate, develop and commercialize this advanced process using NEXTCHEM and ENGIE's proprietary technologies. Once industrialized through the Salamandre project in Le Havre, France, NextChem Tech will act as a global licensee of the integrated package on an exclusive basis. This collaboration reflects NextChem Tech and ENGIE's commitment to the transition to a zero-emissions industry which reduces energy consumption and offers more sustainable solutions through a circular approach.

KT AWARDED €123 MILLION CONTRACT FROM ENI FOR A HYDROGEN PRODUCTION UNIT AS PART OF THE LIVORNO PLANT'S CONVERSION TO BIOREFINERY

On February 21, 2024, MAIRE announced that its subsidiary KT - Kinetics Technology (Integrated E&C Solutions) had been awarded an EPC contract by Eni to build a hydrogen production plant at the latter's refinery in Livorno. The total value of the contract is approximately Euro 123 million and the project is scheduled to be completed in 2026.

The plant, which will be designed and built by KT, will process natural gas and biogenic feedstocks, including food waste such as cooking oils and animal fats, in addition to residues from the agribusiness industry, to produce hydrogen to in turn create biofuels for mobility. The plant was also designed so that a residual CO_2 capture unit could be implemented at a later stage.

The construction of the new unit is part of ENI's plan to convert its Livorno plant into a biorefinery.

This award confirms MAIRE's role as a provider of innovative technologies and integrated engineering services, contributing to the decarbonization of transportation through increased biofuel production.

NEXTCHEM (MAIRE) ACQUIRES HYDEP AND DRAGONI GROUP, EXPANDING ITS ELECTROCHEMISTRY EXPERTISE TO DEVELOP ITS ELECTROLYSIS TECHNOLOGY

On February 21, 2024, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions), through its subsidiary NextChem Tech, had signed a binding agreement to acquire 80% of HyDEP S.r.l. and 100% of Dragoni Group S.r.l.

Both based in Italy, HyDEP and Dragoni Group are reputable engineering services companies operating in the mechanical and electrochemical sectors, boasting strong expertise in process design and more than 20 years' experience in green hydrogen, including patents. The services they offer range from mechanical and process design to validation, prototyping and certification. Management of the companies will be retained by Mario and Matteo Dragoni, founders and current shareholders of both entities, and they will continue to operate independently in their respective markets.

The purchase price of the two shareholdings is approx. Euro 3.6 million. The agreement also provides for an earnout clause based on the achievement of technical targets within 30 months of closing, in addition to put and call options on the remaining 20% share of HyDEP, exercisable within 36 months of closing.

Closing is subject to certain conditions precedent that are standard for this type of transaction, and is expected to occur in Q2 2024.

This acquisition constitutes an important step in further strengthening NextChem's green hydrogen capabilities, paving the way for the development of our value proposition in electrolysis technology. HyDEP's process expertise will provide strong support for the development of innovative ammonia and methanol production solutions with a low carbon footprint.

NEXTCHEM (MAIRE) WINS CONTRACT TO LICENSE AND SUPPLY EQUIPMENT BASED ON ITS PROPRIETARY TECHNOLOGY FOR A NEW UREA PLANT IN EGYPT

On February 26, 2024, MAIRE announced that NEXTCHEM (Sustainable Technology Solutions), through its nitrogen technology licensor Stamicarbon, has been awarded a license and equipment supply contract for a state-of-the-art urea synthesis and granulation plant in Egypt on behalf of the El-Nasr Company for Intermediate Chemicals (NCIC). The plant will have a production capacity of 1,050 metric tons per day of urea and will be located in an area 100 km southeast of Cairo.

The Stamicarbon technology selected by NCIC plays a key role for the urea synthesis and granulation plant, especially in terms of process optimization, operational safety, increased yield and minimized energy consumption. NCIC is a major player in Egypt's chemical and fertilizer industry, which has adopted cutting-edge nitrogen technologies that can ensure superior product quality.

This achievement testifies to the reliability of the value proposition in offering nitrogen-based technology solutions worldwide, thus consolidating our market leadership in licensing urea technology in Africa.

NEXTCHEM (MAIRE) STRENGTHENS INNOVATIVE PATENT PORTFOLIO THROUGH THE ACQUISITION OF GERMANY'S GASCONTEC, EXPANDING ITS EXPERTISE IN HYDROGEN, AMMONIA, AND LOW-CARBON METHANOL

on March 4, 2024 MAIRE announced that NEXTCHEM (Sustainable Technology Solutions), had signed a binding agreement to acquire 100% of GasConTec Gmbh (GCT), an innovative company specializing in technology development and process engineering. GCT was founded in 2017 and is based in Bad Homburg, Germany.

GCT has more than 80 patents and significant know-how in the synthesis of low carbon footprint products such as hydrogen, ammonia, methanol, olefins, gasoline and integrated methanol/ammonia processes. In particular, the company's portfolio includes Autothermal Reforming (ATR), a proven technology to produce low-carbon hydrogen with very high rates of CO2 capture. The advantages of this technology stem from the high hydrogen yields with minimization of external energy requirements, ensuring efficiency and convenience especially in large-scale plants.

GCT is also well recognized in the industry for its process engineering expertise. The company can rely on an industrial-scale demonstration plant for high-pressure partial oxidation, located in Germany, which is a global benchmark for the industry.

GCT's singular technologies will complement NEXTCHEM's offerings in key segments, supporting the growth and strengthening of MAIRE's value proposition in industrial solutions for the energy transition, and expanding the customer base.

The agreement provides for a total consideration of Euro 30 million: i) Euro 15 million to be paid within 2 years from closing upon achievement of specific milestones; ii) earnouts of up to Euro 15 million based on the signing and performance of certain license agreements related to GCT technologies within 7 years from closing.

Closing is subject to certain conditions precedent that are standard for this type of transaction, and is expected to occur in Q2 2024.

This acquisition marks an important step in further strengthening NEXTCHEM's portfolio with distinctive low-carbon technologies. GCT's process engineering know-how and expertise will strongly support the development of innovative processes for the production of low-carbon footprint chemicals, further strengthening MAIRE's strategic positioning as an industrial facilitator of the energy transition.

OUTLOOK

GUIDANCE 2024

	Sustainable Technology Solutions	Integrated E&C Solutions	Group
Revenues	€340 – 360 m	€5.4 – 5,7bn	**€5.7 - 6,1bn**
EBITDA	€75 – 90 m	€285 – 315 m	**€360 - 405 m**
Investments	€110 – 120 m	€30 – 50 m	**€140 - 170 m**
Adjusted Net Liquidity			**Increasing on December 31, 2023**

The execution of the current backlog will support strong revenue growth in 2024, thanks to the projects advancing towards the construction phase and the initial contribution of the engineering and procurement activities on the Hail and Ghasha project. Revenues in 2024 are expected to reach the level predicted for 2028 in the 2023-2032 Strategic Plan. Profitability will benefit from the contribution of higher added value innovative technological solutions and services, in addition to the startup of higher margin projects.

Investments will focus on expanding the technology portfolio to support the energy transition, also through selected M&A's, such as those recently announced of HyDEP and GasConTec, and on digital innovation.

Even considering the increased capex and the proposed dividend distribution, adjusted net liquidity is expected to increase on the end of 2023.

2024-2033 STRATEGIC PLAN

The Board of Directors on March 5 in addition approved the 2024-2033 Strategic Plan which, in line with the strategic approach and the new organizational model launched last year, was presented by MAIRE.

The global energy market features major investment plans focused on addressing the challenges of energy security and climate change. In the transition to a low-carbon system, strong growth in clean energy investments is expected on the one hand, alongside the increasing adoption of solutions to decarbonize existing and new downstream assets. The roll-out of such far-reaching investment plans requires validated and effective technologies, combined with the ability to execute projects of increasing size. The Group's positioning, which integrates technological leadership with executive excellence, is a source of competitive advantage in this complex and rapidly changing environment.

The Sustainable Technology Solutions business unit will continue to leverage its expertise in process engineering to complement its proprietary technologies, supporting customers with comprehensive and effective end-to-end solutions in the areas of fertilizer, hydrogen and circular chemicals and fuels, and sustainable polymers, key segments in decarbonizing the industry. NextChem has a broad portfolio of proprietary technologies for circular and low-carbon solutions, which will be further enhanced in the strategic segments of sustainable aviation fuels (SAF) and innovative electrolysis solutions. At the same time, NextChem plans to expand its offering of catalysts, which are critical for chemical processes. This extraordinary drive for innovation will be fostered by strategic and incremental research and development activities, partnerships and selective acquisitions of validated technologies or expertise to be industrialized. The STAMI Green AmmoniaTM and NX CPOTM technologies developed in-house and introduced to the market in 2023, as well as the acquisitions of Conser and MyRemono, are just a few examples of this successful model. Further impetus will come from the "Green Innovation District", a hub with advanced facilities and resources dedicated to research and development, including pilot plants, to be built at the Group's original headquarters in Rome.

In parallel, the Integrated E&C Solutions business unit will address growth in the quantity and size of energy projects through its undisputed execution capabilities. This model of operational excellence will be supported by the continued increase in engineering capacity in existing and new operations centers around the world. In addition, procurement will focus on expanding and further diversifying the supply chain to secure more capacity from suppliers and subcontractors, with the increasing involvement of local collaborators, in line with the Group's commitment to continue to increase in-country value. All these activities will benefit from the use of digital solutions, including the increasing adoption of advanced artificial intelligence tools, which will increase productivity and the quality of services delivered.

Financial Targets 2024-2033

	Sustainable Technology Solutions	Integrated E&C Solutions	Group
Revenues 2033	**Euro 1.6bn+**	**~Euro 9bn**	**Euro 10bn+**
2023-2028 CAGR	24-28%	11-12%	**12-13%**
2029-2033 CAGR	10-20%	5-7%	**6-7%**
EBITDA 2033	**~Euro 400m**	**~Euro 600m**	**~Euro 1bn**
2023-2028 CAGR	20-25%	14-17%	**15-19%**
2029-2033 CAGR	15-25%	6-9%	**11-15%**
EBITDA Margin 2033			
2023-2028	22-27%	6-7%	**8-9%**
2029-2033	22-27%	7-8%	**9-10%**
Investment(*) Cumulative 2024-2033	€500 – 600 m	€500 – 600 m	**Euro 1.0-1.2bn**
Adjusted Net Liquidity 2033			
Dividends			**55% in 2025**
Pay-out ratio assumptions			**66% from 2026**

(*) Gross investments, excluding dividends and proceeds from divestment transactions

In the 2024-2033 Strategic Plan, MAIRE forecasts significant growth for the key performance indicators, maintaining its financial solidity and flexibility.

Revenues of over Euro 10 billion and EBITDA of approx. Euro 1 billion are forecast for 2033. The strongest volume growth is expected in the initial five years, while profitability shall benefit from the growing contribution of the technology business and of higher added value integrated projects.

This significant and accelerated expansion shall be achieved also thanks to the over Euro 1 billion of investments to be rolled out over the plan duration. STS business unit investment will be concentrated in the initial five years and will focus on expanding the technology portfolio and testing new solutions, either through selective acquisitions or internal R&D. IE&CS business unit investment shall include smaller M&A's to expand engineering capacity, planned investments to introduce the MET Zero plan and digital innovation initiatives, in addition to co-investments in selected projects applying STS proprietary technologies ("first-of-a-kind" projects).

In particular, the plan sets out that MET Development, a MAIRE subsidiary, will take a minority holding in selected projects involving the adoption of innovative STS technologies and the co-involvement of IE&CS in the execution phase. An average amount of investments of approx. Euro 10-20 million is forecast for each initiative, potentially as co-investments with infrastructural funds, for a total of Euro 320-370 million distributed over the plan duration.

Despite the major investment plan, the Group intends to maintain a solid and flexible financial structure. Adjusted net liquidity is expected to reach Euro 500 million in 2028 and over Euro 1.6 billion in 2033, also thanks to a more normalized level of investment and the returns from the above "first-of-a-kind" initiatives in the second half of the plan. The gross debt is also expected to reduce significantly and a payout ratio of 55% in 2025 and 66% from 2026 is assumed.

21. Consolidated Non-Financial Report

The Group in accordance with Article 5, paragraph 3, letter b of Legislative Decree 254/2016 has drawn up the consolidated disclosure non-financial information as a separate report.

In accordance with Articles 3 and 4 of Legislative Decree 254/2016, the 2023 Sustainability Report, published on the company website at www.mairetecnimont.it., in the "Investors" section, constitutes the Non-Financial Statement.

22. Other information

PARENT COMPANY OPERATING PERFORMANCE

Maire Tecnimont S.p.A. is a company incorporated in Italy at the Rome Companies Registration Office, acting as the Maire Tecnimont Group holding company. The company Maire Tecnimont S.p.A. reported net income of Euro 34.9 million for 2023, with an EBITDA of Euro 19.8 million and shareholders' equity of Euro 477.6 million.

Income Statement

(in Euro)	2023	2022
Total Revenues	100,127,985	101,370,838
Total Costs	(80,357,132)	(63,091,974)
EBITDA	**19,770,853**	**38,278,865**
Amortization, depreciation and write-downs	(1,325,130)	(2,405,636)
EBIT	**18,445,723**	**35,873,229**
Financial income	62,362,882	21,870,493
Financial expenses	(48,479,110)	(24,940,563)
Investment income/(expense)	0	0
Income before taxes	**32,329,495**	**32,803,159**
Income taxes	2,550,905	6,136,957
Net income/(loss) for the year	**34,880,400**	**38,940,115**
Basic earnings/(loss) per share	0.106	0.119
Diluted earnings/(loss) per share	0.106	0.119

Revenues in 2023 mainly comprised dividends received from the subsidiary Tecnimont S.p.A. of Euro 40 million and from the subsidiary KT-Kinetics Technology S.p.A. of Euro 15.3 million. Dividend revenues decreased on the previous year in the absence of the contribution of the subsidiary Stamicarbon B.V., conferred in 2023 to the newly-established Nextchem S.p.A..

Revenues also include "Intercompany services" provided to the direct subsidiaries. They specifically concern those provided by the Parent Company as part of the management, co-ordination and control from a legal, administrative, tax, financial and strategic viewpoint in the interest of Group companies.

Production costs increased in relation to Service costs and more so in relation to Personnel expense. The increase is a result of both a higher average workforce than in the previous year and a resumption of personnel compensation and incentive policies during 2023, including the launch of new employee retention plans.

Financial income amounts to Euro 62.4 million and increased on the previous year Euro 40.5 million, with the 2023 figure including for Euro 20.4 million the positive contribution of the net valuation of cash-settled Total Return Equity Swap (TRES) derivatives hedging against Maire Tecnimont share price fluctuations, essentially linked to the existing personnel incentive plans, which however in 2022 amounted only to Euro 0.8 million, following the decrease in the stock price. The residual amount of financial income of Euro 42 million increased by approx. Euro 20.9 million and refers mainly to income from subsidiaries relating to interest income accrued on loans and current accounts; as previously reported, the company adopted with the subsidiaries cash pooling systems to streamline the management of Group cash flows, avoiding the dispersion of liquidity and minimizing financial charges and other costs.

Financial expenses amount to Euro 48.5 million, increasing Euro 23.6 million on the previous year and refer for Euro 11.4 million to interest on loans received from subsidiaries and financial expenses for cash pooling related to interest paid to subsidiaries on the cash pooling current accounts overdrafts during the year, for Euro 27.4 million to interest on bank loans used during the year, including the Euro 365 million loan backed 80% by SACE's Italy Guarantee and two new loans respectively of Euro 150 million and Euro 40 million with Italian-based banks, backed for 80% by SACE S.p.A.'s guarantee, in line with Legislative Decree of May 17, 2022. "Bond interest" of Euro 9.4 million concerns for Euro 7.5 million the cash and non-cash components of interest on non-convertible bonds of Euro 165 million issued on May 3, 2018 by Maire Tecnimont S.p.A. and repaid in advance of the original maturity (April 30, 2024) in Q4 2023, for Euro 3.2 million, the monetary and non-monetary components of the interest on the new non-convertible "Senior Unsecured Sustainability-Linked due 5 October 2028" bond loan for a nominal value of Euro 200 million, net of accessory charges, issued in Q4 2023 and for Euro 1.7 million interest on the Euro Commercial Paper program.

Net income of Euro 34.9 million is reported, reducing on the previous year, essentially due to the lower dividends received from the Italian subsidiaries and a general increase in overhead costs.

Balance Sheet

(in Euro)	2023	2022
Non-current assets	1,065,945,632	997,484,050
Current assets	561,181,645	405,288,094
Total Assets	**1,627,127,277**	**1,402,772,144**

(in Euro)	2023	2022
Shareholders' Equity	477,581,199	470,611,453
Non-current liabilities	536,600,692	458,429,213
Current liabilities	612,945,385	473,731,479
Total Shareholders' Equity and Liabilities	**1,627,127,277**	**1,402,772,144**

The main increase in non-current assets is due to the two new long-term loans issued by Tecnimont S.p.A. for Euro 105 million and for Euro 40 million, granted following the drawdown of the new loans respectively of Euro 150 million and Euro 40 million, agreed by Italian banks and 80% backed by the SACE S.p.A. guarantee, in line with that set out in Legislative Decree of May 17, 2022, net of the reclassification to short-term of certain financial receivables due beyond 12 months from subsidiaries; in fact, in July 2020 Maire Tecnimont S.p.A. disbursed a loan to two of its main operating companies in Italy, Tecnimont S.p.A. and KT - Kinetics Technology S.p.A., amounting to Euro 250 million and Euro 70 million, respectively. These loans receivable were granted following the subscription by Maire Tecnimont of a loan agreement under which it borrowed Euro 365 million with an 80% guarantee from the SACE Italy Guarantee and which essentially follow the maturities of the main loan.

Current assets mainly comprise trade receivables from subsidiaries, also relating to the tax and VAT consolidation of the Group; tax receivables, mainly for VAT regarding the Group VAT consolidation and IRES excess payments in relation to tax consolidation and current financial assets for Euro 279 million referring to financial receivables from subsidiaries, in addition to receivables for current accounts from subsidiaries.

In relation to this we recall Maire Tecnimont S.p.A. adopted the cash pooling system to streamline the management of Group cash flows, avoiding the dispersion of liquidity and minimizing financial charges.

Cash and cash equivalents at December 31, 2023 amount to Euro 133.3 million, an increase of Euro 76.3 million compared to December 31, 2022.

Shareholders' equity at December 31, 2023 amounted to Euro 477.6 million (Euro 470.6 million at December 31, 2022), with a net increase compared to the previous year of Euro 7 million, essentially linked to the net income for the year, net of the distribution of the dividend resolved by the Shareholders' Meeting.

Other non-current liabilities increased on December 31, 2022 mainly due, as previously outlined, to the agreement of two new loans, respectively of Euro 150 million and Euro 40 million with Italian-based banks, backed for 80% by SACE S.p.A.’s guarantee, in line with Legislative Decree of May 17, 2022, net of the reclassification of the current portion of the nominal Euro 365 million loan backed 80% by SACE’s Italy Guarantee for Euro 91.7 million. In addition, in 2023, the Company issued a new bond for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million.

Current financial payables amounted to Euro 170.3 million, increasing on December 31, 2022, mainly due to the reclassification of the current portion of the “ESG Linked Schuldschein Loan” for a nominal value of Euro 55 million; the account also includes for Euro 91.9 million the current capital portion of the loan backed by a SACE Italy Guarantee for 80% of the amount with an initial nominal value of Euro 365 million granted to Maire Tecnimont S.p.A., of which a nominal approx. Euro 22.8 million repayable in each quarter until December 31, 2024;

Other current liabilities concern for Euro 351.6 million payables to subsidiaries for current accounts, in relation to the cash pooling system and others for intercompany loans, for Euro 4.6 million trade payables to suppliers for ordinary operations and for Euro 10.2 million trade payables to subsidiaries.

Other current liabilities include also Euro 56.2 million concerning payables to subsidiaries for Group VAT. Again in 2023 a number of Group companies renewed the tax consolidation, transferring their VAT settlement credit balances to the consolidating Maire Tecnimont S.p.A..

The “Reconciliation between the net income of Maire Tecnimont S.p.A. and Group net income” and the “Net equity of Maire Tecnimont S.p.A. and Group net equity” is reported in the explanatory notes to the consolidated financial statements.

Collaborative Compliance - Tax Control Framework

On December 21, 2023, Maire Tecnimont (together with its subsidiary Tecnimont S.p.A.) was admitted to the "Collaborative Compliance" regime, following the positive assessment by the Tax Agency on the adequacy of the 'Tax Control Framework', i.e. the internal control system adopted for the detection, measurement, management and control of tax risk.

Admission to the scheme, effective from the 2022 tax year, allows for the establishment of a collaborative and transparent relationship with the tax authorities, also permitting the prior analysis of situations likely to generate potential tax risks and thus ensuring an increased level of certainty and oversight over the main tax issues.

Maire Tecnimont S.p.A. has also adopted a Tax Strategy, applicable to all Group subsidiaries, which contains the basic principles and guidelines of the tax policy aimed at complying with tax regulations.

SECONDARY OFFICES

In accordance with Article 2428, paragraph 5, it is stated that Maire Tecnimont does not have secondary offices.

MARKETS REGULATION ARTICLE 15 (PREVIOUSLY ARTICLE 36) OF CONSOB MARKETS REGULATION (ADOPTED WITH CONSOB MOTION NO. 20249)

In relation to the regulations concerning the conditions for the listing of companies that control companies constituted and regulated according to laws outside of the European Union and of significant importance for the purposes of the consolidated financial statements, the Maire Tecnimont Group has identified 3 subsidiaries, with headquarters in 3 countries not belonging to the European Union, which are considered significant in accordance with the regulation.

With regards to that outlined above, the current administrative-accounting and reporting systems of the Maire Tecnimont Group are considered appropriate to provide regular reporting to management and the Auditor of the parent company of the income statement, balance sheet and financial data necessary for the preparation of the Consolidated Financial Statements and to ensure compliance with the above regulation.

PARTICIPATION IN THE REPORTING SIMPLIFICATION SCHEME IN ACCORDANCE WITH CONSOB MOTION NO. 18079 OF JANUARY 20, 2012

In accordance with Article 3 of Consob motion No. 18079 of January 20, 2012, Maire Tecnimont S.p.A decided to adopt the opt-out as per Articles 70, paragraph 8, and 71, paragraph 1-bis of Consob motion no. 11971/99, as amended, applying therefore the exception from publication of the required disclosure documents provided for in Annex 3B of the aforementioned Consob Regulation concerning significant merger, spin-off, share capital increases through conferments of assets in kind, acquisitions, and significant sales operations.

Consolidated Financial Statements and Explanatory Notes

at December 31, 2023

23. Financial Statements

23.1. Consolidated Income Statement

(in Euro thousands)	Note	2023	2022
Revenues	27.1	4,231,721	3,423,324
Other operating revenues	27.2	27,790	40,399
Total Revenues		**4,259,511**	**3,463,723**
Raw materials and consumables	27.4	(1,623,108)	(1,459,497)
Service costs	27.5	(1,647,930)	(1,184,820)
Personnel expenses	27.6	(618,428)	(509,408)
Other operating costs	27.7	(95,638)	(100,681)
Total Costs		**(3,985,104)**	**(3,254,406)**
EBITDA		**274,407**	**209,317**
Amortization, depreciation and write-downs	27.8	(56,543)	(48,165)
Write-down of current assets	27.9	(1,245)	(3,163)
Provisions for risks and charges	27.9	(79)	0
EBIT		**216,540**	**157,989**
Financial income	27.10	39,809	20,066
Financial expenses	27.11	(70,263)	(51,115)
Investment income/(expense)	27.12	129	2,157
Income before taxes		**186,215**	**129,097**
Income taxes, current and deferred	27.13	(56,707)	(38,744)
Net income for the year		**129,508**	**90,353**
Group net income		125,356	89,890
Minorities		4,152	463
Basic earnings per share	27.14	**0.382**	**0.274**
Diluted earnings per share		**0.382**	**0.274**

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure “Related Party Transactions”, while in the tables no separate indication was provided as not considered significant.

23.2. Consolidated Comprehensive Income Statement

(in Euro thousands)	Note	2023	2022
Net income/(loss) for the year		**129,508**	**90,353**
Other comprehensive income/(expense) which may not be subsequently reclassified to income/(loss) for the year:			
Actuarial gains/(losses)	*28.19*	(1,210)	(1,061)
Relative tax effect		290	254
Fair value changes of investments with OCI effects	*28.19*	(372)	711
Total other comprehensive income/(expense) which may not be subsequently reclassified to income/(loss) for the year:		**(1,292)**	**(96)**
Other comprehensive income/(expense) which may be subsequently reclassified to income/(loss) for the year:			
Translation differences	*28.19*	(65,725)	2,588
Net valuation of derivative instruments:			
· measurement derivative instruments	*28.19*	18,077	(48,184)
· relative tax effect		(4,338)	11,564
Total other comprehensive income/(expense) which may be subsequently reclassified to income/(loss) for the year:		**(51,986)**	**(34,032)**
Total other comprehensive income/(expense), net of the tax effect		**(53,278)**	**(34,128)**
Comprehensive income/(loss)		**76,230**	**56,225**
Attributable to:			
· Group		72,078	55,762
· Minorities		4,152	463

23.3. Consolidated Balance Sheet

(in Euro thousands)	Note	December 31, 2023	December 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	28.1	48,638	44,084
Goodwill	28.2	327,179	295,368
Other intangible assets	28.3	137,763	110,324
Right-of-use - Leasing	28.4	127,742	133,027
Investments in associates	28.5	13,450	13,988
Financial instruments - Derivatives (Non-current assets)	28.6	1,631	4,308
Other non-current financial assets	28.7	77,953	116,989
Other non-current assets	28.8	49,217	88,181
Deferred tax assets	28.9	57,190	53,491
Total non-current assets		**840,763**	**859,760**
Current assets			
Inventories	28.10	9,219	3,946
Advance payments to suppliers	28.10	353,225	360,855
Contractual Assets	28.11	2,541,628	2,260,797
Trade receivables	28.12	1,161,811	704,182
Current tax assets	28.13	187,680	159,106
Financial instruments - Derivatives (Current assets)	28.14	29,322	13,082
Other current financial assets	28.15	60,003	7,486
Other current assets	28.16	212,003	259,598
Cash and cash equivalents	28.17	915,501	762,463
Total current assets		**5,470,392**	**4,531,515**
Non-current assets classified as held-for-sale	28.18	30,791	0
Elimination of assets to and from assets/liabilities held-for-sale	28.18	0	0
Total Assets		**6,341,946**	**5,391,275**

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure “Related Party Transactions”, while in the tables no separate indication was provided as not considered significant.

(in Euro thousands)	Note	December 31, 2023	December 31, 2022
Shareholders' Equity			
Share capital	28.19	19,921	19,921
Share premium reserve	28.19	272,921	272,921
Other reserves	28.19	(54,997)	(5,231)
Valuation reserve	28.19	(19,097)	(31,543)
Total shareholders' equity & reserves		**218,748**	**256,068**
Retained earnings/(accumulated losses)	28.19	182,737	145,616
Net income for the year	28.19	125,356	89,890
Total Group Net Equity		**526,841**	**491,574**
Minorities		52,859	36,477
Total Net Equity		**579,700**	**528,051**
Non-current liabilities			
Financial debt - non-current portion	28.20	334,824	290,781
Provisions for charges - beyond 12 months	28.21	15,792	13,518
Deferred tax liabilities	28.9	61,802	48,619
Post-employment & other employee benefits	28.22	10,529	10,190
Other non-current liabilities	28.23	83,438	60,128
Financial instruments - Derivatives (Non-current liabilities)	28.24	3,225	80
Other non-current financial liabilities	28.25	200,004	180,132
Non-current financial liabilities - Leasing	28.26	103,718	110,467
Total Non-Current liabilities		**813,332**	**713,915**
Current liabilities			
Short-term debt	28.27	180,355	310,837
Current financial liabilities - Leasing	28.26	24,655	22,559
Provisions for risks and charges - within 12 months	28.28	41,736	35,074
Tax payables	28.29	41,039	23,822
Financial instruments - Derivatives (Current liabilities)	28.30	4,014	43,381
Other current financial liabilities	28.31	43,565	2,780
Client advance payments	28.32	949,336	645,631
Contractual Liabilities	28.33	580,024	360,324
Trade payables	28.34	2,625,845	2,295,802
Other Current Liabilities	28.35	448,079	409,099
Total current liabilities		**4,938,648**	**4,149,309**
Liabilities directly associated with non-current assets classified as held-for-sale	28.18	10,266	0
Elimination of liabilities to and from assets/liabilities held-for-sale	28.18	0	0
Total Shareholders' Equity and Liabilities		**6,341,946**	**5,391,275**

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure "Related Party Transactions", while in the tables no separate indication was provided as not considered significant.

24. Statement of changes in Consolidated Shareholders' Equity

(in Euro thousands)	Share capital	Share premium reserve	Other reserves	Translation reserve	Valuation reserve	Retained earnings/accum. losses	Income/ (losses) for year	Group Shareholders' equity	Minority interest capital & reserves	Group & Minority int. consol. share. equity
December 31, 2021	19,921	272,921	26,524	(42,854)	5,173	128,266	83,301	493,252	34,098	527,350
Allocation of the result						83,301	(83,301)	**0**		**0**
Change to consolidation scope						(5,741)		**(5,741)**	934	**(4,807)**
Distribution dividends						(60,105)		**(60,105)**		**(60,105)**
Other changes			28			(105)		**(77)**	981	**905**
IFRS 2 (Employee share plans)			8,292					**8,292**		**8,292**
Utilization Treasury Shares 2021 for staff plans			3,106					**3,106**		**3,106**
Acquisition of Treasury Shares 2022			(2,915)					**(2,915)**		**(2,915)**
Comprehensive income/(loss) for the year				2,588	(36,716)		89,890	**55,762**	463	**56,225**
December 31, 2022	19,921	272,921	35,035	(40,266)	(31,543)	145,616	89,890	491,574	36,477	528,051

(in Euro thousands)	Share capital	Share premium reserve	Other reserves	Translation reserve	Valuation reserve	Retained earnings/accum. losses	Income /(losses) for year	Group Shareholders' equity	Minority interest capital & reserves	Group & Minority int. consol. share. equity
December 31, 2022	19,921	272,921	35,035	(40,266)	(31,543)	145,616	89,890	491,574	36,477	528,051
Allocation of the result						89,890	(89,890)	0		0
Change to consolidation scope						(11,019)		(11,019)	12,317	1,298
Distribution dividends						(40,738)		(40,738)		(40,738)
Other changes			(60)			(1,013)		(1,073)	(89)	(1,162)
IFRS 2 (Employee share plans)			16,118					16,118		16,118
Utilization Treasury Shares for staff plans			3,725					3,725		3,725
Acquisition of Treasury Shares 2023			(3,824)					(3,824)		(3,824)
Comprehensive income/(loss) for year				(65,725)	12,446		125,356	72,078	4,152	76,230
December 31, 2023	19,921	272,921	50,995	(105,992)	(19,097)	182,736	125,356	526,842	52,858	579,700

25. Consolidated Cash Flow Statement (indirect method)

(in Euro thousands)	December 31, 2023	December 31, 2022
Cash and cash equivalents at beginning of the year (A)	**762,463**	**677,100**
Operations		
Net Income of Group and Minorities	**129,508**	**90,353**
Adjustments:		
- Amortization of intangible assets	23,752	17,709
- Depreciation of non-current property, plant and equipment	5,871	5,848
- Depreciation of right-of-use - Leasing	26,920	24,608
- Provisions	1,324	3,163
- (Revaluations)/Write-downs of investments	(129)	(2,157)
- Financial expenses	70,263	51,115
- Financial income	(39,809)	(20,066)
- Income & deferred tax	56,707	38,745
- (Gains)/Losses	(412)	(3,325)
- (Increase)/Decrease inventories/supplier advances	2,358	113,730
- (Increase)/Decrease in trade receivables	(463,924)	(215,786)
- (Increase) /Decrease receivables for contractual assets	(395,685)	56,881
- Increase/(Decrease) in other liabilities	49,333	(20,279)
- (Increase)/Decrease in other assets	81,745	13,982
- Increase/(Decrease) in trade payables / Client advances	642,750	207,310
- Increase / (Decrease) payables for contract liabilities	219,790	(32,248)
- Increase/(Decrease) in provisions (incl. post-employ. benefits)	29,492	10,371
- Income taxes paid	(70,153)	(64,177)
Cash flow from operations (B)	**369,701**	**275,777**
Investments		
(Investment)/Disposal of non-current tangible assets	(10,265)	(4,845)
(Investment)/Disposal of intangible assets	(24,280)	(19,550)
(Investment)/Disposal of associated companies	1,157	1,600
(Increase)/Decrease in other investments	0	0
(Investments)/(Divestments) in companies net of cash and cash equivalents acquired	(25,577)	(2,423)
Cash flow from investments (C)	**(58,965)**	**(25,218)**
Financing		
Repayments of principal of financial lease liabilities	(26,279)	(26,477)
Payment interest on financial lease liabilities	(5,576)	(4,340)
Increase/(Decrease) in current financial payables	(142,019)	90,762
Settlement of non-current financial payables	(157,322)	(111,848)
Undertaking of non-current financial payables	190,121	0
(Increase)/Decrease in bonds	51,400	2,500
Change in other financial assets/liabilities	(21,590)	(52,773)
Dividends	(40,738)	(60,105)
Treasury Shares	(3,824)	(2,915)
Cash flow from financing (D)	**(155,827)**	**(165,196)**
Increase/(Decrease) in cash and cash equivalents (B+C+D)	**154,909**	**85,363**
Cash and cash equivalents at end of the year (A+B+C+D)	**917,372**	**762,463**
of which: Cash and cash equivalents of Discontinued Operations	1,871	0
CASH AND CASH EQUIVALENTS AT END OF YEAR REPORTED IN FINANCIAL STATEMENTS	**915,501**	**762,463**

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure “Related Party Transactions”, while in the tables no separate indication was provided as not considered significant.

26. Explanatory Notes at December 31, 2023

BASIS OF PREPARATION

Introduction

Maire Tecnimont S.p.A. is a company incorporated in Italy at the Rome Companies Registration Office. The company has its registered office in Rome, Viale Castello della Magliana No. 27 and its operating headquarters in Milan, via Gaetano De Castillia, 6A, where the core activities are carried out.

Maire Tecnimont is an investment holding company, heading a Group operating on an international scale, in the field of natural resource transformation, with cutting-edge executive and technological skills. The Group is a leader in plant engineering in the downstream oil&gas, petrochemical, fertilizer and energy sectors. It also offers solutions in the field of green chemistry and energy transition technologies to meet the needs of clients engaged in the decarbonization process.

Maire Tecnimont, pursuant to Article 93 of the Consolidated Finance Act, is controlled by GLV Capital S.p.A. ("GLV Capital"). For further details, reference should be made to the Group's institutional website www.mairetecnimont.com.

The consolidated financial statements for the year 2023 were prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and approved by the European Union, as well as the provisions issued under Article 9 of Legislative Decree No. 38/2005. IFRS include all the revised international accounting standards (IAS) and all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC"). The financial statements are prepared under the historical cost convention, modified where applicable for the valuation of certain financial instruments. The present consolidated financial statements at December 31, 2023 are expressed in Euro, as the majority of Group operations are carried out in this currency. Foreign assets and liabilities, expressed in foreign currency, are included in the consolidated financial statements in accordance with the principles indicated in the notes below.

Any differences between the data in the tables relates exclusively to rounding.

Going concern

Based on the results achieved, the Group and the Company consider the going concern principle appropriate for the preparation of the annual report at December 31, 2023. See also the "Key Events in the year" and the "Subsequent events and outlook" paragraphs of the Directors' Report.

Financial statements

The financial statements prepared by the Group include the integrations introduced following the application of "IAS 1 revised", as follows:

The Consolidated Balance Sheet accounts are classified between current and non-current, while the Consolidated Income Statement and Consolidated Comprehensive Income Statement are classified by nature of expenses. The Consolidated Cash Flow Statement is presented in accordance with the indirect method, adjusting the income for the period with non-cash items. The Statement of change in Consolidated Shareholders' Equity reports comprehensive income (charges) for the period and the changes in Shareholders' Equity.

Accounting Standards, Amendments and Interpretations applied from January 1, 2023

The following amendments and interpretations applied from January 1, 2023 did not have a significant impact on the Group consolidated financial statements.

- On June 25, 2020, the IASB issued amendments to IFRS 17 "Insurance Contracts" that define the accounting treatment of insurance contracts issued and reinsurance contracts held. The provisions of IFRS 17, which go beyond those currently envisaged by IFRS 4 "Insurance Contracts", are intended to help businesses implement the standard and (i) reduce costs by simplifying the requirements of the standard; (ii) make it easier to make disclosures in the financial statements; (iii) facilitate the transition to the new standard by postponing its entry into force.

There were no impacts on the Group's consolidated financial statements, and the assessment of any insurance risks associated with guarantees issued by third parties on behalf of the Group for commitments made in the performance of its core business fall within the scope of the assessment of contracts in accordance with IFRS 15.

Any application refers only to the separate financial statements, as Maire S.p.A. assumed commitments to clients and/or other beneficiaries to fulfil obligations, contractually undertaken by the company and/or subsidiaries awarded tenders as part of their core operations and therefore in the execution of orders, in the case of non-fulfilment of such and for the reimbursement for any damage from such non-fulfilment. According to the new IFRS 17, this would fall under performance bond contracts, as such are covered by the standard's definition of an insurance contract.

It should be noted, however, that performance bond contracts issued to subsidiaries contain full recourse clauses and therefore do not fall within the scope of IFRS 17.

- On February 12, 2021, the IASB issued Amendments to IAS 1 “Disclosure of Accounting Policies” and Amendment to IAS 8 “Definition of Accounting Estimates”. The changes are intended to improve disclosure on accounting policies to provide more useful information to investors and other primary users of financial statements and to help companies distinguish between changes in accounting estimates and changes in accounting policies.
- On December 9, 2021, the IASB issued the Amendment to IFRS 17 "Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information”. The amendment is a transition option related to comparative disclosure on financial assets presented upon first-time application of IFRS 17. The amendment is intended to help entities avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus improve the utility of comparative disclosure for users of financial statements.
- On May 7, 2021, the IASB issued the Amendment to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The amendments require companies to recognize deferred taxes on some transactions that upon initial recognition result in temporary differences that are taxable and deductible in equal value.
- On May 23, 2023, the IASB issued the Amendments to IAS 12 Income taxes document: International Tax Reform – Pillar Two Model Rules:

  On January 1, 2024, the Pillar 2 rules under EU Directive No. 2523 of December 14, 2022, implemented in Italy by Legislative Decree No. 209 of December 27, 2023 ("Decree"), came into effect, implementing the international tax reform. These rules apply to the GLV Group, as GLV Capital S.p.A. is the parent company.

  Under Pillar 2 rules, entities included in the Group's scope (wherever they may be located) must be subject to an effective income tax level of at least 15%, to be determined on the basis of a comprehensive assessment based on accounting and tax data. In the event that these entities are subject to an effective taxation level of less than 15%, a minimum tax ("Top-Up Tax") will be applied such that the effective taxation level reaches 15%.

  In accordance with the disclosure requirements of IAS 12, the GLV Group carried out an analysis, with the support of an external consultant, in order to identify the scope of application of the Pillar 2 rules, as well as the potential impacts resulting from the application of the regulations in the various states in which it operates.

  In line with the provisions of the Decree and the OECD guidelines, the GLV Group has adopted Transitional Safe Harbors ("TSH"), with reference to each country in which it operates.

  With regard to the states for which none of the TSH tests have been passed, the GLV Group will be required to calculate the level of effective taxation on the basis of the entire set of Pillar 2 rules provided for in the Decree by making the adjustments under these rules therefore to the accounting and tax data of the entities located in those states, including for the purpose of determining - where the level of effective taxation is less than 15% - the amount of the minimum tax due.

Based on the analysis performed, for Pillar 2 purposes, GLV Capital S.p.A. qualifies as the "Ultimate Parent Company" ("UPE") and Maire Tecnimont S.p.A. qualifies as a "Partially-Owned Parent Entity" ("POPE").

The application of TSHs was conducted based on the information available in the Country-by-Country Report, prepared by UPE for FY 2022, considering the "aggregate data" of the entities belonging to the GLV Group for each state in which it operates ("jurisdictional approach").

Based on this analysis, the following states may be considered as TSH: (i) Albania, (ii) Algeria, (ii) Angola, (iii) Azerbaijan, (iv) Brazil, (v) Bulgaria, (vi) Cameroon, (vii) Egypt, (viii) Philippines, (ix) France, (x) Germany, (xi) India, (xii) Iran, (xiii) Italy, (xiv) Kuwait, (xv) Indonesia, (xvi) Malaysia, (xvii) Mexico, (xviii) Nigeria, (xix) Netherlands, (xx) United Kingdom, (xxi) Dominican Republic, (xxii) Russia, (xxiii) Slovakia, (xxiv) Switzerland, (xxv) USA, (xxvi) Spain, (xxvii) Libya, (xxviii) Portugal.

The following states may not be considered TSH: (i) Saudi Arabia, (ii) Belgium, (iii) Chile, (iv) Croatia, (v) UAE, (vi) Oman, (vii) Poland, (viii) Turkey.

However, the combined application of the TSH and Pillar 2 rules, according to the assessments so far, is not expected to result in any Top-Up-Tax related exposure for the GLV Group in FY2024.

The above considerations are based on a prospective assessment of the tax charge, determined in light of currently available data and information and based on a simplified approach. A timely estimate of the tax charge by jurisdiction will only be possible after the data for FY 2024 is available.

Finally, it should be noted that, in accordance with IAS 12, the company has not recognized any effect for deferred taxation purposes arising from the entry into force of the Pillar 2 rules as of January 1, 2024.

IFRS and IFRIC accounting standards, amendments and interpretations approved by the EU, not yet mandatory and not adopted in advance by the Group at December 31, 2023

- On July 15, 2020, the IASB issued an Amendment to IAS 1 "Classification of Liabilities as Current or Non-current - Deferral of Effective Date" whereby, due to the COVID-19 pandemic, the effective date of the amendments was postponed to January 1, 2024.
- On October 31, 2022, the IASB issued Amendment to IAS 1 "Non-current Liabilities with Covenants“. The amendments are effective for fiscal years beginning on, or after, January 1, 2024.
- On September 22, 2022, the IASB issued the document Amendment to IFRS 16 "Leases: Lease Liability in a Sale and Leaseback”, the amendments are effective from years beginning on, or subsequent to, January 1, 2024.

IFRS accounting standards, amendments and interpretations not yet approved by the European Union at December 31, 2023

At the date of the present Annual Report, the relevant bodies of the European Union have not yet concluded the process necessary for the implementation of the amendments and standards described below:

- On May 25, 2023, the IASB issued the document Amendment to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Agreement”, which is scheduled to take effect on January 1, 2024.
- On August 15, 2023, the IASB published "Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability: which is scheduled to take effect on January 1, 2025.

The Group is currently assessing the possible impact of the above changes.

CONSOLIDATION SCOPE

In addition to the Parent Company Maire Tecnimont S.p.A., the consolidation scope includes the directly and indirectly held subsidiaries. In particular, the companies consolidated are those in which Maire Tecnimont S.p.A. exercises control, either due to a direct shareholding or the indirect holding of the majority of the voting rights, or having the power to determine the financial and operating choices of the company/entity, obtaining the relative benefits, irrespective of the shareholding. The Joint Operations in which two or more parties undertake an economic activity which is subject to joint control are consolidated under the proportional method. All the subsidiaries are included in the consolidated scope at the date in which control is acquired by the Group. Entities are excluded from the consolidation scope from the date the Group cedes control.
The changes in the consolidation scope compared to December 31, 2022 were as follows:

- deconsolidation following the completed liquidation process and subsequent cancellation of Tecnimont/Velesstroy S.r.l.;
- incorporation of SE.MA. Global Facilities S.r.l., wholly-owned by MST S.p.A. The company was established by transferring the business unit of MST S.p.A. related to the assets tied to the management and maintenance of plant and equipment at large-scale, highly complex properties and infrastructures and other routine and extraordinary maintenance, installation and management of plant and buildings under the umbrella of facilities management.
- incorporation of BiOne S.r.l., wholly-owned by MST S.p.A.;
- deconsolidation of Neosia Renewables S.p.A. following its merger into Tecnimont S.p.A, effective February 20, 2023;
- deconsolidation of MET Gas Processing Technologies S.p.A. following its merger into Tecnimont S.p.A, effective February 21, 2023;
- incorporation of "MyRetext S.r.l.," a wholly-owned subsidiary of MET Development S.p.A., established for the possible development of a new initiative;
- During 2023, following the completion of the industrial reorganization process of the Maire Tecnimont Group, which among other activities included the transfer to the subsidiary NextChem S.p.A. (previously NextChem Holding S.p.A.) of the 100% holding of the Dutch-registered subsidiary Stamicarbon B.V. and of 56.67% of the subsidiary NextChem Tech S.p.A. (previously NextChem S.p.A.) by Maire Tecnimont, and by Maire Investments S.p.A. (related party) of the remaining portion of the share capital of NextChem Tech S.p.A. (previously NextChem S.p.A.) (equal to 43.33%). As a result of the increase, the share capital of NextChem S.p.A. (previously NextChem Holding S.p.A) is now held 78.37% by Maire Tecnimont and 21.63% by Maire Investments S.p.A., with the consequent recalculation of the minority share which increased by approx. Euro 11 million the minority interest shareholders' equity in the Maire Group consolidation;
- The Extraordinary Shareholders' Meetings of NextChem Holding S.p.A. and NextChem S.p.A. were held on July 25, 2023, at which it was resolved to change the names of both companies as follows: the previous NextChem Holding S.p.A. to NextChem S.p.A. and the previous NextChem S.p.A. to NextChem Tech S.p.A..
- In January 2023 Maire Tecnimont S.p.A. announced its expansion, through the subsidiary NextChem S.p.A. (previously NextChem Holding S.p.A.), into the markets for high value-added derivatives and biodegradable plastics intermediates technologies thanks to the acquisition of an 83.5% stake in Conser, a Rome-based proprietary technology and process engineering company. Founded more than 50 years ago, Conser was developed by engineer Flavio Simola, who guided the company to the technological excellence it showcases today. Founded over 50 years ago, Conser boasts an extremely diverse portfolio of technology patents relating to the energy transition and processes for high value-added fine chemical products, including flexible and cost-effective technologies for maleic anhydride, butanediol and dimethyl succinate, key building blocks for the production of biodegradable plastics. Featuring excellent biodegradation properties, these plastics present very promising market prospects due to growing demand and particularly in Asia. Conser's portfolio also includes technologies for fine chemistry for lithium battery production and bio-based derivatives (plant glycerin). The acquisition contract also stipulates an earn-out clause on the basis of the achievement of set operating results for FY 2023 and 2024 and a put and call options structure on the remaining 16.5%, to be exercised within the coming three years. On the basis of these agreements, a liability was recognized (at the present value of the repayment amount) to reflect

the put option and simultaneously the minority holding was cancelled, de facto recognizing Conser's 100% holding in Nextchem Holding.

For further details on the acquisition, reference should be made to "Significant events in the year" paragraph.

This last transaction is recorded in the financial statements pursuant to the revised IFRS 3 ("business combinations"), i.e. by recording the fair value of assets, liabilities and potential liabilities at the acquisition date - the "Purchase Price Allocation" (PPA). The PPA process, carried out on the date of acquiring majority and, therefore, control, identified the amount of net assets at approx. Euro 22.2 million and additional goodwill of approx. Euro 28.3 million; these values are considered final.

The following table summarizes asset and liability figures identified as part of the above business combination and the acquisition prices of entities acquired, as from the acquisition date:

(in Euro thousands)	**Fair Value - Assets/Liabilities Acquired**
Intangible assets	9,989
Property, plant and equipment	235
Trade Receivables	1,662
Current tax assets	2,654
Other receivables	176
Cash and cash equivalents	16,554
Total Assets	**31,271**
Trade payables	1,777
Tax payables	3,803
Deferred tax liabilities	2,877
Other payables	589
Total Liabilities	**9,046**
Net Assets Acquired	**22,225**
% pertaining to Group	83.5%
% pertaining to Maire Group	**18,558**
Initial Acquisition Price	28,865
Deferred price	7,363
Cash and cash equivalents acquired	(16,554)
Net acquisition price	**19,673**
Potential payment - Earn-out valuation	6,374
Valuation PUT option minority 16.5%	7,912
Goodwill	**28,288**

- In April 2023, Maire Tecnimont S.p.A. announced that NextChem Tech S.p.A. (previously NextChem S.p.A.), the subsidiary that is part of the Sustainable Technology Solutions business unit, has acquired 51% of MyRemono S.r.l., a new company to which Biorenova S.p.A. has transferred patents, assets, including a pilot plant, and contracts related to CatC, an innovative catalytic depolymerization technology for plastics. CatC is a continuous chemical recycling process to recover highly pure monomers (basic components for the plastics value chain) from sorted plastic waste, particularly polymethyl methacrylate (PMMA, also known as Plexiglass®).

For further details on the acquisition, reference should be made to "Significant events in the year" paragraph.

This last transaction is recorded in the financial statements pursuant to the revised IFRS 3 ("business combinations"), i.e. by recording the fair value of assets, liabilities and potential liabilities at the acquisition date - the "Purchase Price Allocation" (PPA). The PPA process, carried out on the date of acquiring majority and, therefore, control, identified the amount of net assets at approx. Euro 2.6 million and additional goodwill of approx. Euro 5.7 million; these values are considered final.

The following table summarizes asset and liability figures identified as part of the above business combination and the acquisition prices of entities acquired, as from the acquisition date:

(in Euro thousands)	Fair Value - Assets/Liabilities Acquired
Intangible assets	1,488
Property, plant and equipment	2
Trade Receivables	0
Current tax assets	0
Other receivables	46
Cash and cash equivalents	2,200
Total Assets	**3,736**
Financial payables over 12 months	941
Financial payables within 12 months	147
Trade payables	0
Tax payables	0
Other payables	0
Total Liabilities	**1,088**
Net Assets Acquired	**2,649**
% pertaining to Group	51.0%
% pertaining to Maire Group	**1,351**
Initial Acquisition Price Including Capital Increase	5,242
Deferred price	1,774
Net cash and cash equivalents	(1,112)
Net acquisition price	**5,904**
Goodwill	**5,665**

For the consolidation in accordance with IFRS, all consolidated subsidiaries prepared a specific “reporting package”, based on IFRS accounting standards adopted by the Group and illustrated below, reclassifying and/or adjusting the accounts approved by the boards of the respective companies.

The following criteria and methods were utilized in the consolidation:

a) adoption of the line-by-line consolidation method, with the full recognition of assets, liabilities, costs and revenue, irrespective of the shareholding;

b) adoption of the proportion consolidation method, recognizing the percentage held in the assets, liabilities, costs and revenue;

c) elimination of balance sheet and income statement transactions between Group companies, including the reversal of any gains or losses not yet realized, deriving from operations between consolidated companies, recording any consequent deferred tax effects;

d) elimination of inter-company dividends and relative adjustment of opening equity reserves;

e) elimination of the book value of investments, relating to companies included in the consolidation, and the corresponding share in net equity and allocation of the positive and/or negative differences deriving from the relative accounts (assets, liabilities and equity), defined with reference to the date of acquisition of the investment and subsequent changes;

f) recognition, in separate equity and income statement accounts, of the share capital, reserves and income for the period of minorities;

g) adoption of the conversion method of financial statements of foreign companies which prepare their financial statements in currencies other than the Euro, which provides for the conversion of all monetary assets and liabilities at the period-end rate and the average period rate for income statement items. The difference deriving from the conversion is recorded under equity reserves.

The main exchange rates applied for the conversion of the financial statements in foreign currencies, illustrated below, are those published by the UIC:

Exchange rates	January-December 23	31.12.2023	January - December 22	31.12.2022
Euro/US Dollar	1.081300	1.105000	1.053000	1.066600
Euro/Brazilian Real	5.401000	5.361800	5.439900	5.638600
Euro/Indian Rupee	89.300100	91.904500	82.686400	88.171000
Euro/Nigeria Naira	695.011500	974.090700	445.362300	477.922100
Euro/Chilean Peso	908.200000	977.070000	917.830000	913.820000
Euro/Russian Ruble (*)	92.874100	99.191900	72.150900	75.655300
Euro/Saudi Arabia Riyal	4.054800	4.143800	3.948900	3.999800
Euro/Polish Zloty	4.542000	4.339500	4.686100	4.680800
Euro/Malaysian Ringgit	4.932000	5.077500	4.627900	4.698400
Euro/Mexican Pesos	19.183000	18.723100	21.186900	20.856000
Euro/GBP	0.869790	0.869050	0.852760	0.886930
Euro/AED	3.971000	4.058100	3.867300	3.917100

(*) in relation to the ruble currency the Russian Central Bank's exchange rate was used.

The consolidation scope at December 31, 2023 is shown below:

Companies consolidated by the line-by-line method:

Consolidated companies	Location/Country	Currency	Share capital	% Group	Through:	
Maire Tecnimont S.p.A.	Italy (Rome)	EUR	19,920,679	-	Parent Company	
Met Development S.p.A.	Italy	EUR	10,005,000	100%	Maire Tecnimont S.p.A.	100%
Met T&S Ltd	UK	GBP	100,000	100%	Met Development S.p.A.	100%
Met Dev 1 S.r.l.	Italy	EUR	30,413,000	51%	Met Development S.p.A.	51%
MyRetext S.r.l.	Italy	EUR	10,000	100%	Met Development S.p.A.	100%
Nextchem S.p.A (previously Nextchem Holding S.p.A.)	Italy	EUR	27,225,000	78.37%	Maire Tecnimont S.p.A.	78.37%
Conser S.p.A.	Italy	Eur	130,800	78.37%	Nextchem S.p.A (previously Nextchem Holding S.p.A.)	100%
MDG Real Estate S.r.l.	Italy	EUR	50,000	78.37%	Nextchem S.p.A (previously Nextchem Holding S.p.A.)	100%
Nextchem Tech S.p.A. (previously Nextchem S.p.A.)	Italy	EUR	18,095,252	78.37%	Nextchem S.p.A (previously Nextchem Holding S.p.A.)	100%

Consolidated companies	Location/Country	Currency	Share capital	% Group	Through:	
MyReplast S.r.l.	Italy	EUR	33,115	39.9687%	Nextchem Tech S.p.A. (previously Nextchem S.p.A.)	51%
MyReplast Industries S.r.l.	Italy	EUR	4,600,000	39.9687%	Nextchem Tech S.p.A. (previously Nextchem S.p.A.)	51%
U-Coat S.p.a.	Italy	EUR	1,444,971	39.2633%	Nextchem Tech S.p.A. (previously Nextchem S.p.A.)	50.1%
MyRechemical S.r.l.	Italy	EUR	500,000	78.37%	Nextchem Tech S.p.A. (previously Nextchem S.p.A.)	100%
Met T&S Management Ltd	UK	GBP	473,535	78.37%	Nextchem Tech S.p.A. (previously Nextchem S.p.A.)	100%
MyRemono S.r.l.	Italy	EUR	100.00	39.9687%	Nextchem Tech S.p.A. (previously Nextchem S.p.A.)	51%
Stamicarbon B.V.	Netherlands	EUR	9,080,000	78.37%	Nextchem S.p.A (previously Nextchem Holding S.p.A.)	100%
Stamicarbon USA Inc	USA	USD	5,500,000	78.37%	Stamicarbon B.V.	100%
KT S.p.A.	Italy	EUR	6,000,000	100%	Maire Tecnimont S.p.A.	100%
KTI Arabia LLC	Saudi Arabia	SAR	500,000	100%	KT S.p.A.	100%
KT Cameroun S.A.	Cameroon	XAF	220,000,000	75%	KT S.p.A.	75%
KT Star CO. S.A.E.	Egypt	USD	1,000,000	40%	KT S.p.A.	40%
KT Angola lda	Angola	AOA	93,064,320	100%	KT S.p.A.	100%
MTPOLSKA Sp.z.o.o	Poland	PLN	50,000	100%	KT S.p.A.	100%
Tecnimont S.p.A.	Italy (Milan)	EUR	1,000,000	100%	Maire Tecnimont S.p.A.	100%
TCM FR S.A.	France	EUR	37,000	100%	Tecnimont S.p.A.	99.99%
					Tecnimont do Brasil Ltda.	0.01%
TPI Tecnimont Planung und Industrieanlagenbau Gmbh	Germany	EUR	260,000	100%	Tecnimont S.p.A.	100%
Tecnimont Arabia Ltd.	Saudi Arabia	SAR	5,500,000	100%	Tecnimont S.p.A.	100%
Tecnimont Nigeria Ltd.	Nigeria	NGN	10,000,000	100%	Tecnimont S.p.A.	100%
OOO MT Russia	Russia	RUB	18,000,000	100%	Tecnimont S.p.A.	99%
					TPI Tecnimont Planung und Industrieanlagenbau Gmbh	1%

Consolidated companies	Location/Country	Currency	Share capital	% Group	Through:	
Tecnimont Private Limited	India	INR	13,968,090	100%	Tecnimont S.p.A.	100%
Tecni and Metal Private Limited	India	INR	81,523,500	51%	Tecnimont Private Limited	51%
Tecnimont do Brasil Ltda.	Brazil	BRL	606,790,396	100%	Tecnimont S.p.A.	99.34%
					TPI Tecnimont Planung und Industrieanlagenbau Gmbh	0.66%
Tecnimont E&I (M) Sdn Bhd	Malaysia	MYR	28,536,679	100%	Tecnimont S.p.A.	99.99%
					TPI Tecnimont Planung und Industrieanlagenbau Gmbh	0.01%
Tecnimont Chile Ltda.	Chile	CLP	58,197,504,153	100%	Tecnimont S.p.A.	99.5224%
					Tecnimont do Brasil Ltda.	0.4772%
					TPI Tecnimont Planung und Industrieanlagenbau Gmbh	0.0004%
Consorcio ME Ivai	Brazil	BRL	12,487,309	65%	Tecnimont do Brasil Ltda.	65%
Tecnimont Mexico SA de CV	Mexico	MXN	51,613,880	100%	Tecnimont S.p.A.	99.99%
					TPI Tecnimont Planung und Industrieanlagenbau Gmbh	0.01%
Tecnimont USA INC.	Texas (USA)	USD	4,430,437	100%	Tecnimont S.p.A.	100.00%
TecnimontHQC S.c.a.r.l.	Italy	EUR	10,000	60%	Tecnimont S.p.A.	60.00%
TecnimontHQC Sdn Bhd.	Malaysia	MYR	750,000	60%	Tecnimont S.p.A.	60.00%
Tecnimont-KT JV S.r.l.	Italy	EUR	15,000	100%	Tecnimont S.p.A.	70%
					KT S.p.A.	30%
Tecnimont-KT JV Azerbaijan LLC	Azerbaijan	AZN	170,010	100%	Tecnimont S.p.A.	70%
					KT S.p.A.	30%
Tecnimont Philippines Inc.	Philippines	PHP	10,002,000	100%	Tecnimont S.p.A.	100%
Met NewEN Mexico SA de CV	Mexico	MXN	4,200,000	100%	Tecnimont S.p.A.	99%
					Tecnimont Messico SA de CV	1%
MST S.p.A.	Italy	EUR	400,000	100%	Maire Tecnimont S.p.A.	100%
Transfima S.p.A.	Italy	EUR	51,000	51%	MST S.p.A.	51%
Transfima G.E.I.E.	Italy	EUR	250,000	50.65%	MST S.p.A.	43%

Consolidated companies	Location/Country	Currency	Share capital	% Group	Through:	
					Transfima S.p.A.	15%
Cefalù 20 S.c.a.r.l. in liquidation	Italy	EUR	20,000,000	99.99%	MST S.p.A.	99.99%
Corace S.c.a.r.l. in liquidation	Italy	EUR	10,000	65%	MST S.p.A.	65%
Birillo 2007 S.r.l.	Italy	EUR	1,571,940	100%	MST S.p.A.	100.0%
SE.MA. Global Facilities S.r.l.	Italy	EUR	50,000	100%	MST S.p.A.	100.0%
BiOne S.r.l.	Italy	EUR	10,000	100%	MST S.p.A.	100.0%

Companies consolidated line-by-lined based on shareholding:

Consolidated companies	Location/Country	Currency	Share capital	% Group	Through:	
Sep FOS(*)	France	EUR	-	50%	Tecnimont S.p.A.	49%
					TCM FR S.A.	1%
JO Saipem-Dodsal-Tecnimont (*)	United Arab Emirates	AED	-	32%	MST S.p.A.	32%
UTE Hidrogeno Cadereyta(*)	Spain	EUR	6,000	43%	KT S.p.A.	43%
Unincorporated JV Philippines (*)	Philippines	PHP	-	65%	Tecnimont Philippines Inc.	65%

(*) *Joint control agreement incorporated to manage a specific project and measured as a joint operation in accordance with the introduction of IFRS 11.*

ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of the financial statements are illustrated below.

The accounting policies utilized in preparing the 2023 consolidated annual financial statements are the same as those adopted in preparing the 2022 consolidated financial statements, except for the changes resulting from the first-time adoption of the international accounting standard which entered into effect on January 1, 2023, as discussed above in the "Accounting standards applied from January 1, 2023" paragraph.

Business combinations

Business combinations are recorded in accordance with the purchase method. The cost of the business combination is measured as the aggregate of the fair values, at the date of exchange, of assets acquired, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the company acquired.

The identifiable assets, liabilities and contingent liabilities of the company acquired that comply with the conditions for recognition under IFRS 3 are recognized at their fair value at the acquisition date, with the exception of non-current assets (or disposal groups) which are classified as held-for-sale in accordance with IFRS 5 and are recognized and measured at fair value, net of sales costs.

Goodwill deriving from acquisition is recognized under assets and initially measured at cost, represented by the excess of the acquisition cost compared to the Group share in the present value of the identifiable assets, liabilities and contingent liabilities recognized. Where, after the measurement of these values, the Group share in the present value of the identifiable assets, liabilities and contingent liabilities exceeds the acquisition cost, the excess is immediately recorded in the Income Statement.

The share of minorities in the entity acquired is initially measured in line with their share of the present value of the assets, liabilities and contingent liabilities recognized.

Investments in associates

An associate is a company in which the Group has significant influence, but not full control or joint control. The Group exerts its influence by taking part in the associate’s financial and operating policy decisions.

The results and assets and liabilities of associates are recorded in the consolidated financial statements under the Equity method, except where the investments are classified as held-for-sale in which case they are recognized separately in accordance with IFRS 5 - Non-current assets held-for-sale and discontinued operations.

Under this method, investments in associates are recorded in the Balance Sheet at cost, adjusted for changes after the acquisition in the net assets of the associates, less any impairment in the value of the individual investments. Losses of associates in excess of the Group share (including medium/long-term interests which, in substance are part of the Group net investment in the associate) are not recorded unless the Group has an obligation to cover them.

Investments in joint ventures and joint operations

A joint operation is a contractual agreement whereby the Group undertakes a jointly controlled business venture with other parties. Joint control is defined as the contractually shared control over a business activity and only exists when the financial and operating strategic decisions of the activities requires the unanimous consent of the parties sharing control.

When an enterprise of the Group undertakes its activities directly through joint operations, the assets and liabilities jointly controlled with other participants are recognized in the consolidated financial statements of the company based on the Group holding and classified in accordance with their nature. The liabilities and the costs incurred directly in relation to the activity jointly controlled are recognized on the basis of the accruals principle. The share of the gains deriving from the sale or use of the resources produced by the joint operation, net of the relative share of expenses, are recognized when it is probable that the economic benefits deriving from the operations will benefit the Group and their amount may be measured reliably.

Joint venture agreements, which involve the incorporation of a separate entity in which each participant has a shareholding, are considered joint control investments. The Group records the joint control investments utilizing the equity method. Under this method, the joint ventures are recorded in the Balance Sheet at cost, adjusted for changes after acquisition in the net assets of the associates, less any impairment in the value of the individual investments. The losses of the associates exceeding the Group interest and including medium/long-term interests (which, in substance are part of the Group net investment in the associates) are not recorded, unless the Group has an obligation to cover such losses.

Unrealized profits and losses on transactions between a Group company and a joint controlled entity are eliminated to the extent of the Group’s share in the joint controlled entity, except when the unrealized losses constitute a reduction in the value of the asset transferred.

Goodwill

Goodwill deriving from the acquisition of a subsidiary or a joint controlled entity represents the excess of the acquisition cost over the Group's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or the joint controlled entity at the acquisition date. Goodwill is recorded as an asset and an impairment test is undertaken annually.

Impairments are recorded immediately in the Income Statement and may not be subsequently restated, in accordance with IAS 36 - Impairment of assets.

For the impairment test, the goodwill acquired in a business combination must be allocated to each cash-generating unit of the acquirer, or groups of cash-generating units, which will gain from the synergies of the business combination. When the recoverable value of the cash-generating unit (or groups of cash-generating units) is lower than the book value, a write-down is recorded.

On the disposal of a subsidiary or joint controlled entity, the part of the goodwill attributable to the disposal is included in the measurement of the gain or loss.

The goodwill deriving from acquisitions made before the transition date to IFRS are maintained at the values resulting from the application of Italian GAAP at that date and tested for any loss in value.

Non-current assets classified as held-for-sale

Non-current assets (and disposal groups) are classified as held-for-sale when their carrying value is expected to be recovered by means of a sales transaction rather than through use in company operations. This condition is met only when the sale is highly likely, the assets (or group of assets) are available for immediate sale in their current condition and, consequently, management is committed to a sale, which should take place within 12 months of the classification as held-for-sale.

Non-current assets (and disposal groups) classified as held-for-sale are measured at the lower of their previous carrying value and market value less selling costs.

Contractual assets and liabilities

A client contract is identified and assessed on the basis of IFRS 15 following the tender contract's signature which establishes mutual obligations arising between the Group and the buyer.

In terms of contracts with Maire Tecnimont Group clients, the performance obligation is generally represented by the works in their entirety. In fact, even though individual performance obligations envisaged in the contract can be distinct by their very nature, in the contract's context, these are characterized by high interdependence and integration geared towards transferring the whole infrastructure to the buyer.

Nevertheless, in cases where several performance obligations are identified under the same contract, it is necessary to allocate the appropriate portion of the contractual price to the different performance obligations. In Group commercial practices, client contracts generally specify the price components for each contractual item in detail (observable contract price).

Revenues are recognized when (or over time) the performance obligation is fulfilled by transferring to the client the goods or service (or the asset) promised. The asset is transferred when (or over time) the client acquires control.

Contracts with clients typically signed as part of the Group and concerning the execution of multi-year contracts, envisage obligations to be fulfilled over time on the basis of the gradual progress of activities and the transfer of the facilities' control over time to the buyer since - the client controls the facility covered by the contract at the moment when it is built (the building is built directly on the land made available by the buyer) and - the works under construction cannot have an alternative use and the Maire Tecnimont Group retains the right to collect payment for services rendered during construction.

In choosing the appropriate measurement model of the transfer of control to the buyer, input-based criteria were adopted by the Group for current contracts.

With the input-based method, revenues are recognized on the basis of resources used by the entity to fulfil the contractual performance obligation (such as, resources consumed, dedicated labor hours, costs incurred, time spent or machine-hours used) with respect to total budgeted inputs.

The method considered to be more representative for revenue recognition is cost-to-cost, determined by applying the progress percentage as the ratio between costs incurred and total expected costs, to expected total contractual revenue. In calculating the ratio of costs incurred and expected costs, only costs contributing to the effective transfer of control of the goods and/or services are considered. In so doing, this method enables an objective measurement of the transfer of control to the client since it takes into consideration the quantitative variables relating to the contract in its entirety.

Given the engineering and operating complexity, the size and multi-annual duration of the projects, contractual payments, in addition to the basic consideration set out in the contract, include additional amounts covering elements that must necessarily be taken into account. In particular, amounts arising from "Reserves" or "Claims" are additional charges in respect of higher costs incurred (and/or to be incurred) for unforeseeable causes or events that are not attributable to the buyer, "Change Orders" after major works are performed (and/or to be sustained) or order modifications not formalized under additional deeds. The determination of additional charges is subject, by its very nature, to a certain degree of uncertainty both on the amounts that will be recognized by the client and on the payment periods which usually depend on the outcome of negotiations between the parties or by decisions from judicial bodies.

This type of contractual charge is attributed to "Contractual Changes" - a contractual change exists if this is approved by both contracting parties; approval may take place in writing, by verbal agreement or through industry commercial practices.

A contractual change can exist despite the presence of a dispute concerning the object and/or price of the contract. In this case, it is first necessary to assess whether rights to payment are contractually envisaged, generating an enforceable right. Once the enforceable right is identified, the recognition of the "Reserves" or "Claims" and charges for additional requests to the buyer requires defining whether the circumstance that associated revenues will not be reversed in future is considered to be "highly probable". For the purposes of this assessment, all significant aspects and circumstances will be taken into consideration, including contractual terms and conditions, industry commercial and negotiating practices or other supporting factors, as well as technical and legal assessments. Documentation produced by other bodies (Arbitration Boards, Dispute Adjudication Boards, etc.) will also be considered.

The contract with the buyer may envisage the accrual of penalty liabilities arising from non-compliance with specific contractual clauses (such as failure to comply with delivery times).

Once the entity is in possession of the elements to define how "reasonably foreseeable" is the accrual of contractual penalties, these will be considered as a reduction in contractual payments. In order to carry out these assessments, all available indicators will be analyzed to estimate the probability of contractual non-compliance that may lead to the accrual of penalty liabilities.

The practice in the sector in which the Maire Tecnimont Group operates is that payment for works (generally running into several years) is financially regulated through the disbursement of an advance and thereafter, through on-account invoicing. In general, buyer payment flows (an advance and subsequently, Interim Payment Certificates [IPC]) are designed in such a way as to make the construction project sustainable for the contractor and to limit exposure.

The contractual advance is used for the following purposes: - to finance the initial order investments and to disburse associated contractual advances to be paid to sub-contractors; - as a form of contractual guarantee to cover any risks of breach of contract by the buyer. The recovery of the contractual advance is reabsorbed through subsequent IPC/on-account invoicing, in line with the production cycle of the multi-year contract. Moreover, it is necessary to consider that the Group operating cycle is normally multi-year and therefore, the correct duration is considered to determine the existence of a significant financial component.

In view of the above considerations, the presence of significant financial components within contractual fees was not assessed in contracts that provide for an adjustment of advances and on-account invoicing in line with industry practices and/or, in any case, of amounts serving as 'guarantees' and with a timeframe that is adequate for the cash flows required by the project's execution.

The new accounting standard does not explicitly regulate the accounting treatment of loss-making contracts, but refers to the method of accounting defined by IAS 37. In particular, according to the IAS 37 definition, a contract is onerous when non-discretional costs ("unavoidable costs of meeting the obligation") exceed the expected economic benefits. Any expected loss is accounted for by the Group in the financial statements when this loss becomes probable on the basis of the latest estimates performed by management to adjust the order.

Since they cannot be qualified as incremental costs, costs that are incurred independently of the order's acquisition are expensed to the income statement not contributing to contractual advancement (cost not attributable to Cost-to-Cost).

Costs for the contract's execution, that is, those costs that refer directly to the contract, generate and improve the resources that will be used to satisfy the performance obligation and are recoverable through the contract's future economic benefits, are capitalized by the Group.

The practice in the industry in which the Maire Tecnimont Group operates is that usually these types of costs are represented by pre-production costs which, in some contractual cases, are expressly recognized by the buyer through specific items under the contract, while, in other cases, they are not expressly recognized and are paid through the order's overall margin. The explicit recognition of these costs implies that when they are incurred the transfer of control of the works covered by the project takes place. Consequently, such costs should not be capitalized and have to contribute to the determination of contractual advancement.

Should the contract not envisage explicit recognition, in compliance with the three conditions mentioned above, pre-production costs are capitalized and consistently depreciated to correspond with the transfer of control of the goods/services to the client.

Assets and liabilities arising from the contract are classified in the "Contractual Assets" and "Contractual Liabilities" accounts in the financial statements, respectively in the assets and liabilities section. Based on the standard's provisions, the classification between contractual assets and liabilities is on the basis of the ratio between Maire Tecnimont Group's service and the client's payment. If the resultant value is positive, the project's net balance is shown in the "Contractual Assets" account and, conversely, in the "Contractual Liabilities" account. If, on the basis of the contract, the values in question express an unconditional right to payment, they are presented as receivables.

The Group classifies exchange differences deriving from commercial operations under operating results, and in particular in the accounts other operating revenues and other operating costs, depending on whether the net effect is a gain or loss.

The amounts matured, where expressed in foreign currencies, are calculated taking into account the exchange rates at the date of the relative hedging operations.

Revenues Sustainable Technology Solutions (STS) BU

Revenues from the Sustainable Technology Solutions (STS) business unit cover all of the MAIRE Group's sustainable technology solutions, mainly focused on the energy transition. This business unit undertakes the following type of activities:

1. License assignment: the client receives a license to build facilities; licenses are based on proprietary technology solutions or cooperation and development agreements with third parties. The licensing models are:

    • Direct license: for the direct license model, the client deals directly with us and acquires the license, warranties, and engineering from STS and becomes an STS client.

    • Indirect license: STS may provide technology licensing, process design, and all related services through one of STS's approved contractors. When using STS's indirect licensing model, a license and engineering, procurement, and construction (EPC) agreement is signed between the client and one of STS's approved contractors to build the facility. The contractor then becomes an STS client. STS works with several global contractors who can sell the license on our behalf. Contractors could be independent manufacturers or other Maire group companies belonging to the Integrated E&C Solutions business unit.

2. Engineering Activities: refers to the technology package for Basic Engineering of the plant to be developed and transferred from the Licensor (STS) to the customer or contractor, in contracts mostly

referred to as PDP or Basic Engineering Design Package (BEDP). STS provides operation manuals for process design and basic engineering to build and operate the plant.

3. Provision of equipment: STS can provide some equipment for setting up of the plant. Equipment supply models are:

- Direct sales: in the direct sales model, the client deals directly with us and purchases the equipment from STS and becomes an STS client. Equipment is purchased by STS from the end manufacturer and then resold to contractors/clients ("equipment resale") and STS acts as a principal in the supply.

- Indirect sales: STS can supply equipment through one of STS's approved suppliers. When using STS's indirect sales model, the procurement contract is signed directly between the client and the end producer, and STS acts as an agent in the supply.

4. Other services: • Technical assistance: It could include services such as training, pre-commissioning assistance, and commissioning aimed at assisting the customer in applying engineering directions. • OTS services: simulation training tool used to train customer employees on the functionality of UREA processes. • Other: such as inspections, consulting, studies, selected specialized solutions, etc.,

In general, contracts with clients could include all of the activities listed above or a mix of them It is difficult to identify a single contract model as it depends mainly on the negotiation between the parties that affects the number of promises in the contract, as well as the timing of transactions that could vary.

License transfer activities and engineering activities do not seem to be able to be separated in the abstract and within the scope of the contracts when STS has the technology, license, and know-how to put the processes in place; because STS’s clients could not benefit from any license without the know-how and capabilities to build the plant and, at the same time, the plant built through the engineering activities provided by STS could not operate without the license.

The faithful representation of the contract is to provide the client with a complete set of technical documentation for the construction of the plant integrated with the license to execute it and the commissioning of the Plant. Indeed, it is impossible for the client to go to the market and find a different supplier with the right skills, patents, and know-how to build a plant that can use the STS license. Although the license covers additional benefits for the client (management and sales), no commitment is identified for STS after the completion of plant construction (i.e., STS will not carry out any activities after acceptance of the plant and the client will not expect any further involvement of STS).

In conclusion, licensing and engineering activities are highly correlated and represent a unique performance obligation. In the event that STS provides only unlicensed engineering activities to the client, a single performance obligation (engineering) is represented in that contract.

Equipment supply is a separate performance obligation. At the beginning of the contract there is no explicit or implied obligation for the client to acquire the equipment supply from STS. In theory, the client could purchase equipment from other suppliers in the market, and the supply of equipment could also be sold by STS outside the licensing and engineering framework. In addition, the equipment supply contracts do not provide a significant asset integration service of STS.

Other services (technical assistance, OTS, inspections, consulting), where included, are priced separately from the main services described above at a daily/hourly rate. This may be stipulated either in the license/engineering contract or in the equipment supply contract. Other services do not affect engineering or equipment supply activities and are not strongly interdependent with them. In fact, this type of activity may or may not be sold together with licensing and engineering, since they are optional for the client. In addition, it is usually clearly stated in the contract that the activities are "on demand" of the client, meaning that STS cannot estimate at the outset the number of hours/day to be used to conduct the activities. Therefore, a separate performance obligation must be accounted for.

The following table summarizes the method of revenue recognition:

Performance obligation	Revenue recognition	Method
License + Engineering	Over-time	Input/cost to cost
Engineering Activities	Over-time	Input/cost to cost
Equipment supply	Over-time	Input/cost to cost
Other services	Over-time	Input/cost to cost

IFRS 15 requires the measurement of revenue on a contract-by-contract basis. However, entities may apply a portfolio approach to similar contracts. To use the portfolio approach, the entity must reasonably expect that the accounting result will not be materially different from the result of applying the standard to individual contracts. With this in mind, STS accounts for the licensing service and the technical engineering activity as a single performance obligation, apportioning the fee for both types of services based on the hours worked compared to the total hours scheduled.

Other revenues

“Other revenues” mainly includes income components from projects under execution and deriving from industrial activities and accessory operations not directly related to the contract with the client. The account is measured according to other standards or specific Group “Accounting Policies”. In particular, this account includes income concerning: gains from the sale of fixed assets; income from the recharge of costs, prior year income, contractual penalties, exchange gains, insurance indemnities and the utilization of the doubtful debt provision.

The Company also classifies exchange differences deriving from commercial operations under operating results, and in particular in the accounts other operating revenues and other operating costs, depending on whether the net effect is a gain or loss.

Property, plant and equipment

Plant and machinery utilized for the production or the provision of goods and services are recorded in the financial statements at historic cost, including any accessory and direct costs necessary for the asset to be available for use.

Plant, machinery & equipment are recognized at cost, net of accumulated depreciation and any write-down for loss in value.

Property is recorded at fair value at the revaluation date net of any subsequent accumulated depreciation and any subsequent loss in value accumulated and is depreciated based on their estimated useful lives. Buildings are revalued annually on the basis of an independent expert’s valuation. The positive/negative difference is recorded in the revaluation reserve under equity.

Depreciation is calculated on a straight-line basis on the cost of the assets, according to their estimated useful life, which is reviewed annually at following rates:

Asset Category	Rate
Land	0%
Buildings	from 2% to 10%
Plant & machinery	from 7.5% to 15%
Industrial and commercial equipment	15%
Furniture	12%
EDP	20%
Motor vehicles	from 20% to 25%

Gains and losses deriving from the disposal or sale of assets are determined as the difference between the sales revenue and the net book value of the asset and are recorded in the Income Statement in the year.

Ordinary maintenance costs are fully charged to the income statement.

Improvements on the original value of the assets are capitalized and depreciated based on their residual utilization.

Leasehold improvements which may be recorded as an asset are recognized under property, plant and equipment and depreciated at the lower between the residual duration of the contract and the residual useful life of the asset.

Grants

Capital grants are recognized when there is reasonable certainty that they will be received and that the conditions will be satisfied for their attainment.

Capital grants are recorded as a direct reduction of the asset to which they refer. The value of an asset is adjusted by straight-line depreciation, calculated on the basis of the residual useful life of the asset.

Intangible assets

Intangible assets acquired separately are recorded at cost less amortization and any net loss in value. Amortization is calculated on a straight-line basis over the useful life of the asset. The amortization method and the residual useful life are reviewed at the end of each accounting period. The effects deriving from the change in the amortization method and the residual useful life are recorded prospectively.

Intangible assets generated internally – research and development costs

Research costs are expensed to the income statement in the period in which they are incurred.

Intangible assets generated internally deriving from the development phase of a Group internal project are only recognized under assets when the following conditions are met:

- There is the technical feasibility to complete the intangible asset for its use or sale;
- There is the intention to complete the intangible asset and utilize or sell the asset;
- There is the capacity to utilize or sell the intangible asset;
- It is probable that the asset will generate future economic benefits;
- There exists the technical, financial and other resources in order to complete the development and utilize or sell the asset during the development phase.

The initial amount recognized of the intangible assets generated internally corresponds to the sum of the expenses incurred at the date in which the asset meets the criteria described above. Where these expenses may not be recorded as intangible assets generated internally, the development expenses are expensed in the Income Statement in the period in which they are incurred.

Subsequent to initial recognition, the intangible assets generated internally are recorded at cost less any accumulated loss in value and amortization, as occurs for intangible assets acquired separately.

Intangible assets acquired through a Business Combination

Intangible assets acquired in a business combination are identified and the goodwill is recorded where they satisfy the definition of intangible assets and their fair value may be determined reliably. The cost of these intangible assets is their fair value at the acquisition date. Subsequent to initial recognition, the intangible assets acquired in a business combination are recorded at cost less amortization and any accumulated loss in value, as occurs for intangible assets acquired separately.

Right-of-use - Leasing

IFRS 16 establishes a single model for accounting for lease contracts involving the recognition by the lessee of a right-of-use asset and a lease liability representing the obligation to make the payments required under the contract. At the commencement date (the date on which the asset is made available for use), the right of use is initially measured at cost as the sum of the following:

- the initial amount of the lease liability;
- the payments due for the lease made on or before the commencement date, net of any incentives received for the lease;
- the initial direct costs incurred by the lessee;
- the estimated costs that the lessee expects to pay to dismantle and remove the underlying asset and restore the site in which it is located or to restore the underlying asset to the conditions provided for in the terms and conditions indicated in the lease contract.

After initial recognition, the right of use is amortized, tested for impairment and adjusted to reflect any restatement of the lease liability. Amortization is applied on a straight-line basis according to the term of the contract, taking account of renewal/termination options that are highly likely to be exercised. Only if the lease provides for a reasonably certain purchase option is the right-of-use asset amortized systematically over the entire useful life of the underlying asset.

Impairment of tangible, intangible and financial assets

At each reporting date, the Group reviews the carrying value of its intangible, tangible and financial assets to determine if there are indications that these assets have incurred a loss in value. Where it is not possible to make an estimate of the recoverable amount of an asset individually, the Group makes an estimate of the recoverable amount of the cash-generating unit the asset belongs to. When it is established that a potential loss exists, an estimate of the recoverable amount is made in order to identify the amount of the loss.

The indefinite intangible assets, as for goodwill, are verified annually and whenever there is an indication of a possible loss in value, in order to determine if there has been a loss in value.

The recoverable value is the higher between fair value less costs to sell and value in use. In determining the value in use, the estimated future cash flows are discounted on a pre-tax basis which reflects the market assessment of the time value of money and the risks specific to the asset. In the determination of this value various cash flow scenarios are utilized (sensitivity analysis).

If the recoverable value of an asset (or a CGU) is considered lower than its carrying value, it is reduced to its recoverable value. A loss in value is recognized in the income statement immediately.

Where, subsequently, the loss in value no longer exists or reduces, the book value of the asset is increased up to the new estimate of the recoverable value and may not exceed the value which would be determined where no loss in value had been recorded. The reversal of a loss in value is immediately recorded in the income statement.

In addition, IFRS 16 requires that lessees test rights of use associated with leased assets for impairment in accordance with IAS 36, similarly to other owned company assets. Accordingly, when there are signs of impairment, it must be determined whether the right of use may be tested on a stand-alone basis or at the level of CGU.

The Group decided to include the right-of-use net of the related lease liability in the CGU being assessed and determine the value in use considering the outlays for lease rentals using a pre-IFRS 16 discounting rate.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost includes direct materials and, where applicable, direct labor costs, general production costs and other costs which are incurred in bringing the inventories to their present location and condition. The cost is calculated using the weighted average cost method. The net realizable value is represented by the estimated sales price less the estimated cost for completion and estimated costs to sell.

Financial instruments

The classification of the financial instruments as per IFRS 9 is based on the “business model” and on the characteristics of the contractual cash flows of the instruments. The “business model” represents the management model of the financial assets held by the Group on the basis of the strategic objectives defined, in order to generate cash flows by collecting the contractual cash flows, selling financial assets or managing both models.

Financial assets and liabilities are recorded in the financial statements when the Group has the contractual obligations of the instrument.

Financial assets

The “business model” utilized by the Group are:

- Held To Collect (HTC), managed to collect contractual cash flows: corresponding to the wish to hold the instruments until maturity;
- Held To Collect and Sell (HTC&S), managed to collect contractual cash flows and for sale: corresponding to the wish to meet liquidity needs and minimize liquidity management cost and maintain the risk profile;
- Other – residual category, managed for trading; corresponding to the wish to maximize contractual cash flows through sale.

Receivables

In considering the classification of financial assets account was taken of the Group’s business model and characteristics of the cash flows. In particular trade receivables are classified in the category of the receivables Held-to-collect, corresponding to the wish to hold the instruments until maturity.

Receivables are initially recognized at fair value and subsequently measured at amortized cost, utilizing the effective interest rate method, net of the relative losses in value with reference to amounts considered non-recoverable, recorded in a specific doubtful debt provision. The original amount is restated whenever the reasons for the adjustment no longer apply. In this case, any reversal of previous provisions are recorded in the income statement and may not exceed the amortized cost of the receivable in the absence of the previous adjustments.

Trade receivables which mature within the normal commercial terms are not discounted. Receivables in currencies other than the operational currency of the individual companies are recorded at the period-end exchange rates.

Other financial assets

Financial assets are recognized at cost, recorded at the trading date, represented by the fair value of the initial amount given in exchange, increased by any transaction costs (for example: commissions, consultancy etc.) directly attributable to the acquisition of the asset. After initial recognition, these assets are measured at amortized cost using the original effective interest method.

Financial assets held for speculative purposes in the short-term are recognized and measured at fair value, with changes recorded in the income statement.

With regards to the valuation of financial assets concerning minority investments, IFRS 9 requires fair value measurement. The investments in other companies of the Group mainly refers to consortiums incorporated for specific projects whose duration is related to the project span. These investments are measured at fair value with changes to the statement of comprehensive income, although as not listed on an active market, the fair value is therefore estimated, although does not vary from the cost and the relative portion of equity.

Cash and cash equivalents

Cash and cash equivalents include cash balances and bank current accounts and deposits repayable on-demand, plus other highly liquid short term financial investments that can be readily converted into cash and are not subject to a significant risk of a change in value.

Impairment model

The method is based on a predictive approach (expected credit losses model), based on the probability of default and the capacity of recovery in the event of a loss given default.

In the estimate of the impairment of receivables official ratings are utilized where available or internal ratings, to determine the probability of default of the counterparty; the capacity of recovery was also identified in the case of a loss given default of the counterparty based on historical experiences and different possible recovery methods.

Financial liabilities and Equity instruments

Financial liabilities and Equity instruments issued by the Group are classified in accordance with the underlying contractual agreements and in accordance with the respective definitions of liabilities and Equity instruments. These latter are defined as those contracts which give the right to benefit from the residual interest of the assets of the Group after the reduction of the liabilities. The accounting policies adopted for specific financial liabilities and Equity instruments are described below.

Payables

Payables are initially recorded at cost, corresponding to the fair value of the liability, net of directly attributable transaction costs.

Subsequent to initial recognition, the payables are measured under the amortized cost method, utilizing the effective interest rate method. This category includes interest bearing bank loans, overdrafts, non-convertible bonds and trade payables.

The trade payables which mature within the normal commercial terms are not discounted. Payables in currencies other than the operational currency of the individual companies are recorded at the period-end exchange rates.

Fair value measurement

Fair value is the amount in which an asset (or a liability) may be exchanged in a transaction between independent counterparties with reasonable knowledge of the market conditions and significant events related to the item under negotiation. The presumption that an entity is fully operational and does not need to liquidate or significantly reduce activities, or undertake operations at unfavorable conditions, is fundamental to the definition of fair value. The fair value reflects the credit quality of the instrument as it incorporates the counterparty risk.

Receivables and Payables

For receivables and payables recorded in the financial statements at cost or amortized cost, the fair value for the purposes of the disclosure to be provided in the Explanatory Notes is determined as follows:

- for short-term receivables and payables, it is considered that the value paid/received reasonably approximates fair value;
- for medium/long-term receivables/payables, the measurement is principally undertaken through the discounting of future cash flows. The discounting of the expected cash flows is normally undertaken through the zero coupon curve increased by the margin represented by the specific credit risk of the counterparty.

Other financial instruments (Debt and equity securities)

The fair value for this category of financial asset is measured taking as reference the listed prices at the reporting date of the financial statements where existing, otherwise with reference to technical valuations utilizing as input exclusively market data.

Other financial instruments (Minority holdings)

The fair value for this category of financial assets is calculated according to valuation models whose input is not based on observable market data (“unobservable inputs”).

Financial liabilities - Leasing

Under IFRS 16, the lease liability is initially measured at the present value of the payments due at the commencement date, which include:

- the fixed payments that are reasonably certain to be paid, net of any lease incentives to be received;
- the variable payments due that depend on an index or a rate (variable payments such as rentals based on the use of the leased asset, are not included in the lease liability, but taken to the income statement as operating costs over the term of the lease contract);
- any amounts expected to be paid as security for the residual value granted to the lessor;
- the exercise price of the purchase option, if the lessee is reasonably certain to exercise it;
- the penalty payments for breaking the lease, if the lessee is reasonably certain to exercise this option.

The present value of these payments is calculated by adopting a discount rate equal to the implicit interest rate on the lease or, where this cannot be easily determined, using the lessee’s incremental financing rate. The lessee’s incremental financing rate is based on the Group’s incremental financing rate, i.e. the rate that the Group would have to pay to borrow the funds needed to purchase an asset of similar value in a similar financial context and with similar terms and conditions.

Future cash flows are therefore discounted at the risk free rate of the respective currencies, plus a spread for the specific risk of the Company, established as the difference between the yield on the listed Maire Tecnimont S.p.A. debt securities against an instrument with similar features but without risk.

After initial recognition, the lease liability is measured at amortized cost (i.e., by increasing its carrying amount to take account of the interest on the liability and decreasing it to take account of the payments made) using the effective interest rate and is redetermined, with a balancing entry to the carrying amount of the related right-of-use, to reflect any modifications to the lease following contractual renegotiations, changes in indices or rates or modifications relating to the exercise of contractually established renewal, early termination or leased asset purchase options.

The extension and termination options are included in a series of lease agreements mainly related to Group properties. To determine the duration of the lease agreement, management takes account of all facts and circumstances that can

generate a financial incentive to exercise an option to extend or not exercise an option to terminate.

Extension options (or periods following termination options) are included in the duration of the lease agreement only if it is reasonably certain that the lease agreement will be extended (or not terminated).

The Standard eliminates the classification, for the lessee, of leases as operating or financial, with limited exceptions to the application of the accounting treatment (allocation of lease rentals to the income statement on an accrual basis for leases that qualify as “short-term” or “low-value”). For the financial statements of lessors, however, the separation is maintained between operating and financing leases.

The Group adopts the exemptions allowed by the standard; therefore, leasing costs referring to rental or lease agreements that envisage variable payments, or assets of minimal value (i.e. less than USD 5,000) or with a duration of less than 12 months, are expensed gradually over time as they are incurred.

Equity instruments

Equity instruments issued by the Company are recognized based on the amount received, net of direct issue costs.

Convertible bonds

In accordance with IAS 32 “Financial Instruments: Presentation in the financial statements” convertible bonds are recorded as hybrid financial instruments, formed by two components which are treated separately only if significant: a liability and a conversion option. The liability corresponds to the present value of the future cash flows based on the current interest rate at the issue date for an equivalent non-convertible bond. The value of the option is defined as the difference between the net amount received and the amount of the liability and is recorded under equity. The value of the conversion option in shares does not change in subsequent periods. On the contrary, where the characteristics of the bond result in, on the exercise of the conversion right, the right of the company to deliver shares or offer a combination of shares and cash, the option is recognized as a financial liability for the incorporated host, measured at fair value through P&L, while the difference compared to the original nominal value or rather the financial liability (host) is recorded at amortized cost.

Warrants

On April 30, 2020, the Maire Tecnimont Shareholders' Meeting approved, pursuant to Article 114-bis of Legislative Decree No. 58/1998 of the CFA, the introduction of the 2020-2024 Long Term Investment Plan to support the Group's Green Acceleration project, based on financial instruments of the subsidiary NextChem Tech S.p.A. (previously Nextchem S.p.A.), a Company initially identified as a vehicle for the roll-out of the Green Acceleration project of the Maire Tecnimont Group. The Plan’s objective was to support the Green Acceleration of the Group.

The Investment Plan provided for a direct investment, against payment and with the use of own capital by each Beneficiary and is divided into three distinct series of warrants A1, A2 and B, which are in turn divided into three further tranches. On December 16, 2020, NextChem tech S.p.A. (previously Nextchem S.p.A.) issued the three series of warrants, which were in turn divided into three further tranches that were actually subscribed and paid by the beneficiaries in July 2021. There are specific exercise conditions for each tranche of each series of warrants.

In view of the implementation of the Plan, NextChem tech S.p.A. (previously Nextchem S.p.A.) Shareholders' Meeting (February 2021) therefore resolved a share capital increase at par value, for payment (by the deadline of December 31, 2027) and divisible, with exclusion of option rights of the shareholders Maire Tecnimont and Maire Investments S.p.A. irrevocably reserved for the Beneficiaries of the New Plan for a total of Euro 2,960,570.00 of which Euro 2,000,000 to be allocated to share capital and Euro 960,570 to be allocated to share premium, through the issue of a maximum of 2,000,000 new shares without par value, as follows:

- Euro 1,000,000 (approximately 5% of the current paid-in capital), to service the exercise of Warrants A1 and A2 for the issue, even in several tranches at the end of the Vesting Period, of up to 1,000,000 NextChem tech S.p.A. (previously Nextchem S.p.A.) Shares. This portion of the share capital increase will be subscribed and paid by the Beneficiaries of the Plan who are the recipients of Warrants A1-A2 at the end of the Vesting Period, following the fulfilment of the conditions set out in the Plan with reference to this series of Financial Instruments and, therefore, based on the "conversion ratio" identified in view of the results achieved;
- Euro 1,000,000 (approximately 5% of the current paid-in capital), to service the exercise of Warrants B for the issue, even in several tranches at the end of the Vesting Period, of up to 1,000,000 NextChem tech S.p.A. (previously Nextchem S.p.A.) Shares. This portion of the share capital increase will be subscribed and paid by the Beneficiaries of the Plan who are the recipients of Warrants B at the end of the Vesting Period, following the fulfilment of the conditions set out in the New Plan with reference to this series of Financial Instruments.

Consequently, the share capital of NextChem tech S.p.A. (previously Nextchem S.p.A.), following the registration of the resolution for the capital increase mentioned above, was approved for Euro 20,095,252.00, of which Euro 18,095,252.00 subscribed and paid in.

The subscription price of the warrants, which is different for the three separate series, was determined by an independent expert on the basis of an appraisal of the Fair Market Value (FMV) of the instruments.

The conditions for the exercise of the warrants are (i) the continuation, as of the Vesting Date (5th anniversary following the Issue Date), by the Holder of the employment, consultancy and/or administrative relationship, as the case may be, with Maire Tecnimont and/or NextChem tech S.p.A. (previously Nextchem S.p.A.) and/or another company of the Maire Group, and the absence of resignations or notices of termination of the relationship, as well as (ii) the achievement, as of the Vesting Date, of certain parameters for the growth of the value of Nextchem S.p.A. linked to indicators of Ebitda and Equity Value and the Value of the Maire Tecnimont Share.

Upon exercise of the Warrants, Warrant holders will be assigned Converted Shares based on the Exercise Ratio calculated according to a formula that provides for the subscription of a number of shares that is variable, although the number is limited within a maximum range, essentially depending on the parameters indicated above in the exercise conditions of NextChem Tech’s (formerly NextChem S.p.A.) EBITDA and Equity Value.

Failure to meet the Warrant Exercise Conditions after the Vesting Period has concluded will result in Holders forfeiting their right to exercise the Warrants and, therefore, to receive the underlying NextChem Converted Shares.

The regulations of the Warrants and of the ancillary investment agreements also provide for acceleration rules during the Vesting Period (by way of example, in the event of IPO, change of control and sale), Call Option on the Warrants and Conversion Shares by Maire Tecnimont and Maire Investments, Lock-Up Period for the transfer of the Shares by the Holder and a Put Option of NextChem tech S.p.A. (previously Nextchem S.p.A.) granted to the Holder for the Conversion Shares.

The capital increase through the exercise of warrants falls within the scope of application of international accounting standard IAS 32 "Financial instruments: presentation in the financial statements".

Paragraph 15 of IAS 32 states that "the issuer of a financial instrument shall classify the instrument, or its components, upon initial recognition as a financial liability, financial asset, or equity instrument in accordance with the substance of the contractual arrangements and the definitions of financial liability, financial asset, and equity instrument".

Therefore, in order to consider a warrant as an equity instrument, it must pass the "fixed for fixed test", i.e., the warrant must provide that the number of shares that can be subscribed to be fixed in a certain quantity (fixed) and that the consideration received in the event of the exercise of the warrant is also determined in any currency in a certain quantity.

Taking into account the difficulties in interpreting IAS 32, the fixed-for-fixed test was not passed due to the presence of the Exercise Ratio mechanism calculated according to the formula that provides for the subscription of a number of shares that varies according to the EBITDA and Equity Value parameters of NextChem tech S.p.A. (previously Nextchem S.p.A.) at the date of the financial statements.

This liability has not been classified as a financial liability within the net financial position as the Company has no contractual obligation to deliver cash to the holder of the Warrants; - no interest of any kind accrues on this liability; - this liability arises from an instrument that will provide the Company with a capital increase upon its possible future exercise.

In the fourth quarter of 2022, the Group launched an industrial reorganization against the backdrop of the broader social and industrial transformation underway globally, which has led to a reshaping of its long-term strategies. This led to, following the Board of Directors' approval on March 1, 2023, the Group's industrial reorganization into two business units ("BU's"). Specifically: i) "Integrated E&C Solutions", covering executive general contractor operations, so as to achieve economies of scope and synergies on projects with integrated technologies and processes, in addition to greater operational efficiency and reduced overheads; and ii) "Sustainable Technology Solutions", covering all of the Group's sustainable technology solutions/operations, in addition to the high value-added/innovative services primarily focused on the energy transition and the "green acceleration".

As part of the Project and in particular for the purposes of setting up the "Sustainable Technology Solutions" business unit, the Board of Directors of Maire Tecnimont approved the transfer to the newly-incorporated subsidiary NextChem S.p.A. ("previously NextChem Holding S.p.A.") of 100% of the share capital of the Dutch subsidiary Stamicarbon B.V. and of 56.67% of the share capital of the subsidiary NextChem Tech S.p.A. ("previously Nextchem S.p.A."). Maire Investments S.p.A., owner of the remainder of NextChem Tech S.p.A. ("previously Nextchem S.p.A.") (43.33%), also transferred its holding to NextChem Holding.

A paid-in and indivisible share capital increase was therefore undertaken of NextChem Tech S.p.A. ("previously Nextchem S.p.A."), initially 56.67% and 43.33% held by Maire Tecnimont and Maire Investments respectively for a total of Euro 648,450,000, excluding the pre-emption rights pursuant to Article 2441, paragraph 4, of the Civil Code and reserved for Maire Tecnimont and Maire Investments shareholders, to be paid-in by means of the simultaneous contribution of the above-mentioned shareholdings. As a result of the increase, 78.37% of the share capital of NextChem S.p.A. ("previously NextChem Holding S.p.A."). is now held by Maire Tecnimont and 21.63% by Maire Investments, while NextChem Holding wholly-owns NextChem Tech S.p.A. ("previously NextChem S.p.A.") and Stamicarbon.

As a result of the above, the main terms and conditions of the warrant issued are being reviewed to take into account new corporate events and industrial developments that have occurred since the introduction of the warrant-based Long-Term Investment plan.

Derivative instruments and hedge accounting

The Group uses derivative instruments (swap contracts, options, forwards) to hedge the risks deriving from fluctuations in interest rates, in the purchase costs of certain raw materials and in exchange rates relating both to cash flows from contracts denominated in foreign currency and to bank loans.

The structure of the contracts in place is in line with the Group "hedging" policy.

IFRS 9 requires amendments to the rules for the management of hedge accounting relations which are closer to the recognition logic utilized by the Group within its Risk Management.

As per IFRS 9 the effectiveness of the hedging relationship can only be on a prospective basis and must be demonstrated both qualitatively and quantitatively, without any threshold level defined by the standard.

Derivative instruments are measured at fair value with recognition of any changes in fair value to the income statement where they do not satisfy the conditions to be considered as hedges either due to the type of instrument or the choice of the company not to undertake the efficiency test. Derivative instruments are classified as hedging instruments when the relation between the derivative and the hedged item is formally documented and the effectiveness of the hedge, periodically verified, is high in accordance with IFRS 9.

The accounting of the hedging instruments differs depending on the objective of the hedge: cash flow hedges or fair value hedges.

Cash flow hedge

The changes in the fair value of the derivative instruments which are designated, and which are efficient, to hedge future cash flows relating to the Group contractual commitments are directly recorded under Equity, while the non-efficient portion are immediately recorded in the Income Statement.

The amounts recorded directly under Equity are included in the Income Statement in the same period that the contractual commitment hedged is included in the Income Statement.

Fair value hedge

For the efficient hedge of a "change in fair value" the item hedged is adjusted by the fair value changes attributable to the risk hedged recognized through the Income Statement. The gains and losses deriving from the fair value of the derivatives are also recorded in the income statement.

The changes in the fair value of the derivative instruments which do not qualify as hedges are recorded in the Income Statement in the period in which they arise.

Embedded derivatives

Embedded derivatives included in contracts are treated as separate derivatives only when:

- their risks and features are not strictly related to those of the host contracts;
- the separate embedded instrument satisfies the definition of a derivative;
- the hybrid instrument is not recognized at fair value with changes recorded through P&L.

Where an embedded derivative is separated, the relative host contract must be recorded in accordance with IFRS 9, if the contract is a financial instrument, and in accordance with the other accounting standards if the contract is not a financial instrument.

Fair value calculation

The fair value of financial instruments is represented by the current market price or, in their absence the application of appropriate financial valuation models which take into consideration all the factors adopted by market operators and the prices obtained in a real market transaction. In particular, the fair value of the interest rate swaps is measured discounting the expected cash flows, while the fair value of currency forward contracts is determined on the basis of the forward exchange rate at the reference date and the differential rates between the currencies.

Derecognition of financial instruments

Financial assets are eliminated from the balance sheet when the right to receive the cash flows no longer exists and all the related risks and benefits are substantially transferred (so-called derecognition) or where the item is considered definitively non-recoverable after the completion of all the necessary recovery procedures. Financial liabilities are derecognized from the balance sheet when the specific contractual obligations are extinct. Receivables transferred following factoring operations are eliminated from the balance sheet only when the related risks and benefits of ownership have been substantially transferred.

With recourse receivables and non-recourse receivables which do not satisfy these requisites remain on the balance sheet of the company, even if legally transferred; in this case a financial liability of a similar amount is recorded under liabilities against advances received.

Shareholders' Equity

Share capital

The share capital is the amount of the subscribed and paid-in capital of the Parent Company. The costs strictly related to the issue of new shares are classified as a reduction of the share capital when they refer to costs directly attributable to the equity operation.

Treasury shares

They are recorded as a decrease in Group Shareholders' Equity. The costs incurred for the issue of new shares by the Parent Company are recorded as a reduction in equity, net of any deferred tax effect. The gains or losses for the purchase, sale, issue or cancellation of treasury shares are not recorded in the income statement.

Retained earnings/(accum. losses)

This refers to the results of previous years for the part not distributed or recorded under reserves (in the case of profit) or recapitalized (in the case of losses). The account 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.

Other reserves

These include the fair value reserves recorded under equity in accordance with the applicable criterion, the treasury share reserve, the legal reserve, the translation reserve and the other statutory reserves.

Valuation reserve

These include the cash flow hedge reserve relating to the "effective" portion of the hedge, the cost of hedging reserve which includes the time value of currency options, the actuarial reserve on defined benefit plans recognized directly to equity and the changes in fair value of minority investments through OCI reserve.

Contractual liabilities deriving from financial guarantees

The contractual liabilities deriving from financial guarantees are initially measured at their fair value and subsequently measured at the higher between:

- the amount of the contractual obligation, determined in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets;
- the initial amount recorded net, where applicable, of the accumulated amount recorded in accordance with the recognition of the revenues as described above.

Provisions for risks and charges

Provisions are recorded when the Group has a current obligation (legal or implied) that is the result of a past event and it is probable that the Group will be required to fulfil the obligation. Provisions are made based on the best estimate of the cost of fulfilling the obligation at the reporting date, and are discounted when the effect is significant.

When the Group considers a provision for risks and charges must be in part or in full reimbursed, the indemnity is recorded under assets only when the reimbursement is almost certain and the amount of reimbursement may be determined reliably.

Onerous contracts

Where the Group has an onerous contract, the current obligation contained in the contract must be recognized and measured as a provision.

An onerous contract is a contract in which the non-discretional costs necessary to settle the obligations exceed the economic benefits deriving from such.

Restructuring provision

A provision for restructuring cost is recorded only when the Group has undertaken a formal detailed program for the restructuring and there exists a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A provision for restructuring must only include the direct expenses deriving from the restructuring and not associated with the current activities of the Group.

Personnel incentive plans

The Group recognizes additional benefits to employees through the cash incentive plans. These plans represent a remuneration component of the beneficiaries; therefore, the cost is recognized in the income statement under "Personnel expense" over the period between the granting date and that of maturity and under provisions for risks and charges.

The financial effects of the Plans are estimated and recognized in accordance with IAS 19 by adequately weighing the defined maturity conditions (including the probability of employees remaining in the Group for the duration of the Plan); at the end of each year the estimate is updated and recognized under "Personnel expense". The plans within this category included the MBO incentive system, both in its short-term and deferred long-term component, and the annual attendance bonus.

Guarantees

The provisions for guarantee costs are accrued when it is considered probable that the request to honor the guarantee will be made. The calculation of the provision is made based on the best estimate by Management of the costs required to comply with the obligation.

Post-employment benefits

The payments for defined contribution plans are recognized in the Income Statement of the period in which they are due.

For the defined benefit plans, the cost relating to the benefits recognized is determined using the projected unit credit method, making actuarial valuations at the end of each period. Actuarial gains and losses are recognized in the period they arise and recorded directly in a specific equity reserve. The cost relating to past employment service is immediately recorded when the benefits have already matured.

The liabilities for post-employment benefits recorded in the balance sheet represent the present value of the liabilities for the defined benefit plans adjusted to take into account any actuarial gains or losses not recorded and costs relating to past employment services not recorded, and reduced by the fair value of the asset plan. Any net assets resulting from this calculation are limited to the value of the actuarial losses not recorded and costs relating to past employment services not recorded, plus the present value of any repayments and reductions in future contributions to the plan.

Other long-term employee benefits

The accounting treatment of the other long-term benefits is similar to those of the plans for post-employment benefits with the exception of the fact that the actuarial gains and losses and costs deriving from past employment services are recognized in the income statement fully in the year in which they arise.

Share-based payments

The Group recognizes additional benefits to employees through equity participation plans. The above-mentioned plans are recognized in accordance with IFRS 2 (Share-based payments). In accordance with IFRS

2, these plans represent a remuneration component of the beneficiaries; therefore, for the equity participation plans, the cost is represented by the fair value of these instruments at the granting date, and recognized in the income statement under “Personnel expense” over the period between the granting date and that of maturity, and in the “IFRS 2 reserve” under equity. Changes subsequent to the granting date in the fair value do not have an effect on the initial value. At the end of each year the estimate is updated on the number of rights which will mature on maturity. The change in the estimate reduces the amount in the “IFRS 2 reserve” and is recorded under “Personnel expense” in the P&L. At December 31, 2023, the plans that fall into this category are the 2023-2025 General Share Plan, the 2021-2023 LTI Plan, the 2022-2024 LTI and the new 2023-2025 LTI Plan.

Financial income and charges

Interest is recognized in accordance with the effective interest rate method, utilizing therefore the interest rate which is financially equivalent to all the cash inflows and outflows (including premiums, discounts, commissions etc.) which comprise an operation. The Group classifies exchange differences in the operating results, and in particular in the accounts other operating revenues and other operating costs depending on whether the net effect is a gain or loss, with detailed information provided in the Explanatory Notes.

Income taxes

Income taxes for the year represent the sum of current and deferred taxation.

Current income tax

Current income taxes for the year and previous years are recorded for the amount expected to be paid to the fiscal authorities.

The liability for current income taxes is calculated using the current rates at the reporting date in the individual countries where the Group operates.

Deferred taxes

Deferred taxes are the taxes that it is expected to pay or recover on the temporary differences between the carrying value of the assets and of the liabilities in the financial statements and the corresponding fiscal value utilized in the calculation of the assessable income, accounted under the liability method. Deferred tax liabilities are generally recorded on all temporary assessable differences, while deferred tax assets are recorded based on the probability that the future assessable results will permit the use of the temporary deductible differences. These assets and liabilities are not recognized if the temporary differences deriving from the goodwill or the initial recognition (not in business combinations) of other assets or liabilities in operations do not have an impact on the accounting result or on the assessable fiscal result.

The carrying value of deferred tax assets is revised at the end of the year and reduced to the extent that it is no longer likely that there will be sufficient taxable income against which to recover all or part of the assets.

Deferred taxes are calculated based on the fiscal rates that are expected to be in force at the moment of the realization of the asset or the settlement of the liability. Deferred taxes are recognized directly in the income statement with the exception of those relating to accounts directly recognized to equity, in which case the deferred taxes are also recognized to equity.

Deferred tax assets and liabilities are offset when there is a direct right to compensate the tax assets and liabilities and when they refer to income taxes due to the same fiscal authority and the Group intends to pay the amount on a net basis.

Deferred taxes are recognized directly to the income statement with the exception of those relating to accounts directly recognized to equity, in which case the deferred taxes are also recognized to equity.

USE OF ESTIMATES

The preparation of the financial statements and the relative notes in application of IFRS require that management make estimates and assumptions on the values of the assets and liabilities in the financial statements and on the disclosures relating to the assets and contingent liabilities at the reporting date. The estimates and assumptions used are based on past experience and other factors considered relevant. The actual results may differ from such estimates. The estimates and assumptions are reviewed periodically and the effects of any changes are recorded in the income statement in the period of the revision of the estimate, if the revision has effect only on that period, or also in subsequent periods if the revision has effect on the current year and on future years. In this regard, the situation caused by the economic and financial crisis resulted in the need to make assumptions on an outlook characterized by significant uncertainty and for which it is reasonably possible - on the basis of currently available information - that within the following year, results may differ from estimates, requiring even significant adjustments (including to the book value of the relative items).

The accounts principally affected by such uncertainty are:

- CONTRACTUAL REVENUES, ASSETS AND LIABILITIES The processes and procedures for recognizing revenues and measuring contractual assets and liabilities for long-term contracts are based on estimates of the costs and revenues throughout the entire life of projects lasting for more than one year, the pricing of which is impacted significantly by assumptions and estimates made by the directors, particularly with regard to forecasting the costs to complete each project and including an estimate of the risks and of the contract penalties, where applicable, and an assessment of contract changes envisaged or being negotiated and any changes in estimates compared to the previous year.

- PROVISIONS FOR RISKS AND CHARGES: A number of companies of the Group are involved in judicial or administrative proceedings for which allocations are made to provisions, mainly connected with legal and fiscal disputes. The process and procedures for assessing the risks related to these proceedings are based on complex factors that require the directors to make assumptions and estimates, particularly with regard to the assessment of uncertainties connected with the predicted outcome of the proceedings taking account of information obtained from the legal affairs unit and from outside legal counsel. These provisions are estimated through a complex process involving subjective assessments by Company Management.

- IMPAIRMENT OF FINANCIAL ASSETS AND RECEIVABLES: The collectability of receivables and the need to recognize impairment for doubtful accounts is done in accordance with the expected credit loss model. This process requires company management to make complex and/or subjective assumptions. The factors considered in making these assumptions concern, in part, the creditworthiness of the counterparty, where available, the amount and timing of expected future payments, any mechanisms put in place to mitigate credit risk, and any steps taken or planned to collect the receivables.

- FAIR VALUE: The fair-value measurement of financial and non-financial instruments is a structured process involving complex methods and approaches and requires the gathering of up-to-date information from the markets concerned and/or the use of internal inputs. As for the other estimates, fair-value measurements are, even when based on the best information available and on the appropriate measurement methods and techniques, intrinsically characterized by uncertainty and professional opinion and can lead to estimates that differ from the actual figures once they are known.

- IMPAIRMENT OF NON-CURRENT FINANCIAL ASSETS: Non-financial assets are written down when changing circumstances or other events give reason to believe that their book value is no longer recoverable. Events that can result in writing down a non-financial asset are significant, permanent changes in the outlook for the market segment in which the asset is being used. Decisions to write down an asset, and the measurement process, depend on estimates made by company management concerning complex, highly uncertain factors, such as future trends in the market concerned, the impact of inflation, the conditions of global supply and demand, and trends in operations and in the business generally. The write-down of a non-financial asset is measured by comparing the book value with the recoverable value, which is the greater of the asset's fair value less disposal costs and its value in use, which is calculated based on the expected cash flows on the use of the asset less disposal costs. This calculation is done at the level of the smallest cash generating unit (CGU) that is amply independent from the cash flows generated by other assets or asset groups and based on which company management measures business profits. The expected cash flows for each CGU are determined based on the most recent budget, business plan, and actual financial reports as prepared by management and approved by the Board of Directors. The business plan includes forecasts prepared by management based on information available at the time in terms of business volumes, operating costs, profit margins, and the industrial, commercial and strategic configuration of the specific CGUs in the specific marketplace. The present value of these cash flows is then calculated based on discount rates that take account of the specific risk of the business segment to which the CGU belongs. The goodwill and other intangible assets with indefinite useful life are not subject to amortization; the recoverability of their carrying amount is verified at least annually and however where events which may suggest an impairment loss arise.

CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

The Group in the selection and application of the accounting policies, in the accounting of the changes in accounting policies and of the changes in accounting estimates and corrections of previous year errors applies IAS 8.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

Subsequent events are events which occur after the reporting date up to the authorized publication date. The date for authorization of publication is considered the approval date by the Board of Directors. Subsequent events may concern events which provide information on the situation existing at the reporting date (adjusting subsequent events) or events arising after the reporting date (non-adjusting subsequent events). For the former, the relative effects are reflected in the financial statements and updated disclosure provided, while for the latter, if significant, adequate disclosure alone is provided in the Explanatory Notes.

27. Notes to the income statement

27.1. Revenues

Revenues from contracts with clients in 2023 amounted to Euro 4,231,721 thousand, an increase of Euro 808,397 thousand on the previous year as follows:

(in Euro thousands)	2023	2022
Revenues from sales and services	756,373	513,643
Changes in contract work-in-progress	3,475,348	2,909,681
Total	**4,231,721**	**3,423,324**

Group revenues are essentially related to the execution of multi-year contracts, which call for meeting certain obligations over time based on progress made and on the moment in time when control of the project is transferred to the client. At December 31, 2023, approx. 65% of Group consolidated revenues related to 10 major contracts mainly referring to EPC contracts. Details on the main contracts (i.e. duration, type, and client) are provided in the section "Backlog by Business Unit and Region" – Main Projects Awarded and in course of execution.

The Maire Tecnimont Group in 2023 reported revenues up 23% on the previous year, mainly thanks to the progress of the projects towards stages with higher volumes. The increased volumes reflect the expected development of projects in the extensive backlog at the beginning of the year.

Specifically, the account "change in contract work-in-progress", used to account for long-term revenues in progress, rose in the year by Euro 565,667 thousand. "Revenues from sales and services", which mainly includes the revenues from the orders concluded in 2023 whose invoicing is complete; the revenues of MyReplast Industries S.r.l. involved in the mechanical recycling of plastics; revenues for maintenance services and facility management, increased on 2022.

On this basis, most revenues were generated by the "Integrated E&C Solutions" business unit, accounting for approx. 93.9% (91.2% in 2022) of Group revenues, increasing on the previous year in absolute terms of consolidated volumes, thanks to the progression of the projects to phases which present higher volumes, although decreasing as a percentage in view of the growth of the "Sustainable Technology Solutions" BU's operations.

The main production volumes of the "Integrated E&C Solutions" BU concern the Port Harcourt Refinery projects in Nigeria, the EPC Borouge 4 project, Agic in Saudi Arabia, Paraxylene in India, Repsol in Portugal, Ras Laffan in Qatar and INA-Industrija Nafte in Croatia.

Finally, the "Sustainable Technology Solutions" BU, specialized in the sale of patented technologies related to the energy transition, accounted for approx. 6.1% (8.8% in 2022), although with revenues up 43.1% on the previous year, due to a constant increase in both the licensing of technology solutions for fertilizers and other high value-added services in the hydrogen, CO_2 capture, and low-carbon circular products and fuels segments. In addition, growth is also linked to the contribution of the newly-acquired company Conser S.p.A., which has been consolidated since January 2023.

The change in work-in-progress takes into account not only the recognition of contractual amounts agreed upon, but also changes in work orders, not yet approved, incentives and any reserves - claims, for the highly probable amount to be recognized by the buyer and reliably measured. In particular, the calculation of the revenues not yet approved was made based on reasonable expectations through the negotiations in progress with the buyers to recognize the higher costs incurred or disputes in course and therefore by their nature may present a risk (for further details, reference should be made to the "Disputes" section of the Directors' Report).

At December 31, 2023, the contractual obligations to be fulfilled by the Group (residual backlog) amounted to approx. Euro 15,024.4 million (Euro 8,614 million at December 31, 2022); the Group expects to recognize these amounts to revenues in future periods in line with the industrial plan forecasts.

27.2. Other operating revenues

“Other Operating Revenues” in 2023 amounted to Euro 27,790 thousand, down Euro 12,609 thousand on the previous year and relate to:

(in Euro thousands)	2023	2022
Operating currency differences	342	17,397
Other income	8,710	12,690
Prior year income	8,444	4,099
Gains on disposals	539	3,745
Insurance indemnities	4,163	1,332
Currency derivative gains	1,488	1,089
Use of other risk provisions	248	34
Revenues from material sales	684	12
Contract penalties	1,389	0
Use doubtful debt provision	1,785	0
Total	**27,790**	**40,399**

Other operating income refers to revenues not directly connected to the Group core business.

The main reduction on the previous year relates to “Operating currency differences”, which represents the net positive difference between gains and losses on operating exchange differences. The decrease is due to forex market movements and of the currencies regarding projects and the various financial statements items, which in the previous year saw the Dollar strengthen significantly against the Euro.

“Prior-year income”, in the amount of Euro 8,444 thousand, mainly concerns other revenues not related to contracts;

“Insurance indemnities” of Euro 4,163 thousand refer to income recognized following an insurance payout made in the year;

“Currency derivative gains”, amounting to Euro 1,488 thousand, concern cash flow hedges on Group contractual commitments, principally hedging payments in foreign currencies impacting the income statement in the year.

“Revenues from Material sales” of Euro 684 thousand concern the income from the sale of residual site materials on the conclusion of certain orders;

The other accounts refer mainly to disposal gains, releases of the doubtful debts provision, miscellaneous reimbursements, reimbursements of tax rebates, supplier penalties and other income.

27.3. Business segment information

INTRODUCTION

Maire Tecnimont S.p.A. heads an integrated industrial group providing engineering services and large works in various industrial sectors on the domestic and international markets.

The BU figures are in line with the new internal reporting structure utilized by company Top Management and in particular with the reporting used by the highest decision-making level for the taking of business decisions, identified as the chief executive officer (CODM) at December 31, 2023.

In the fourth quarter of 2022, the Group launched an industrial reorganization against the backdrop of the broader social and industrial transformation underway globally, which has led to a reshaping of its long-term strategies. This led to, following the Board of Directors' approval on March 1, 2023, the Group's industrial reorganization into two business units ("BU's"). Specifically: i) "Integrated E&C Solutions", covering executive general contractor operations; and ii) "Sustainable Technology Solutions", covering all of the Group's sustainable technology solutions/operations, in addition to the high value-added/innovative services primarily focused on the energy transition and the "green acceleration", so as to achieve economies of scope and synergies on projects with integrated technologies and processes, in addition to greater operational efficiency and reduced overheads

The features of these sectors are outlined below:

III. **Sustainable Technology Solutions (STS):** in which all of NextChem Holding's sustainable technology solutions are concentrated, as well as high value-added services aimed primarily at the energy transition. This business unit, given its technological nature, expresses low volumes but with significantly high margins, also accompanied by a low level of risk. The BU therefore focuses on four separate industrial clusters of interest to the Group, namely: 1) Nitrogen Fertilizers (sustainable and green fertilizers); 2) Hydrogen and Circular Carbon (hydrogen and CO2 capture and utilization); 3) Fuels and Chemicals (circular economy bio or synthetic fuels and e-fuels), and 4) Polymers (recycled and bio polymers);

IV. **Integrated E&C Solutions (IE&CS):** covering the general contractor executive responsibilities and all typical EPC (Engineering, Procurement and Construction) project activities and synergies on projects with integrated technologies and processes. Given the nature of these activities, high volumes for this business unit are expected and margins in line with the average for EPC contracts. This BU may provide services or operate in partnership with the "STS" BU, given the growing demand for investments with sustainability features.

The Group assesses the performance of the operating segments based on the segment operating result. Segment revenues are those directly deriving from or attributable to the Segment and from core operations and include revenues from agreements with third parties. Segment costs are charges from segment operations incurred from third parties. For Group operations, amortization, depreciation, provisions for risks, financial income and expense and income taxes are borne by the corporate entity as excluded from operating activities and are presented in the total column.

The Maire Tecnimont Group 2023 key financial highlights by Business Unit (compared to the previous year) are reported below, although restated according to the new reporting used from the beginning of 2023 also in order to facilitate the financial market's understanding of the evolution of the operating/financial performance:

Segment disclosure is reported in the following tables:

2023 SEGMENT REVENUES AND RESULT:

(in Euro thousands)	Revenues		Segment result (EBITDA)	
	2023	2022	2023	2022
Integrated E&C Solutions	3,997,732	3,157,627	209,261	181,389
Sustainable Technology Solutions	261,780	306,096	65,146	27,928
Total	**4,259,511**	**3,463,723**	**274,407**	**209,317**

2023 SEGMENT INCOME STATEMENT:

(in Euro thousands)	Integrated E&C Solutions	Sustainable Technology Solutions	Total
Segment revenues	3,997,732	261,780	4,259,511
Industrial margin (Business Profit)	**278,947**	**83,925**	**362,872**
Segment result (EBITDA)	**209,261**	**65,146**	**274,407**
Amortization, depreciation, write-downs and provisions	0		(57,866)
Operating Profit	**209,261**	**65,146**	**216,540**
Financial income/(expenses)			(30,325)
Result before taxes			**186,215**
Income taxes			(56,707)
Net result			**129,508**
Group net income			125,356
Minority interest net income			4,152

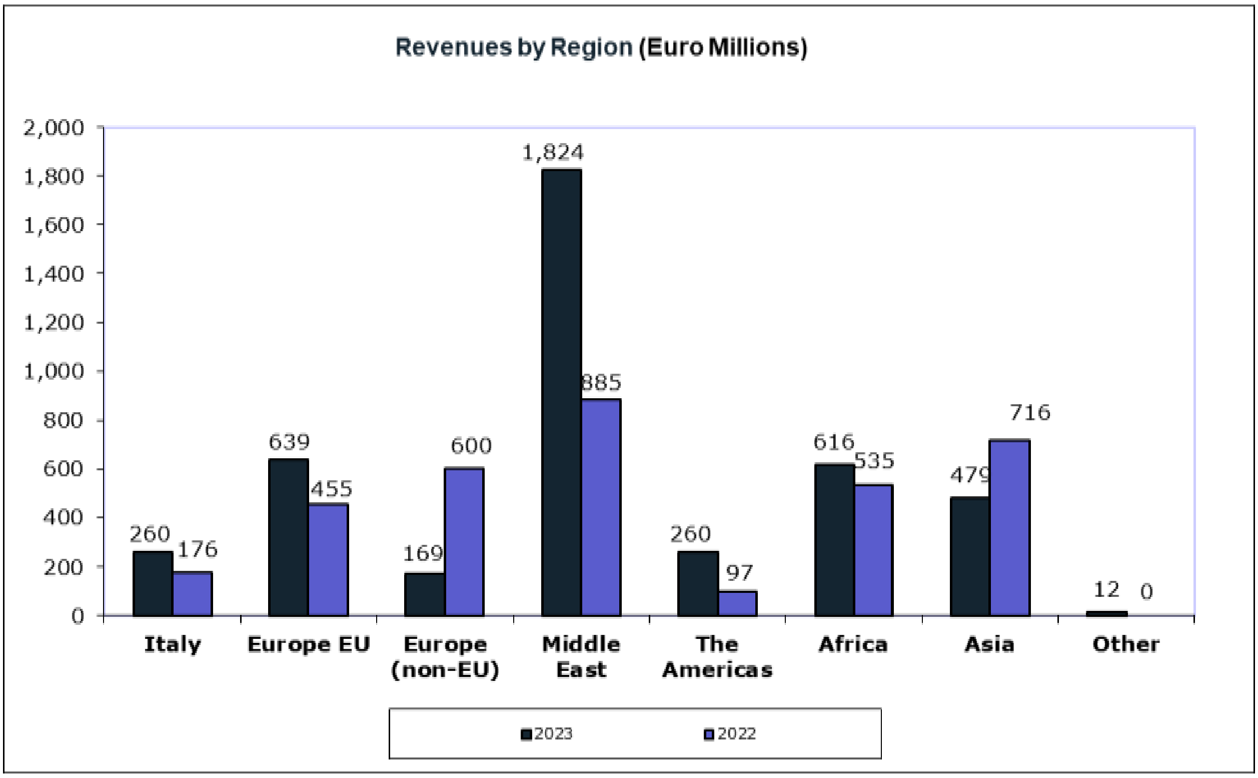
2022 SEGMENT INCOME STATEMENT:

(in Euro thousands)	Integrated E&C Solutions	Sustainable Technology Solutions	Total
Segment revenues	3,157,627	306,096	3,463,723
Industrial margin (Business Profit)	**258,459**	**40,258**	**298,717**
Segment result (EBITDA)	**181,389**	**27,928**	**209,317**
Amortization, depreciation, write-downs and provisions	0		(51,328)
Operating Profit	**181,389**	**27,928**	**157,989**
Financial income/(expenses)			(28,891)
Result before taxes			**129,097**
Income taxes			(38,744)
Net result			**90,353**
Group net income			89,890
Minority interest net income			463

Regional segments

The regional breakdown of Revenues in 2023 compared to the previous year is illustrated below:

(in Euro thousands)	2023		2022		Change	
	Total	%	Total	%	Total	%
Italy	259,799	6.1%	176,076	5.1%	83,723	47.5%
Overseas						
· Europe (EU)	638,563	15.0%	454,565	13.1%	183,998	40.5%
· Europe (non-EU)	169,483	4.0%	599,526	17.3%	(430,043)	(71.7%)
· Middle East	1,823,739	42.8%	885,263	25.6%	938,476	106.0%
· The Americas	259,850	6.1%	96,904	2.8%	162,946	168.2%
· Africa	616,339	14.5%	534,900	15.4%	81,440	15.2%
· Asia	479,441	11.3%	716,488	20.7%	(237,047)	(33.1%)
· Other	12,297	0.3%	0	0.0%	12,297	na
Total Consolidated Revenues	**4,259,511**		**3,463,723**		**795,788**	**23.0%**



The above table indicates the percentage of revenues by region, reflecting the current development of activities. The revenue table indicates the significant recovery in the Middle East area following the development of projects, principally Borouge 4. The Americas, Italy and Europe also saw growth on the previous year on the basis of the projects under execution.

Asia, and particularly India, saw a reduction related to the very advanced stage of the main Indian projects, which in the previous year significantly affected the Group's activity.

In relation to the Africa region, a slight increase is reported following the start-up of new works in Algeria and the continuation of the Port Harcourt works in Nigeria, which have reached a very advanced stage of construction.

In addition, non-EU (mainly Russia) activities were substantially absent as a result of the development of European sanctions which have been applied since the beginning of the crisis in 2022 until the current period and which resulted in the cancellation of projects located in those regions. The non-EU area also included the activities carried out in Turkey on the Gemlik project.

During the year, revenues were recognised from one client with an individual amount greater than 10% of total revenues, the cumulative value of which was approx. Euro 1,365 million related to the Integrated E&C Solutions BU.

27.4. Raw materials and consumables

Raw materials and consumables in 2023 amount to Euro 1,623,108 thousand, an increase of Euro 163,611 thousand on the previous year as follows:

(in Euro thousands)	2023	2022
Raw material purchases	(1,619,731)	(1,448,027)
Consumables	(7,748)	(10,468)
Fuel	(1,045)	(931)
Change in inventories	5,416	(71)
Total	**(1,623,108)**	**(1,459,497)**

More specifically, "raw material purchases" in 2023 increased by Euro 171,704 thousand as a result of an increase in material purchases during the year for contracts obtained in previous years and for which we saw full operations and procurement. Other major recently acquired projects have also begun making greater progress than originally forecast following an acceleration from the initial stages of these projects, which mainly concerned planning and the start of procurement of critical materials.

"Consumable materials" were impacted by lower general and office material requirements, after the significant recovery of consumption in the previous year; "Fuels" were substantially in line with the comparative period.

"Change in inventories" concerns a number of supplies that became the property of the Group after not being used in the order to which they had been allocated. These materials are expected to be used in new orders in order to accelerate their respective procurement processes.

27.5. Service costs

Service costs in 2023 amounted to Euro 1,647,930 thousand, an increase of Euro 463,110 thousand on the previous year. The breakdown of the account is as follows:

(in Euro thousands)	2023	2022
Sub-contractors	(900,262)	(694,895)
Turnkey design	(354,629)	(175,065)
Cost recharges	(5,907)	(8,407)
Utilities	(16,920)	(19,330)
Transport Costs	(86,391)	(71,831)
Maintenance	(13,392)	(10,543)
Consultants and related services	(54,812)	(46,352)
Increase in internal work capitalized	20,814	15,662
Bank expenses and sureties	(41,049)	(40,356)
Selling & advertising costs	(32,069)	(11,939)
Accessory personnel costs	(47,400)	(41,284)
Post & telephone and similar	(343)	(595)
Insurance	(24,341)	(17,752)
Other	(91,230)	(62,130)
Total	**(1,647,930)**	**(1,184,820)**

The general movement in “service costs” reflects the development of projects in portfolio and the progression of on-site operations, particularly on construction for the projects acquired in recent years; recent order intake is still in the initial phases and for which the issue of the main equipment and material orders is in progress, with the initial construction phases set to start over the coming quarters.

“Sub-contractors” reported the largest increase compared to the previous year (Euro 205,367 thousand), mainly due to construction phase sub-contract costs, increasing due to the reasons outlined above.

Also, the “Turnkey design” account, concerning the use of third parties for engineering activities, increased Euro 179,563 thousand, related to the initial research and design phase of the main newly acquired orders and an increased use of third parties for the increased activities.

“Transport costs” increased from the previous year due to both intensive shipments of materials to work sites and to a generalized increase in rates applied on the market.

“Accessory personnel costs”, which mainly include travel expenses, increased due to the greater average size of the workforce compared to the previous year, and due to the general restart of operations and the journeys related to commercial and on-site activities.

“Bank expenses and sureties” include the costs for the services provided by banks and other financial companies other than true and proper financial charges and commissions and accessory expenses to loans which are included under financial charges; the account therefore principally comprises costs for guarantees provided in the interests of the Group operating companies in relation to commitments undertaken for the execution of their core operations. The figure is substantially in line with the previous year despite the growth in Group activities. “Insurance” however significantly increased due to the general increase in market rates.

”Selling costs” increased on the previous year following the intensive commercial and sales push which led the Group to deliver a record order intake and backlog in 2023.

All the other costs are substantially in line with or slightly increased on the same period of the previous year.

"Other" costs also rose, and principally relate to non-capitalized IT costs, application package maintenance expenses, various services incurred by other consolidated companies, various site and general costs and emoluments to corporate boards.

27.6. Personnel expense

Personnel expense in 2023 amounts to Euro 618,428 thousand, an increase of Euro 109,019 thousand compared to the previous year and is composed as follows:

(in Euro thousands)	2023	2022
Wages and salaries	(487,833)	(387,994)
Social security charges	(96,520)	(90,725)
Post-employment benefits	(21,297)	(18,854)
Other costs	(12,777)	(11,836)
Total	**(618,428)**	**(509,408)**

At December 31, 2023, the MAIRE Group headcount totaled 7,978 resources (6,451 at December 31, 2022), up approx. 24% on the previous year (+1,527 resources), with 2,654 new hires and 1,126 departures (about 47% of which related to fixed-term contracts).

FY 2023 featured an ongoing commitment to the initiation and coordination of the recruitment plan for the sourcing and selection of personnel, so as to ensure the hiring of positions to support business needs and projects, and the correct and adequate sizing of the workforce, in view of the increase in business volumes and of expected production capacity, mainly due to the awarding in the year of projects in the middle-east region.

The geographical areas most affected by this increase are:

. India, Mongolia, South East and rest of Asia, Australia (+823), with the hiring of more than 1,000 personnel at the Indian subsidiary TCMPL alone, confirming the objectives of the recent opening of the new operating offices in Mumbai (Mumbai Airoli), for the further growth and strengthening of the engineering hub to adequately support the Group's EPC projects, particularly in the Middle East region, in view of the expanded operations stemming from the order intake in the year. We also highlight in the same region the hiring of 100 personnel at the JV Tecni & Metal Private Limited, whose main objective is to develop an internal Group mechanical work unit;

. Middle East, which increased from 227 to 675 (+448), relating to the Bouroge 4 project - close to peak activity - and the new works in Saudi Arabia (Amiral), Qatar (RLPP) and the United Arab Emirates (Hail & Gasha);

. Italy & Rest of Europe (+368), of which 315 in Italy, mainly due to hiring at the Italian subsidiaries Tecnimont (+190) and KT Kinetics Technology (+92). We in addition report with regards to the newly-established Sustainable Technology Solutions (STS) Business Unit: (i) the completion of the acquisition by the parent company, through the subsidiary NextChem, of Conser S.p.A., a proprietary technology and process engineering enterprise based in Rome which at year end employs 23 and (ii) the acquisition, by the subsidiary NextChem, of 51% of MyRemono S.r.l., a company into which Biorenova S.p.A. transferred its patents, assets, including a pilot plant, in addition to contracts related to CatC, an innovative catalytic plastic depolymerisation technology.

The increase in the Rest of Europe mainly related to the Tecnimont Branch in Portugal (+36), for the ALBA project with the client Repsol, and to the Belgian branch (+20), in support of the projects with the clients

Covestro and Borealis in the Antwerp area. We in addition highlight the expansion at the Dutch subsidiary Stamicarbon (+31);

. North Africa and Sub-Saharan Africa (+41), with new hires to support the revamping project of the Port Harcourt refinery in Nigeria;

. America, with the 35% workforce expansion related to the hiring of personnel for the renewable energy projects in Chile and ENAP of KT Kinetics Technology.

On the other hand, the Central Asia, Caspian & Turkey Region workforce contracted by 41% on the end of 2022, in continuity and consistent with the gradual closing of operations on projects in this region.

Confirming the importance assigned by the company on the gradual consolidation of technical skills, at December 31, 2023 71% of the total Group workforce were university graduates. The number of engineers, at the same date, was 4,237 (74% of total graduates). The average age is, again for the year under review, approx. 42 years old, with 32% of new hires (approx. 840 personnel) in the period less than 30 years old. This percentage is testament to the continuation, and centrality, of the policy for the long-term development of, and investment in, Human Capital as a key business asset. The commitment to strengthen the female component of the workforce is also confirmed, with the application of gender equality criteria in the hiring process. In terms of gender composition, females account for approx. 20% of the Group workforce, of which approx. 40% are Stem subject graduates.

The workforce at 31/12/2023 of the MAIRE Group, with movements (by qualification and region) on 31/12/2022 (and the average workforce for the period), is outlined in the following tables. The table below outlines the workforce by areas of effective engagement at 31/12/2023 and 31/12/2022, with the relative movements.

Change in workforce by category (31/12/2022 - 31/12/2023):

Category	Workforce 31/12/2022	Hires	Departures	Reclassification employee category (*)	Workforce 31/12/2023	Cge. Workforce 31/12/2023 vs. 31/12/2022
Executives	658	51	(39)	60	730	72
Managers	2,513	567	(307)	109	2,882	369
White-collar	3,064	1,990	(720)	(169)	4,165	1,101
Blue-collar	216	46	(60)	(1)	201	(15)
Total	**6,451**	**2,654**	**(1,126)**	**(1)**	**7,978**	**1,527**
Average headcount	***6,457***				***7,180***	***723***

(*) includes promotions, changes in category following intercompany transfers / Job Title reclassification, as well the changes in contracts related to the Maire Tecnimont Foundation, which is not included in the consolidation scope.

The classification of the qualifications above does not necessarily reflect the contractual classification under Italian employment law, but corresponds to the identification criteria adopted by the Group on the basis of roles, responsibilities and duties

Changes in workforce by region (31/12/2022 – 31/12/2023):

Region	Workforce 31/12/2022	Hires	Departures	Reclassification employee category (*)	Workforce 31/12/2023	Cge. Workforce 31/12/2023 vs. 31/12/2022
Italy & Rest of Europe	3,403	834	(457)	(9)	3,771	368
India, Mongolia, South East and rest of Asia, Australia	2,099	1,124	(307)	6	2,922	823
Middle East	227	480	(38)	6	675	448
North Africa and Sub-Saharan Africa	266	116	(73)	(2)	307	41
The Americas	46	36	(20)	0	62	16
Central Asia, Caspian and Turkey	410	64	(231)	(2)	241	(169)
Total	**6,451**	**2,654**	**(1,126)**	**(1)**	**7,978**	**1,527**

(*) includes promotions, changes in category following intercompany transfers / Job Title reclassification, as well the changes in contracts related to the Maire Tecnimont Foundation, which is not included in the consolidation scope.

Changes in workforce by operational region (31/12/2022 – 31/12/2023):

Region	Workforce 31/12/2022	Workforce 31/12/2023	Cge. Workforce 31/12/2023 vs. 31/12/2022
Italy & Rest of Europe	3,154	3,566	412
Central Asia, Caspian and Turkey	567	349	(218)
India, Mongolia, South East and rest of Asia, Australia	2,006	2,737	731
The Americas	56	72	16
Middle East	290	853	563
North Africa and Sub-Saharan Africa	378	401	23
Total	**6,451**	**7,978**	**1,527**

It should be noted that employee numbers may vary based on the stage of the project and on scheduling, which may provide for recourse to direct employees with consequent utilization of Group materials and staff, or alternatively recourse to third party services. In particular, the Group policy is to hire the workforce necessary for the execution of the individual projects in line with the time period necessary for completion.

The increase in personnel expense is, therefore, due to an increase in the average workforce compared to the previous year. The average workforce in 2023 was 7,180 (+723) compared to 6,457 in the previous year; and a confirmation of the remuneration policies during 2023 aimed at ensuring the continuation of the sustainable value growth path pursued in previous years, contributing to achieving the Company's strategic objectives, and confirming its purpose of attracting and retaining professionals with the skills necessary to manage and operate successfully within the Group.

To limit the impacts of inflation on employee income and purchasing power, the Maire Group decided, after notifying the trade union representatives, not to implement the economic increases envisaged by the chemical and metalworking sector collective bargaining agreements.

In 2023, MAIRE also continued, with dedicated initiatives, to provide guidance and support to the operating companies, through the definition of Remuneration Policy guidelines based on the recognition of merit and best performance, in compliance with principles of aligning remuneration levels in terms of internal equity between organizational positions and external competitiveness with respect to local markets, while also taking into account the dynamics related to inflation trends. The operating companies were also supported in the management of the Remuneration Policy processes implemented during the year, asking them to continue the action of focusing compensation interventions on the professional skills that are particularly exposed to the risk of possible expressions of interest from competitors and/or that have distinguished themselves by exceeding expected performance levels.

The Shareholders' Meeting on April 19, 2023 approved the 2023 Remuneration Policy and resolved to adopt the new 2023-2025 LTI Plan and the 2023-2025 GSP. The 2023-2025 LTI Plan, which aims to continue the long-term creation of sustainable value, sets out, in addition to annual access conditions of an economic-financial nature, performance targets identified in parameters related to sustainability issues and in line with the objectives of the Group's Sustainability Strategy and Business Plan. With reference to the new 2023-2025 General Share Plan, to consolidate and expand the Group's focus on and awareness of topics associated with its Sustainability Strategy, a new objective concerning Environmental, Social, and Governance (ESG) topics was introduced alongside the existing economic-financial goals from previous plans. The Board meeting of July 27 also confirmed the launch of the First Cycle (2023) of this Plan, for all employees, granting the relevant Rights on July 28, 2023. As in previous plans, the 2023 cycle recorded an overall membership rate of more than 94%, reflecting employees' ongoing appreciation of the initiative, which is seen as an important lever to further strengthen their sense of belonging to the Group.

In 2023 the objectives related to the incentive and engagement systems in place for 2022 were reviewed and the relevant bonuses were awarded. For the same year, in compliance with current trade union agreements, annual bonuses and profit sharing figures were also approved, in addition to the flexible benefits portion of the MAIRE4YOU Plan for the same period.

We also note that, having verified the achievement of the Third Cycle (2022) performance objectives included in the 2020-2022 General Share Plan, the Board of Directors met on May 24 to approve the allocation - on July 17, 2023 - of shares to more than 4,300 beneficiaries. Lastly, on September 19, 2023, together with the trade union representatives, the Company entered into a new engagement and incentive agreement for the 2023-2025 three-year period, in which particular importance was placed on ESG targets, as described above.

In 2023, "Personnel expense" includes also the portion accruing in the year of the long-term incentive plan for the Chief Executive Officer and selected Senior Executives (2021-2023 LTI), the second year of the 2022-2024 LTI Plan, the first year of the new 2023-2025 LTI Plan as outlined above and the First Cycle (2023) of the new 2023-2025 General Share Plan.

The aforementioned plans are represented as "Equity Settled" plans as the Group has allocated its own equity instruments as additional remuneration for the services received (the work performance). The net total cost of these plans in 2023 amounts to Euro 18,868 thousand; also based on the fair value of the equity instruments of Euro 3.726 per share for the 2021-2023 LTI, Euro 2.554 per share in relation to the 2022-2024 LTI, Euro 4.39 per share in relation to the 2023-2025 LTI, and Euro 3.89 per share for the 2023-2025 General Share Plan.

"Personnel expense" also includes the estimated charges related to the short-term monetary incentive plans ("MBO"), plans to employees of flexible benefits ("Maire4You") and the estimated participation bonus for 2023.

27.7. Other operating costs

Other operating costs in 2023 amount to Euro 95,638 thousand, a decrease of Euro 5,042 thousand compared to the previous year and composed as follows:

(in Euro thousands)	2023	2022
Contractual penalties	(8,214)	(12,083)
Rental	(13,804)	(12,529)
Hire	(26,014)	(21,855)
Currency derivative losses	(182)	0
Losses on receivables	(3,858)	(10,313)
Other costs	(43,566)	(43,901)
Total	**(95,638)**	**(100,681)**

"Contractual penalties" decreased and essentially relate to charges following a number of disputes with suppliers and clients concluded in 2023.

The account "Rental" mainly refers both to the cost of property and apartment rentals, also at various work sites with short-term duration and therefore excluded from the application of IFRS 16, in addition to accessory office use property costs for the Group offices and also at the various sites; the increase in 2023 is due to higher travel expenses for personnel with related increased short-term accommodation costs, mainly concerning on-site activities, all of which is chiefly a consequence of the significant increase in activities following major acquisitions.

The account "Hire", which also increased on the previous year for the same reasons, refers mainly to Group plant hire charges, with short-term duration and therefore excluded from the application of IFRS 16, software application hire and other rental services, mainly due to the share of the operating rentals, in addition to the hire also of short-term vehicles for on-site activities.

The "Doubtful debt provision" relates principally to an assessment on the collectability of receivables relating to existing initiatives and also some disputes closed in the year.

"Other costs", in line with the previous year, principally comprise indirect taxes and various local taxes, mainly concerning a number of overseas companies, membership fees, prior year charges, other general costs including those linked to consortium management, and license and patent usage fees.

27.8. Amortization, depreciation & write-downs

Amortization, depreciation and write-down of fixed assets in 2023 amount to Euro 56,543 thousand, an increase of Euro 8,378 thousand compared to the previous year, due to higher amortization on intangible assets as a result of the amortization of new assets for the digitalization of industrial processes, new patents and technology development, and amortization related to the purchase price allocation of new acquisitions. The breakdown of the account is as follows:

(in Euro thousands)	2023	2022
Amortization	(22,913)	(17,709)
Depreciation	(5,871)	(5,848)
Depreciation of rights-of-use - Leasing	(26,920)	(24,608)
Other fixed asset write-downs	(839)	0
Total	**(56,543)**	**(48,165)**

Amortization of intangible assets principally refers to:

- amortization of development costs of Euro 83 thousand (Euro 93 thousand in 2022), relating to the development of software and simulators for plants of the acquired company Protomation, which has since merged into Stamicarbon B.V.;
- amortization of patent rights, amounting to Euro 2,770 thousand, (Euro 1,966 thousand in 2022) principally relating to urea licenses patented and the other licenses developed by the Group mainly in relation to the Nextchem Group and to the STS BU. This item also includes amortization on the allocation of capital gains on the acquisition of Conser S.p.A. in 2023, recognized in accordance with IFRS 3 and essentially related to the measurement of the acquired company's patents;
- amortization of concessions and licenses, amounting to Euro 1,110 thousand (Euro 1,125 thousand in 2022) and principally relating to Group software license applications;
- amortization of other intangible assets, amounting to Euro 7,140 thousand (Euro 8,177 thousand in 2022); this account principally refers to accessory and consultant costs incurred for the installation of the principal software applications of the Group, digital development of EPC activities as part of the Group's Digitalization Transformation process in previous years and other intangible assets; the item also includes the amortization of the "Birillo" University Campus concession initiative of the University of Florence held by the subsidiary BiONE;
- amortization of the contractual costs, equal to Euro 9,208 thousand (Euro 6,347 thousand in 2022), with an increase of Euro 2,861 thousand on the previous year following the addition to amortization of the costs related to the acquisitions made in the year and their advancement; "Contractual costs" include costs for the obtaining of contracts and contract fulfilment costs, recognized as per IFRS 15 which stipulates the capitalization of costs to obtain the contract, considered as 'incremental', and costs incurred to fulfil the contract which enable the entity to make use of new or greater resources to satisfy performance obligations in future ('pre-production costs). These capitalized costs are amortized based on the advancement of the work on the contract.
- amortization of the order backlog in the amount of Euro 2,602 thousand, which was not recognized in the previous year; this arose from the allocation of capital gains on the acquisition of Conser S.p.A. in 2023, recognized in accordance with IFRS 3. Order backlog is an estimate of future margins on orders received at the time of the acquisition. The amount initially recognized was amortized in its entirely during the year.

Amortization of intangible assets in 2023 is essentially in line with the previous year and mainly concerns:

- depreciation of own buildings for Euro 307 thousand, principally in relation to the Indian subsidiary Tecnimont Private Limited, MyReplast Industries S.r.l., a Nextchem subsidiary, and residually other Group owned assets;
- depreciation on plant and machinery for Euro 1,618 thousand and industrial equipment for Euro 261 thousand (assets supporting site operations); they principally relate the plant of MyReplast Industries S.r.l. (the company that manages an advanced mechanical plastics recycling facility located in Bedizzole, in the province of Brescia);
- depreciation of Euro 3,684 thousand on other assets, office furniture, leasehold improvements, EDP, motor vehicles and industrial transport vehicles.

The depreciation of right-of-use - leasing of Euro 26,920 thousand, with an increase of Euro 2,312 thousand on the previous year, following the new contracts signed at the end of 2022 which began depreciation in 2023, was recognized in accordance with IFRS 16 standard and mainly concerns the usage rights recognized on the buildings hosting the Group offices and at various work sites, in addition to number of key Group assets and also motor vehicles.

Other write-downs in the amount of Euro 839 thousand were recognized in relation to land previously used for an order that have now been completed and that is being decommissioned, aligning the carrying amount with the expected sale price, which is being negotiated.

27.9. Doubtful debt provision and risk provisions

The doubtful debt provision and risk provisions for 2023 amount to Euro 1,324 thousand, a decrease of Euro 1,839 thousand compared to the previous year.

The breakdown of the account is as follows:

(in Euro thousands)	2023	2022
Doubtful debt provision	(1,245)	(3,163)
Charges provision	(79)	0
Total	**(1,324)**	**(3,163)**

The doubtful debt provision in the year amounted to Euro 1,245 thousand, decreasing on the previous year. This item includes allocations on trade receivables in the amount of Euro 1,619 thousand and an adjustment to increase the provision by Euro 374 thousand to cover financial receivables; the latter change relates to the counterparty risk update that was mitigated compared to the previous year for certain financial assets.

Although decreasing, the account was again impacted by the geopolitical tension in 2023 related to the crises in Ukraine and in Israel and the rising interest rates which impacted the financial rating of a number of clients, resulting in a deterioration of counterparty risk with consequent impacts on the valuations of financial assets.

In addition to the assessments of the collectability of receivables and in accordance with IFRS 9 concerning impairment models, the Group estimated losses on receivables using the expected loss model based on supporting information available without undue effort or burden, which includes actual data and forecasts and was essentially obtained from information providers that, when quantifying expected losses at the closure date, incorporate the market effects of the continued international geopolitical tensions.

27.10. Financial income

(in Euro thousands)	2023	2022
Income from associates	222	49
Other income	18,025	17,562
Income on derivatives	21,562	2,456
Total	**39,809**	**20,066**

Financial income amounted to Euro 39,809 thousand and increased Euro 19,742 thousand compared to the previous year, mainly due to the positive effects linked to valuation of derivatives and higher interest income recorded on liquidity.

"Income from associates" for Euro 72 thousand concerns interest from the associate JV Tecnimont-KZ LLP, incorporated to develop initiatives in Kazakhstan, for Euro 21 thousand from Gulf Compound Blending Ind Ltd and for Euro 129 thousand the associate Hidrogeno Cadereyta S.A.P.I. de C.V.

"Other income" mainly relate to interest matured on temporary liquidity invested and on bank current accounts, thanks to the returns on deposits in some regions where the Group currently operates. Interest income increased on the previous year due to the higher average interest applied on funds held compared to the previous year.

Income on derivatives for Euro 21,562 thousand refer specifically to:

- for Euro 1,023 thousand, the positive "time-value" portion of derivative instruments hedging exchange rates of future flows associated with contract revenues and costs, mainly on the US dollar. As not considered a hedging component, the change to the fair value is recognized to the income statement. This component was affected by swap point movements (differences between Eurozone and US interest rates);
- for Euro 19,241 thousand the positive fair value change of the residual portion of four cash-settled Total Return Equity Swap derivative instruments (TRES) to hedge against movements in the Maire Tecnimont share price essentially tied to the personnel incentive plans in place. The residual portions of the instruments as at December 31, 2023 hedged the risk relating to approx. 10.6 million shares. The derivative contracts (TRES) were underwritten with two financial intermediaries, with no obligation for Maire Tecnimont to acquire the treasury shares, but only the obligation for the settlement between the parties of the differential between the exercise price and the Maire Tecnimont share price on the maturity of the instruments. For accounting purposes, the TRES cannot be designated as a hedging derivative instrument and is valued, in accordance with IFRS 9, as a derivative at fair value, with the related changes recorded in the income statement. The increase in cash-settled Total Return Equity Swap (TRES) derivatives is due to the favorable performance and recovery of the Maire Tecnimont share price in 2023, following the market uncertainties of the previous year related to the international tensions; the share value was also driven by the Group's strong industrial performance ;
- for Euro 1,298 thousand income arising on the TRES contracts, related to the distribution of dividends by Maire Tecnimont S.p.A., which the intermediary receded to the Issuer.

27.11. Financial expenses

(in Euro thousands)	2023	2022
Charges from group companies	(12)	0
Other charges	(52,909)	(32,821)
Interest/Other Bond Charges	(9,380)	(4,933)
Charges on derivatives	(2,386)	(8,996)
Right-of-use financial expenses - Leasing	(5,576)	(4,340)
Warrant financial expenses	0	(24)
Total	**(70,263)**	**(51,115)**

Financial expenses amounted to Euro 70,263 thousand and increased Euro 19,148 thousand compared to the previous year, principally due to the general increase in the financial expenses on the Group's financial liabilities due to the rise in interest rates on the variable component of the debt.

"Charges from group companies" include Euro 12 thousand in interest expense paid to the consortium Cavtomi.

"Other charges", amounting to Euro 52,909 thousand, principally include loan interest, current account interest charges, factoring charges and banking and accessory charges and charges on financial liabilities measured at amortized cost. The increase on the previous year, despite lower gross debt, is due to the general increase in market interest rates, which impacted the Group's financial liabilities in terms of the portion of the variable rate debt.

The "Interest Bond" charges, amounting to Euro 9,380 thousand, increased on the previous year essentially due to the greater use of the Euro Commercial Paper program and higher interest on the new Bond of a nominal Euro 200 million issued in 2023 and specifically concern:

The "Interest Bond" charges, amounting to Euro 9,380 thousand, specifically refer to:

- for Euro 4,495 thousand the cash and non-cash components of interest on non-convertible bonds of Euro 165 million issued on May 3, 2018 by Maire Tecnimont S.p.A. and repaid in advance of the original maturity (April 30, 2024) in Q4 2023;
- for Euro 3,185 thousand, the monetary and non-monetary components of the interest on the new non-convertible "Senior Unsecured Sustainability-Linked due 5 October 2028" bond for a nominal value of Euro 200 million, net of accessory charges, issued in Q4 2023.
- For Euro 1,700 thousand interest related to the Euro Commercial Paper Program.

Charges on derivatives for Euro 2,386 thousand refer specifically to:

- for Euro 2,324 thousand the "time-value" portion of currency hedging derivatives. As not considered a hedging component, the change to the fair value is recognized to the income statement. This component was affected by swap point movements (differences between Eurozone and US interest rates);
- for Euro 62 thousand concerning the non-effective hedge component of a number of raw material derivative hedges (principally for copper and palladium) for purchases on a number of contracts.

Right-of-use - Leasing financial expense at Euro 5,576 thousand concerns the financial expense matured in 2023 on finance lease liabilities recognized following the application of IFRS 16; the increase on the previous year is mainly due to the average increase in financial liabilities on which interest matures, as a result of new contracts entered into at the end of 2022, becoming operative in 2023, and a general increase in the rates implied in the contracts.

27.12. Investment income/(expenses)

(in Euro thousands)	2023	2022
Income/Charges from investments in subsidiaries	(3)	922
Income from investments in other companies	1,157	1,652
Revaluations/(Write-downs) associates	(1,231)	(405)
Revaluations/(Write-downs) other companies	(0)	(2)
Revaluations/(Write-downs) current securities	206	(10)
Total	**129**	**2,157**

Net investment income amount to Euro 129 thousand, a decrease of Euro 2,027 thousand compared to the previous year.

The net balance on investments in subsidiaries is a consequence of the reduction in the value for Euro 3 thousand of the unconsolidated Tecnimont Vallestroy following the conclusion of the liquidation process and cancellation of the company.

Income from investments in other companies totaling Euro 1,157 thousand includes dividends received from Kafco LTD, in which Stamicarbon B.V. holds an investment.

The net negative balance of the valuations of associates refers to their equity valuation. Specifically:

- the equity investment in Gulf Compound Blending Ind Ltd decreased by Euro 269 thousand;
- the equity investment in G.C.B. General Trading Ltd decreased by Euro 191 thousand;
- the equity investment in the Kazakhstan JV, Tecnimont-KZ LLP, reduced by Euro 183 thousand;
- the equity investment in Studio Geotecnico S.r.l. increased by Euro 9 thousand following its valuation at equity;
- the equity investment in Biolevano S.r.l. was written down for Euro 596 thousand.

With regard to the equity investment in Biolevano S.r.l., please refer to note 28.5 "Equity investments in associates and joint ventures".

“Revaluations of securities" amounted to Euro 206 thousand and refers to the fair value measurement of the units of the 360-PoliMI investment fund valued as a financial asset at fair value through the profit and loss account. For further details see note 28.15 "Other current financial assets".

27.13. Income taxes

(in Euro thousands)	2023	2022
Current income taxes	(40,340)	(32,250)
Prior year taxes	(2,892)	(323)
Deferred tax income	2,438	3,726
Deferred taxes	(15,913)	(9,897)
Total	**(56,707)**	**(38,744)**
TAX RATE	*-30.5%*	*-30.0%*

Estimated income taxes amount to Euro 56,707 thousand, an increase of Euro 17,963 thousand, mainly due to the significant higher pre-tax income compared to the previous year, driven by the operating performance in 2023.

The effective tax rate was approx. 30.5%, in line with all the quarters throughout 2023, based on the various countries in which Group operations are carried out and slightly higher than the previous year.

Current income taxes mainly includes "IRES" Italian corporation tax and foreign overseas corporation tax as well as an estimate of the "IRAP" Italian regional income tax and other taxes.

Prior year taxes mainly includes the negative differences arising between the amounts accrued for taxes and the actual tax declarations for the year.

The net amount of deferred tax income reflects the effect of the recognition of deferred tax assets computed in the year on temporary changes deductible in future periods, mainly on provisions for future personnel-related expenses and unrealized foreign exchange losses during 2023; the deferred tax charges to temporary differences that will be taxable in future periods mainly related to unrealized foreign exchange gains during 2023 and due to differences in accounting standards applied locally especially in relation to some foreign subsidiaries.

On December 21, 2023, Maire Tecnimont (together with the subsidiary Tecnimont S.p.A.) was admitted to the Cooperative Compliance regime, following a positive evaluation by the Italian Tax Agency regarding the adequacy of the tax control framework. This framework is intended as the internal control system adopted for the detection, measurement, management, and control of tax risk.

Admission to the regime, effective from fiscal year 2022, allows for the establishment of a collaborative and transparent relationship with the financial administration. This relationship is aimed in part at the preventive analysis of situations that may lead to potential tax risks, thereby ensuring an increased level of certainty and oversight on the most relevant fiscal issues.

Moreover, Maire Tecnimont S.p.A has adopted a tax strategy applicable to all subsidiaries of the Group, which establishes the fundamental principles and guidelines of fiscal policy aimed at complying with applicable legislation.

27.14. Earnings per share

The share capital of Maire Tecnimont S.p.A. comprises ordinary shares, whose earnings per share is calculated dividing the Group net income in 2023 by the weighted average number of Maire Tecnimont S.p.A. shares in circulation in the period considered.

Therefore, at the reporting date, following the acquisition of 123,086 treasury shares, the number of shares in circulation was 328,517,346. This figure was used as the denominator for the calculation of the earnings per share at December 31, 2023.

Basic earnings per share, net of treasury shares, amounts to Euro 0.383 and up on the previous year, essentially as a result of higher net income for the year, primarily due to increased volumes and strong financial management in 2023.

(in Euro)	2023	2022
Number of shares in circulation	328,640,432	328,640,432
(Treasury shares)	(123,086)	(109,297)
Number of shares to calculate earnings per share	328,517,346	328,531,135
Group net income	125,706,800	89,889,924
Earnings per share (Euro)		
Group basic earnings per share	**0.383**	**0.274**
Group diluted earnings per share	**0.383**	**0.274**

Diluted earnings equate to basic earnings in the absence of dilutive elements.

28. Notes to the Balance Sheet

28.1. Property, plant and equipment

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Land	2,910	(39)	2,871
Buildings	24,210	1,562	25,772
Plant & machinery	6,409	(1,000)	5,409
Assets in progress and advances	523	(523)	0
Industrial & commercial equipment	1,446	(852)	595
Other assets	8,585	5,407	13,992
Total	**44,084**	**4,554**	**48,638**

The following table illustrates the changes in the historical cost, accumulated depreciation and net book values for the year 2023:

(in Euro thousands)	Land	Buildings	Plants & equipment	Industrial and commercial equipment	Other assets	Assets in progress and advances	Total
Net book value at December 31, 2022	**2,910**	**24,210**	**6,409**	**1,446**	**8,586**	**524**	**44,084**
Increases	0	1,833	661	36	7,645	138	10,312
Disposals	0	0	(105)	0	0	0	(105)
Depreciation	0	(307)	(1,618)	(261)	(3,684)	0	(5,871)
Cost reclassification/adjustments	0	0	0	(626)	1,287	(661)	0
Change to consolidation scope	0	0	38	0	160	0	197
Revaluations/(Write-downs)	0	0	0	0	0	0	0
Other changes	(39)	35	25	0	0	0	21
Net book value at December 31, 2023	**2,871**	**25,771**	**5,408**	**595**	**13,993**	**0**	**48,638**
Historical cost	2,871	36,034	15,333	3,582	58,583	0	116,402
Accumulated depreciation	0	(10,262)	(9,924)	(2,987)	(44,590)	0	(67,763)

The changes in the year mainly refer to depreciation, net of a number of acquisitions, and the completion of works related to owned and leased property improvements:

The principal changes related to:

- Land, with a net decrease of Euro 39 thousand, due to the conversion of amounts in foreign currencies;
- Buildings, with a net increase of Euro 1,562 thousand, for improvements mainly in terms of the building of the Indian subsidiary Tecnimont Private Limited, in part as a result of the expansion of the local workforce; following expansion work on a building of MyReplast Industries S.r.l. and the

acquisition of a property in Rome near the head office of Nextchem Tech, which is to be redeveloped to house labs, equipment, prototypes, and minor pilot systems for the Group's research and development efforts.

- Plant and machinery, with a net decrease of Euro 1,000 thousand, mainly due to depreciation in the year net of purchases of specific plants for the production plant of MyReplast Industries S.r.l. and residually other purchases of small construction site machinery;
- Industrial and commercial equipment, with a net decrease of Euro 852 thousand, principally due to the depreciation in the year and the reclassification of some equipment to the account Other assets;
- Other assets, with a net increase of Euro 5,407 thousand, mainly concern the completion of leased factory improvements, the acquisition of furniture for offices and EDP, mainly in relation to the opening of the new office in London by the Group and new offices in India, which will improve the capacity to support the expanding global operations, in line with the Group's ten-year strategic plan.
- There are no fixed assets in progress; the balance of the previous year was Euro 523 thousand, mainly relating to leasehold restructuring works concluded in 2023 and reclassified to other assets.

For comparative purposes the changes relating to the previous year are shown below:

(in Euro thousands)	Land	Buildings	Plants & equipment	Industrial and commercial equipment	Other assets	Assets in progress and advances	Total
Net book value at December 31, 2021	**4,175**	**24,539**	**5,984**	**703**	**8,881**	**346**	**44,627**
Increases	0	468	1,756	73	3,006	360	5,663
Disposals	0	0	(1)	(72)	0	0	(73)
Depreciation	0	(674)	(1,507)	(247)	(3,420)	0	(5,848)
Cost reclassification/adjustments	(1,250)	(94)	183	0	0	(183)	(1,344)
Change to consolidation scope	0	0	0	924	0	0	924
Revaluations/(Write-downs)	0	0	0	0	0	0	0
Other changes	(15)	(28)	(6)	65	118	0	134
Net book value at December 31, 2022	**2,910**	**24,210**	**6,409**	**1,446**	**8,586**	**524**	**44,084**
Historical cost	2,910	34,202	14,801	4,324	51,531	523	108,292
Accumulated depreciation	0	(9,992)	(8,392)	(2,878)	(42,945)	0	(64,208)

The recoverability of the goodwill and of the other intangible and tangible fixed assets is verified at least once a year also in the absence of indicators of loss in value. For further information reference should be made to the paragraph "Goodwill".

It should also be noted that property, plant and equipment, which totaled Euro 48,638 thousand at December 31, 2023, included land and property in the amount of Euro 22,525 thousand for the offices of a number of Group companies; the carrying amount is the same as the fair value measured annually based on the nature of the properties, some of which are located in major international financial and commercial districts, such as Mumbai, Beijing and Rome. No significant exposure to risks and related impacts from climate change is expected.

Property, plant and equipment for an additional Euro 10,483 thousand relates to the advanced mechanical plastics recycling facility in Bedizzole, the province of Brescia, of the subsidiary MyReplast Industries S.r.l. (the NextChem Group). This facility uses the patented upcycling technology of MyReplast(TM) with an annual capacity of 40,000 metric tons and recycling efficiency of 95% and is subject to constant efficiency upgrades and other maintenance. More specifically, the MyReplast(TM) upcycling technology, which underpins the Bedizzole facility, allows for the mechanical recycling of post-consumer plastic waste and, through a subsequent chemical compounding treatment of the recycled polymer flakes of high added value, produces materials with characteristics similar to plastics originally produced from fossil fuels. Given the nature of this industrial facility, which is fully aligned with the objectives of the energy transition, no risks related to climate-change issues have been identified. Indeed, there is an opportunity to increase the use of recycled plastics and to replicate this same type of facility for other clients.

The remainder of property, plant and equipment, amounting to Euro 15,630 thousand, is mainly related to office furniture, electronic machines (PCs and other computer components), specific installations for Wi-Fi infrastructure, and accessory components for the Group's offices. It is expected that the majority of these assets will be fully depreciated in the short to medium term, during which the exposure to risks and impacts arising from climate change may be considered very low.

Within this landscape, the climate risk in the measurement of property, plant and equipment line is considered insignificant.

28.2. Goodwill

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Goodwill	295,368	31,811	327,179
Total	**295,368**	**31,811**	**327,179**

This account, amounting to Euro 295,368 thousand, increased by Euro 31,811 thousand in 2023.

This account includes the consolidation differences concerning:

- for Euro 135,249 thousand the acquisition of the Tecnimont Group;
- for Euro 53,852 thousand the acquisition and subsequent merger of Maire Engineering S.p.A. into Maire Investimenti S.p.A. (following the merger Maire Investimenti S.p.A. changed its name to Maire Engineering S.p.A), net of the write-down of Euro 10,000 thousand in 2013;
- for Euro 18,697 thousand the acquisition and subsequent merger by Maire Engineering of other construction and engineering companies;
- for Euro 55,284 thousand the acquisition of the subsidiary Tecnimont Private Limited;
- for Euro 137 thousand the purchase of the share capital of Noy Engineering S.r.l.;
- for Euro 2,184 thousand the acquisition of the subsidiary Stamicarbon B.V.;
- for Euro 26,351 thousand the acquisition of the KT Group.
- for Euro 1,398 thousand the acquisition in 2019 of MyReplast Industries S.r.l.
- for Euro 1,169 thousand the acquisition in 2019 of Protomation B.V.;
- for Euro 1,048 thousand the acquisition in 2022 of 51% of Tecni and Metal Private Limited, an Indian company engaged in construction and specifically mechanical and piping work for Oil & gas, petrochemical and fertilizer plants.

The changes in 2023 were as follows:

- For Euro 28,288 thousand concerning the acquisition in 2023 of Conser S.p.A.. For further details, reference should be made to the “Consolidation scope” section;
- For Euro 5,665 thousand concerning the acquisition in 2023 of MyRemono S.r.l.. For further details, reference should be made to the “Consolidation scope” section.
- For a negative Euro 2,100 thousand concerning the reclassification to assets and liabilities held-for-sale for the portion of the Integrated E&C Solutions CGU related to the assets tied to the management and maintenance of plant and equipment at large-scale, highly complex properties and infrastructures and other routine and extraordinary maintenance, installation and management

of plant and buildings under the umbrella of facilities management attributable to the company SE.MA. Global Facilities S.r.l.

- For Euro -42 thousand, due to the conversion of amounts in foreign currencies in 2023.

In application of the IAS 36 impairment method, the Maire Tecnimont Group identified the Cash Generating Units (CGU) which represent the smallest identifiable group of assets capable of generating cash flows largely independently within the consolidated financial statements. The maximum level of the aggregation of the CGU's is represented by the segments of activities as per IFRS 8.

The goodwill was allocated to the cash generating units from which the related benefits from the business combination are expected to arise.

In the fourth quarter of 2022, the Group launched an industrial reorganization against the backdrop of the broader social and industrial transformation underway globally, which has led to a reshaping of its long-term strategies. This led to, following the Board of Directors' approval on March 1, 2023, the Group's industrial reorganization into two business units ("BU's"), which relate to the two new "CGUs" and specifically: i) "Integrated E&C Solutions", covering executive general contractor operations, so as to achieve economies of scope and synergies on projects with integrated technologies and processes, in addition to greater operational efficiency and reduced overheads; and ii) "Sustainable Technology Solutions", covering all of the Group's sustainable technology solutions/operations, in addition to the high value-added/innovative services primarily focused on the energy transition and the "green acceleration".

The CGUs have been determined using similar criteria to the previous year and in line with the representation of the operating segments. However, during the year, following the reorganization, the two CGUs of Hydrocarbons and Infrastructures were assigned to the new Integrated E&C Solutions CGU, while the two CGUs of Licensing and Green Energy were assigned to the new Sustainable Technology Solutions CGU.

The table below summarizes the value of goodwill allocated by sector and the movements in the year:

(in Euro thousands)	31-12-2022	Industrial Reorganization	Other Changes in the year	31-12-2023
Hydrocarbons	276.4	(276.4)	0	0
Infrastructure	14.2	(14.2)	0	0
Integrated E&C Solutions	**0**	**290.6**	**(2.1)**	**288.5**
Green Energy	1.4	(1.4)	0	0
Licensing	3.4	(3.4)	0	0
Sustainable Technology Solutions	**0**	**4.8**	**34.0**	**38.7**
Total	**295.3**	**0.0**	**31.9**	**327.2**

The features of these CGUs are outlined below:

I. **Sustainable Technology Solutions (STS):** in which all of NextChem's sustainable technology solutions are concentrated, as well as high value-added services aimed primarily at the energy transition. This CGU, given its technological nature, expresses low volumes but with significantly high margins, also accompanied by a low level of risk. The CGU therefore focuses on four separate industrial clusters of interest to the Group, namely: 1) Nitrogen Fertilizers (sustainable and green fertilizers); 2) Hydrogen and Circular Carbon (hydrogen and CO2 capture and utilization); 3) Fuels and Chemicals (circular economy bio or synthetic fuels and e-fuels), and 4) Polymers (recycled and bio polymers);

II. **Integrated E&C Solutions (IE&CS):** covering the general contractor executive responsibilities and all typical EPC (Engineering, Procurement and Construction) project activities and synergies on projects with integrated technologies and processes. Given the nature of these activities, high volumes for this business unit are expected and margins in line with the average for EPC contracts. This CGU may provide services or operate in partnership with the "STS" CGU, given the growing demand for investments with sustainability features.

The recoverability of the goodwill and of the other intangible and tangible fixed assets is verified at least once a year also in the absence of indicators of loss in value.

Given the general global landscape, which has been affected by the ongoing geopolitical tensions, particularly in Ukraine and Israel, and the condition of the financial markets specifically, which reflect the expectations on monetary policy by the leading central banks and the impact this could have on economic growth and inflation, the Group has paid special attention to the balance sheet accounts most impacted by this uncertainty and has consequently updated the related estimates.

The analysis of the recoverability of the goodwill and the other tangible and intangible fixed assets was undertaken in conjunction with an independent expert, utilizing the cash flows based on the 2024 Budget and the 2024-2033 Business Plan approved by the Board of Directors on March 5, 2024.

The assumptions and strategic assumptions underlying the Group's plan update reflect Management's best estimates of the key assumptions underlying business operations, including assessments on continuing international geopolitical tensions.

The underlying assumptions and the corresponding financials take into account the various scenarios summarized in the plan update and are considered appropriate for the impairment test; the analysis was conducted with the support of an independent expert.

The principal assumptions reflected in the 2024 Budget and the 2024-2033 Business Plan take into account the record order backlog existing at December 31, 2023, following acquisitions in 2023, which were also at an all-time high for the Group.

For the Maire Group, environmental protection is an essential part of the organization’s objectives. The Group is constantly committed to controlling and mitigating the environmental impact of operations and of the various projects carried out at the various facilities around the world. The Group’s environmental policies are defined in part by engineering, which represents an opportunity for technological solutions to reduce environmental impact, while also bringing financial and economic benefits to customers, to stakeholders, and to the community at large.

Based on materiality analyses, climate change is a leading issue among stakeholders of the Maire Group, and the Board of Directors is becoming increasingly proactive with regard to the climate-related matters, which are being integrated into company strategy.

It should be noted that the evolving sensitivity to issues related to "climate change" are already generating significant new business opportunities, and in fact the 2024 Budget and 2024-2033 Business Plan also include forecasts regarding energy transition activities;

the drive to reduce its carbon footprint motivates the Group to increasingly strengthen the development of sustainable technology solutions, driven by growing demand from both traditional and new clients in hard-to-abate sectors, and to strengthen further the integration of traditional technology solutions serving downstream activities with innovative, more sustainable technology propositions developed in-house or otherwise available through agreements with third-party technology partners, in the companies within the NextChem Group.

Investments will continue to be focused on expanding the portfolio of technologies related to the energy transition, with a particular focus on technological solutions associated with the green, blue or circular hydrogen chain, with a realistic approach that, in the face of increasing consumption of fuels, polymers and fertilizers, is able to combine the operating-financial constraints of fossil fuel processing industries over time with the pressing needs for decarbonization of the manufacturing world globally.

Finally, the approved 2024-2033 Business and Financial Plan also includes ESG (environmental, social and governance) sustainability indicators in relation to the United Nations Sustainable Development Goals; within the Plan, the material topics that formed the basis for updating the "Group Sustainability Plan" were identified and prioritized according to the various business lines and the relative Sustainable Development Goals ("SDGs"). In this way, the Plan links operating-financial and sustainability objectives, allowing for integrated strategic planning. For further details on climate change risk, please refer to the “Risks and uncertainties" section of the Directors’ Report.

The recoverable value of the cash-generating units, whose individual goodwill were allocated, was determined through the determination of the value in use, considered as the present value of the expected cash flows, utilizing a discount rate which reflects the specific risks of the individual cash-generating units at the valuation date. The book value of the CGU's (carrying amount) includes the book value of the net assets invested which may be attributed directly, or separated based on a reasonable and uniform criterion, to the CGU's. The net working capital items are included in the calculation of the book value and of the recoverable value. The working capital items are in addition separately tested for loss in value, in accordance with the applicable accounting standards.

The value in use was determined based on the estimated future cash flows discounted which the CGU will be capable of producing in the future. The estimated cash flows include the recharge of general and administration costs (G&A) of the Group for all the CGU's. The value of the cash flows was expressed net of the notional imposition, considering the tax benefit relating to any deductibility of amortization and depreciation. Consideration was also taken of changes in net working capital and in relation to fixed capital investment.

For the calculation of the recoverable value, the income streams refer to the business planning period, as well as a Terminal Value; specifically, for the Sustainable Technology Solutions CGU with greater engagement in the activities related to the energy transition, the explicit period of 10 years was considered, while for the Integrated E&C Solutions CGU the explicit period of 5 years was considered. Relating to the estimate of the Terminal Value, the last year of the cash flows was not taken as an expression of the "normalized" cash flow, but rather the average margin of the Plan future cash flows of the explicit 5-year plan for the Integrated E&C Solutions CGU's and of the last 5 years for the 10-year plan of the Sustainable Technology Solutions CGUs were considered.

The "normalized" cash flow was capitalized considering a growth rate between an interval of 0% and 4.5% for the Integrated E&C Solutions CGU and between 0% and 4.8% for the Sustainable Technology Solutions CGUs. For the purposes of the discounting of the operating cash flows, the interest rate identified was the weighted average cost of capital (WACC) post tax. The parameters used to estimate the discount rates (Beta and Net Financial Position) were determined on the basis of a basket of comparable companies operating in the "Plant Engineering" sector for the Integrated E&C Solutions CGU and in the Licensing and Green Chemistry sector for the Sustainable Technology Solutions CGU, calculating for each the key financial indicators, as well as the most significant market values.

The risk-free rate utilized considered the Eurirs average 6 months (S&P Capital IQ) rate, the expected medium/long-term inflation rate for the reference countries and the relative Country Risk Premium (determined on the basis of the differential between the country CDS spread and the country benchmark CDS spread). The market risk premium was estimated at 5.5%. It was considered appropriate to consider a specific risk for each CGU above the relative discounting rate; this premium was determined based on the comparison between the size of the CGU and the companies utilized for the estimate of the Beta Unlevered. This risk was increased by a Company Specific Risk Premium in relation to the conditions of the individual CGU.

For the cost of equity component, the rate was prudently increased to reflect any execution risk connected to the business risk and specifically by 1.24 percentage points for the Integrated E&C Solutions CGU and also in relation to the Sustainable Technology Solutions CGU.

These analyses, based on the currently available information, did not point to critical issues concerning application of the policies adopted in preparing the financial statements, nor impairment losses on the amounts recognized; In fact, for all CGU's, the recoverable value as presented above is higher than the net carrying amount of the Net Capital Employed of the CGU's.

A sensitivity analysis was also undertaken on the basis of the changes in the following parameters: i) discount rate, ii) growth rate for the estimate of the Terminal Value, and iii) EBITDA for the plans under consideration (-10%/+10%); based on this analysis, the range of the recoverable value of the CGU's was determined.

Discount rate (WACC post tax)	Lower extreme	Higher extreme
Integrated E&C Solutions CGU	9.67%	11.67%
Sustainable Technology Solutions CGU	11.21%	13.21%

Growth rate beyond plan period	Lower extreme	Higher extreme
Integrated E&C Solutions CGU	0%	4.5%
Sustainable Technology Solutions CGU	0%	4.8%

The results of these sensitivity analyses did not highlight any impacts on the values recorded by the CGU's.

It was also verified that conducting the impairment test according to the scope before the corporate reorganization (i.e., based on the four CGUs) did not present different results, without any impairment.

In the application of this method, management utilized assumptions, including the estimate of the future increases in the backlog, revenues, gross margin, operating costs, growth rate of the terminal value, investments and average weighed cost of capital (discount rate). The cash flow forecasts refer to current business conditions, therefore they do not include cash flows related to events of an extraordinary nature.

The estimates and the budget data were determined by Group management based on past experience and forecasts relating to the development of the Group's markets. However, the estimate of the recoverable value of the cash generating units requires discretionary interpretation and the use of estimates by management. The Group cannot guarantee that there will not be a loss in value of the goodwill in future years. In fact, various market environment factors may require a review of the value of goodwill. The circumstances and events which could give rise to a further loss in value will be monitored constantly by the Group.

28.3. Other intangible assets

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Development costs	186	34	219
Patent rights	24,817	4,869	29,686
Concessions, licenses, trademarks and similar rights	1,951	(274)	1,678
Other	36,275	6,587	42,862
Assets in progress and advances	32,534	9,063	41,597
Contractual costs	14,562	7,159	21,721
Total	**110,324**	**27,439**	**137,763**

The following table illustrates the changes in the historical cost, accumulated depreciation and net book values for the year 2023:

(in Euro thousands)	Development costs	Patent rights	Concessions, licenses, trademarks and similar rights	Other	Assets in progress and advances	Backlog orders	Contractual costs	Total
Net book value at December 31, 2022	**186**	**24,817**	**1,951**	**36,275**	**32,534**	**0**	**14,562**	**110,324**
Increases	30	204	772	2,545	18,697	0	16,367	38,616
Disposals	0	0	0	0	0	0	0	0
Depreciation	(83)	(2,770)	(1,110)	(7,141)	0	(2,602)	(9,208)	(22,913)
Cost reclassification/adjustments	0	0	0	11,183	(11,183)	0	0	0
Change to consolidation scope	0	7,445	24	0	1,635	2,602	0	11,706
Revaluations/(Write-downs)	0	0	0	0	0	0	0	0
Other changes	0	(11)	39	0	0	0	0	28
Net book value at December 31, 2023	**133**	**29,686**	**1,678**	**42,862**	**41,684**	**0**	**21,721**	**137,763**
Historical cost	791	51,222	19,585	94,576	41,684	43,296	85,628	336,780
Accumulated depreciation	(658)	(21,536)	(17,907)	(51,714)	0	(43,296)	(63,908)	(199,018)

The value of the other intangible assets at December 31, 2023 amounted to Euro 137,763 thousand, with an increase of Euro 27,439 thousand compared to December 31, 2022; this increase mainly derives from the combined effect of investments and the internal development of technologies, new software and relative developments to support the business and corporate security, net of amortization for the year. Also contributing to the increase is the allocation of a number of gains arising from the purchase price allocation (PPA) in accordance with the revised IFRS 3 related to the acquisitions of Conser S.p.A. and MyRemono S.r.l., which are shown among changes to consolidation scope.

The principal changes in the year related to:

- Development costs, a gain arising from the acquisition by Stamicarbon of the company Protomation, with a net decrease of Euro 53 thousand, principally due to amortization in the year;

- Patent rights, with a net increase of Euro 4,869 thousand, with the changes mainly referring to the new technologies and intellectual property rights (patents and licenses) developed by the Group. Also contributing to the increase is the allocation of a number of gains arising from the purchase price allocation (PPA) in accordance with the revised IFRS 3 related to the acquisition of Conser S.p.A., essentially related to value of this company's patents. The decreases are mainly the result of amortization for the year;
- Concessions, licenses and trademarks, with a net decrease of Euro 274 thousand, mainly due to the amortization in the year net of costs incurred for the purchase of software licenses for operational activities, engineering applications and the management of business processes;
- Other intangible fixed assets, with a total net increase of Euro 6,587 thousand mainly as a result of the reclassification for Euro 11,183 thousand from fixed assets in progress of projects completed and which became operational during 2023. The increase is mainly the result of the capitalization of ready-to-sell technology, including: HVO/SAF, upcycling and compounding, gasification, mechanization, PTU and CPO, but also the implementation of software that became operational in

  The account for Euro 10,075 thousand also includes the University of Florence's "Birillo" university campus concession initiative of the subsidiary Birillo 2007 Scarl;
- Assets in progress and on account posted a net increase of Euro 9,150 thousand, which refers mainly to costs related to the development of new technologies, as part of the Group's Green Acceleration process. These investments concern development processes and technologies still under way and other new technologies and projects in line with the sustainable technology portfolio expansion strategy undertaken by the Group. The total also includes the development of new software and related implementation that is still under way in support of the business and of security aimed at integrating advanced digital solutions into the technology offering. For details, see the section "ICT and Information Systems" in the Directors' Report.
- "Contractual costs", equal to Euro 21,721 thousand and with a net increase of Euro 7,159 thousand, include costs for the obtaining of contracts and contract fulfillment costs, accounted as per IFRS 15 which stipulates the capitalization of costs to obtain the contract, considered as 'incremental', and costs incurred to fulfil the contract which enable the entity to make use of new or greater resources to satisfy performance obligations in future ('pre-production costs). These capitalized costs are amortized based on the advancement of the work on the contract, with the changes due to amortization in the year, net of new capitalizations on significant orders in the year and the relative activities undertaken before the acquisition.

For comparative purposes the changes relating to the previous year are shown below:

(in Euro thousands)	Developm ent costs	Patent rights	Concessions, licenses, trademarks and similar rights	Other	Assets in progress and advances	Contractual costs	Total
Net book value at December 31, 2021	**285**	**24,442**	**2,061**	**35,796**	**24,826**	**14,141**	**101,551**
Increases	0	2,193	1,017	1,743	14,736	6,931	26,620
Disposals	0	0	0	(5)	0	0	(5)
Amortization	(93)	(1,966)	(1,125)	(8,177)	0	(6,347)	(17,709)
Cost reclassification/adjustme nts	0	141	0	6,887	(7,028)	0	0
Change to consolidation scope	0	0	0	0	0	0	0
Revaluations/(Write-downs)	0	0	0	0	0	0	0
Other changes	(8)	6	(3)	31	0	(163)	(137)
Net book value at December 31, 2022	**186**	**24,817**	**1,951**	**36,275**	**32,534**	**14,562**	**110,324**
Historical cost	621	43,573	18,786	84,296	32,534	70,194	250,003
Accumulated amortization	(435)	(18,756)	(16,834)	(48,021)	0	(55,632)	(139,679)

The recoverability of the goodwill and of the other intangible and tangible fixed assets is verified at least once a year also in the absence of indicators of loss in value. For further information reference should be made to the paragraph “Goodwill”.

28.4. Right-of-use - Leasing

(in Euro thousands)	31-12-2022	Increases	Decreases	Depreciation for the year	Other changes	31-12-2023
Right-of-use - Leasing - Historical cost	206,589	23,961	(13,714)	0	(1,902)	214,934
(Right-of-use - Leasing - Accumulated depreciation)	(73,563)		11,638	(26,920)	1,653	(87,192)
Total	**133,027**	**23,961**	**(2,076)**	**(26,920)**	**(249)**	**127,742**

The value of Right-of-use recognized according to IFRS 16 at December 31, 2023 was Euro 127,742 thousand, decreasing on December 31, 2022 by Euro 5,285 thousand; this movement is mainly due to a combined effect of depreciation in the year, net of new contracts and the early closure of some contracts. The other changes mainly refer to the translation effect of amounts in foreign currencies.

The right-of-use - leasing account mainly concerns usage rights for the office use buildings hosting Group offices and also at various work sites, some key Group assets and also motor vehicles, as follows:

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Land	78	(29)	49
Buildings	120,354	(5,080)	115,274
Plant & machinery	0	0	0
Other assets	12,595	(176)	12,419
Total	**133,027**	**(5,285)**	**127,742**

28.5. Investments in associates and Joint Ventures

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Investments in associates:			
• Studio Geotecnico Italiano	954	33	987
• MCM servizi Roma S.c.a.r.l. in liquidation	4	(4)	0
• Desimont Contracting Nigeria (*)	0	0	0
• JV TSJ Limited (*)	0	0	0
• Tecnimont Construction Co WLL-Qatar	15	0	15
• HIDROGENO CADEREYTA – S.A.P.I. de C.V. (*)	0	0	0
• Biolevano S.r.l.	12,416	(596)	11,820
• Kazakhstan JV Tecnimont KZ LLP (*)	0	0	0
• Gulf Compound Blending Ind Ltd	261	(256)	5
• G.C.B. General Trading Ltd	210	(191)	19
• SMC S.c.a.r.l.	20	(20)	0
• Hazira Cryogenic Eng.&Cons Management Pvt. Ltd.	108	(4)	103
• Fertighy Iberia S.L.	0	500	500
Total	**13,988**	**(539)**	**13,450**

(*) The investment was completely written down and a provision for accumulated losses is recorded under provisions for risks and charges.

During 2023, the following changes took place in the investments held in associates and joint ventures following their valuation at equity, their results and/or the setting up of new operating entities:

- FertigHy Iberia was established , founded with other industrial and financial partners, which seeks to pave the way for the transition to low CO_2 emissions in the European fertilizer industry, all of which will be done through the construction, by 2025, of a plant dedicated to the production of millions of tons of green hydrogen per year; with a 14.30% stake undertaken by the Group and initial payment of Euro 500 thousand;
- the holding in Studio Geotecnico S.r.l. increased by Euro 33 thousand following the positive equity valuation of Euro 9 thousand, net of a further increase of Euro 24 thousand for the purchase of an additional stake in Studio Geotecnico Italiano S.p.A. ("SGI") equal to 0.57% of the entire share capital. Consequently, as of that date, Tecnimont S.p.A. has a total holding in the share capital of SGI of 46.65565%;
- the investment in Gulf Compound Blending Ind Ltd reports an overall decrease of Euro 256 thousand following the negative valuation at equity;
- the investment in G.C.B. General Trading Ltd also in this case registered a negative valuation at equity for Euro 191 thousand;
- the equity investment in MCM Servizi Roma S.c.a.r.l. lost Euro 4 thousand in value following completion of the liquidation process and cancellation of the investment;
- the equity investment in Hazira Cryogenic decreased by Euro 4 thousand as a result of currency effects;
- the consortium SMC S.c.a.r.l., established for specific modernizations to energy systems for a number of healthcare facilities, was reclassified to assets held-for-sale;
- the investment in Biolevano S.r.l. reports an overall decrease of Euro 596 thousand following the negative valuation at equity.

With regard to the 30% holding in Biolevano S.r.l., following the investigation launched by the judiciary in early 2021 regarding incentives for the production of electricity from renewable sources, the Maire Tecnimont Group is not under investigation in any way, but the company's shares were initially seized as a precautionary measure and the management of the company continued under the supervision of the court-appointed Commissioner pending developments in the investigations underway. Later in 2021, the precautionary measures against the company and the other subjects of the investigation all eventually lost their efficacy, resulting in the revocation of the administrative receiver and the desequestration of Biolevano's plant and all corporate, administrative and financial documentation.

The criminal investigation referred to in the proceedings at the Pavia Court upon the alleged misconduct continued during 2023 and until February 26, 2024, on which the Pavia Magistrate's Court issued a verdict of non-suit against all defendants.

Within this context, the independent system operator (ISO) Gestore dei Servici Energetici (GSE) S.p.A. has yet to pay past incentives due on electricity generated on virgin biomass.

The rising gas prices in 2022 due to the war between Russia and Ukraine was also reflected in electricity prices, the 2022 average of which was well above Euro 180/MWh in Italy, resulting in the lack of incentives for producers of electricity using solid biomass in 2023. Energy prices gradually fell in 2023 to below the variable cost of production by around March. In April, to avoid plant closures, the two houses of Italy's Parliament approved the inclusion of solid-biomass energy producers in the "maximization" program. This program, the criteria of which was defined by ARERA, calls for supplementing revenues on energy sales with an incentive that covers the variable costs of production plus a contribution to the plant's fixed costs. The program concerns electricity production from May 15, 2023, to September 30, 2023. To give a clearer picture over a longer period of time, a program of "guaranteed minimum prices" was approved in July 2023. This program envisages that plants for which the existing incentives plan will expire by December 2027 (as is the case for Biolevano) can access an alternate program in which ARERA will set the guaranteed minimum price, which will be updated annually based on trends in production costs. This parameter is expected to be set by ARERA by the end of the year or early 2024 and would have the advantage, unlike the existing plan, of not having an expiration date. In practical terms, Biolevano would obtain the right to sell the energy produced at the guaranteed minimum price without limits in time and would, therefore, continue to operate until the plant becomes obsolete.

The breakdown of associates and joint ventures is as follows:

Company	Location/	Currency	Share capital	% Group	Through:	%
Studio Geotecnico Italiano	ITA	EUR	1,550,000	46.656%	Tecnimont S.p.A.	46.086%
Desimont Contracting Nigeria	Nigeria	NGN	0	45.000%	Tecnimont S.p.A.	45.000%
JV TSJ Limited	Malta	USD	123,630	55.000%	Tecnimont S.p.A.	55.000%
Tecnimont Construction Co WLL-Qatar	Qatar	QAR	42,000	49.000%	MST S.p.A.	49.000%
HIDROGENO CADEREYTA – S.A.P.I. de C.V.	Mexico	MXN	10,000	40.700%	KT S.p.A.	40.700%
Biolevano S.r.l.	ITA	EUR	18,274,000	30.000%	Tecnimont S.p.A.	30.000%
Kazakhstan JV Tecnimont KZ LLP	KZT	KZT	193,000,000	50.000%	Tecnimont S.p.A.	50.000%
Gulf Compound Blending Ind Ltd	UAE	AED	3,672,000	37.500%	Met T&S Management Ltd	37.500%
G.C.B. General Trading Ltd	UAE	AED	280,000	37.500%	Met T&S Management Ltd	37.500%
SMC S.c.a.r.l.	Italy	ITA	100,000	20.000%	SE.MA. GLOBAL FACILITIES S.R.L.	20.000%
Hazira Cryogenic Eng.&Cons Management Pvt. Ltd.	INDIA	INR	500,000	45.000%	Tecnimont Private Ltd	45.000%

The key financial highlights of the principal associates and joint ventures and the reconciliation with the book value of the investments is shown below:

2023 KEY FINANCIAL HIGHLIGHTS

(in Euro thousands)	Studio Geotecnico (*)	Biolevano S.r.l. (*)	G.C.B. General Trading Ltd (*)	Gulf Compound Blending Ind Ltd (*)
NON-CURRENT ASSETS	55	29,417	0	7,950
CURRENT ASSETS	4,514	33,147	3,464	230
FINANCIAL ASSETS	1,291	3,929	38	116
TOTAL ASSETS	**5,860**	**66,493**	**3,502**	**8,295**
SHAREHOLDERS´ EQUITY	2,116	39,399	50	13
NON-CURRENT LIABILITIES	466	3,721	8	0
CURRENT LIABILITIES	2,702	4,636	955	2,162
FINANCIAL LIABILITIES (current and non-current)	576	18,737	2,489	6,120
TOTAL NET EQUITY AND LIABILITIES	**5,860**	**66,493**	**3,502**	**8,295**
REVENUES	2,255	27,120	3,862	656
EBITDA	136	-1,887	-275	-227
TOTAL COMPREHENSIVE INCOME	66	-2,796	-494	-435

(*) the figures for FY 2023 are still being approved. The latest available figures were used.

RECONCILIATION WITH THE BOOK VALUE OF THE INVESTMENT

(in Euro thousands)	Studio Geotecnico	Biolevano S.r.l.	G.C.B. General Trading Ltd	Gulf Compound Blending Ind Ltd
GROUP SHARE	46.7%	30.0%	37.5%	37.5%
EQUITY SHARE	987	11,820	19	5
OTHER ADJUSTMENTS	0	0	0	0
BOOK VALUE OF THE INVESTMENTS	**987**	**11,820**	**19**	**5**

With reference to the other investments held by the Group in associates and joint ventures, there are no individually significant investments compared to total consolidated assets, operating activities or regional operations and, therefore, the disclosure required in such cases by IFRS 12 is not provided.

28.6. Financial instruments - Derivatives (Non-current assets)

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Financial instruments - Currency hedging derivatives	317	288	606
Financial instruments - Raw material hedging derivatives	0	95	95
Financial instruments - Interest rate hedging derivatives	3,991	(3,060)	931
Total	**4,308**	**(2,677)**	**1,631**

Non-current derivative financial instrument assets at December 31, 2023 amount to Euro 1,631 thousand, a decrease of Euro 2,677 thousand compared to December 31, 2022 and concern the fair value measurement of the derivative contracts in force.

The account for Euro 606 thousand refers to the measurement of the derivative instruments to hedge against currency risks on the cash flows related to project revenues and costs, principally concerning the US dollar; the positive mark-to-market will be set off against future operating cash flows of a similar amount. There were also new subscriptions of some currency risk hedging instruments in 2023 following the major acquisitions.

The total includes Euro 95 thousand for raw material derivative hedges (principally for copper and palladium) and for purchases of contracts. In 2023, following the receipt of major new orders, additional positions were purchased to cover this risk; however, the market experienced a normalization in the price of the raw materials hedged.

The account interest rate derivatives, amounting to Euro 931 thousand, refers to the valuation of the non-current portion of the Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE's Italy Guarantee; the decrease in the positive fair-value is essentially related to the reclassification of some short term positions and the reduction of the notional amounts hedged in line with the repayment schedule of the main loan.

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

28.7. Other non current financial assets

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Equity investments:			
Subsidiaries	79	(3)	76
Other companies	14,115	(121)	13,994
Total Investments	**14,194**	**(124)**	**14,071**
Financial receivables from associates	0	0	0
Other financial assets	102,795	(38,912)	63,883
Total Financial Receivables	**102,795**	**(38,912)**	**63,883**
Total	**116,989**	**(39,036)**	**77,953**

The value of non-current financial assets included in the calculation of the net financial position is Euro 71,512 thousand and does not include the value of the strategic investment in Pursell Agri-Tech, LLC.

INVESTMENTS IN NON-CONSOLIDATED SUBSIDIARIES:

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Investments in non-consolidated subsidiaries:			
• Svincolo Taccone S.c.a.r.l. in liquidation	8	0	8
• Exportadora de Ingegniería y Servicios TCM SpA	68	0	68
• Consorzio Stabile MST S.c.a.r.l. in liquidation	3	(3)	0

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
• Tecnimont South Africa (PYT) LTD	0	0	0
Total	**79**	**(3)**	**76**

A decrease was recorded in 2023 in relation to the investment in Consorzio Stabile MST following the conclusion of the liquidation process and cancellation of the company.

Tecnimont Exportadora de Ingegniería y Servicios TCM SpA in Chile is still not operational and was therefore not included in the consolidation. Tecnimont South Africa, in addition to not being operational, is currently only registered for tax purposes. Conclusion of the liquidation process is awaited for the investment in Svincolo Taccone.

The breakdown of the non-consolidated subsidiaries is as follows:

Company	Location	Currency	% Group	Through:	%
Svincolo Taccone S.c.a.r.l. in liquidation	ITA	EUR	80%	Tecnimont S.p.A.	80%
Exportadora de Ingegniería y Servicios TCM SpA	Chile	CLP	100%	Tecnimont S.p.A.	100%
Tecnimont South Africa (PYT) LTD	South Africa	ZAR	100%	Tecnimont S.p.A.	100%

The investments in non-consolidated subsidiaries mainly refer to consortiums incorporated for specific projects whose corporate duration is related to the duration of the project which is currently either terminated or not yet commenced. Investments in non-consolidated subsidiaries are measured at fair value with changes written to the statement of comprehensive income, although as the investment concerns securities no longer related to operational activity, the fair value does not vary from the cost and the relative portion of equity.

With reference to the investments held by the Group in non-consolidated subsidiaries there are no individually significant investments compared to the total of the consolidated assets, operating activities or regional operations and, therefore, the disclosures required in such cases by IFRS 12 are not provided.

INVESTMENTS IN OTHER COMPANIES:

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
• Finenergia S.p.A. in liquidation	26	0	26
• Società Interporto Campano S.p.A.	1,920	(483)	1,437
• Cavtomi consortium	193	(43)	150
• Cavet consortium	434	0	434
• Metro B1 S.c.a.r.l.	467	0	467
• RI.MA.TI. S.c.a.r.l.	6	0	6
• Sirio consortium	0	0	0
• Lybian Joint Company	9	0	9
• Kafco L.T.D.	2,820	1,975	4,795
• Cisfi S.p.a.	230	(53)	177
• Fondazione ITS	10	0	10
• Contratto di programma Aquila consortium (*)	0	0	0

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
• Consorzio parco scientifico e tecnologico Abruzzo (*)	0	0	0
• Tecnoenergia Nord S.c.a.r.l. consortium	35	0	35
• Consorzio Tecnoenergia Sud S.c.a.r.l. in liquidation	7	0	7
• Siluria Technologies Inc. (*)	0	0	0
• Pursell Agri-Tech LLC	7,959	(1,517)	6,441
Total	**14,115**	**(121)**	**13,994**

(*) The holdings were entirely written down

The investments in other companies mainly refers to consortiums incorporated for specific projects whose duration is related to the project span. These investments are measured at fair value with changes to the statement of comprehensive income, although as not listed on an active market, the fair value is therefore estimated, although does not vary from the cost and the relative portion of equity.

The decreases in the investments in Interporto Campano S.p.A., Cisfi S.p.A and Cavtomi follow the updating to their present value, with a negative effect also on the financial assets reserve measured at fair value.

The increase in the investment in Kafco L.T.D. is as a result of an increase in its current value with a positive effect also on the financial assets reserve measured at fair value.

The decrease of the investment Pursell Agri-Tech, LLC relates to the currency conversion effects of the importation of the financial statements in foreign currencies and an adjustment to its present value.

The key financial highlights relating to other companies is reported below:

Company	Location	Currency	% Group	Through:	%
Contratto di programma Aquila consortium	ITA	EUR	5.50%	KT S.p.A.	5.50%
Fondazione ITS	ITA	EUR	10.00%	KT S.p.A.	10.00%
Parco scientifico e tecnologico Abruzzo consortium	ITA	EUR	11.10%	KT S.p.A.	11.10%
Tecnoenergia Nord S.c.a.r.l. consortium	ITA	EUR	12.50%	MST S.p.A	12.50%
Consorzio Tecnoenergia Sud S.c.a.r.l. in liquidation	ITA	EUR	12.50%	MST S.p.A	12.50%
Cavtomi consortium	ITA	EUR	3.86%	MST S.p.A	3.86%
Società Interporto Campano S.p.A.	ITA	EUR	3.08%	MST S.p.A	3.08%
RI.MA.TI. S.c.a.r.l.	ITA	EUR	6.15%	MST S.p.A	6.15%
Cavet consortium	ITA	EUR	8.00%	MST S.p.A	8.00%
Metro B1 S.c.a.r.l.	ITA	EUR	19.30%	MST S.p.A	19.30%
Cisfi S.p.a	ITA	EUR	0.69%	MST S.p.A	0.69%
Lybian Joint Company	Libya	Libyan Dinar	0.33%	Tecnimont S.p.A.	0.33%
Kafco L.T.D.	Bangladesh	BDT	1.57%	Stamicarbon B.V.	1.57%
Finenergia S.p.A. in liquidation	ITA	EUR	1.25%	Tecnimont S.p.A.	1.25%
Siluria Technologies Inc.	USA	USD	3.16%	Tecnimont S.p.A.	3.16%
Pursell Agri-Tech LLC	USA	USD	12.65%	Stamicarbon USA	12.65%

OTHER FINANCIAL ASSETS

Other financial assets total Euro 63,883 thousand and decreased by Euro 38,912 thousand in the year, due mainly to the Group's financial receivable in the Volgafert LLC initiative with the partner PJSC KuibyshevAzot being reclassified to short term following recent agreements.

The breakdown of financial assets at December 31, 2023 is as follows:

Non-current financial assets for Euro 3,938 thousand relate to the restoration of the amount involved in the fraudulent actions perpetuated in 2018 by individuals not identified against the subsidiary Tecnimont Arabia L.T.D.. The Maire Tecnimont Group worked with judicial authority offices in Italy and abroad to recover the fraudulently stolen sums. After the event, following developments in the investigation, approximately USD 650 thousand was recovered from current accounts in which the above amounts had transited from the fraudulent actions.

During the dispute arising at the Abu Dhabi Court, in a decision issued on April 13, 2023, the local court upheld Tecnimont's claim by ordering the Directors involved in the fraud to pay the amount due, also recognizing the joint and several liability of Tecnimont Arabia, but initially rejecting the indemnity claim against the insurance companies. In view of the above, Tecnimont and Tecnimont Arabia appealed before the deadline the first instance decision in several respects. In a ruling issued on June 13, 2023, the Abu Dhabi Court of Appeal granted Tecnimont's request, confirming both the Directors' liability jointly and severally with Tecnimont Arabia and the full operation of the insurance policies. The latter was therefore ordered to pay the amount due to Tecnimont. The insurance companies appealed against the aforementioned judgment of appeal at the Court of Cassation, which was concluded in the judgment issued on September 18, 2023. In the aforementioned decision, the Emirates Court of Cassation upheld the appellate ruling insofar as it found the Directors jointly and severally liable with Tecnimont Arabia, but reformed the part containing the judgement against the insurance companies. In this regard, the Court of Cassation held that, as a condition for the claim against the insurance companies to proceed, they should have been called in advance before the local Insurance Dispute Resolution Committee. The decision to dismiss the claim against the insurance companies rests solely on a procedural aspect and does not address the merits of the operation of the insurance policies involved, based on which the legal opinions support the recovery of the aforementioned sums, which are deemed virtually certain.

Pending the ICC arbitration proceedings between the ATI Tecnimont S.p.A./KT Kinetics Technology S.p.A. and Total E&P Italia S.p.A., pertaining to the execution of the EPC contract for the construction of the "Tempa Rossa" oil and LPG center, Total has requested the payment of the performance guarantee (issued by Swiss RE in the interest of Tecnimont under the EPC contract). The Arbitration Board by its order instructed Total to refrain from collecting the Guarantee and granted Tecnimont's request to transfer a sum equal to the amount demanded under the Guarantee to an escrow account, to be released following the decision made by the Arbitration Board at the outcome of the arbitration proceedings. The parent company TotalEnergies also issued a comfort letter guaranteeing the repayment of the above amount. Non-current financial assets in the amount of Euro 59,539 thousand include the credit related to the amounts temporarily deposited in the escrow account in the name of Total.

The remaining portion of other financial assets includes financial accrued income and prepayments and other financial receivables.

28.8. Other non-current assets

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Trade receivables beyond 12 months	54,634	(37,401)	17,232
Other trade receivables beyond 12 months	7,531	(1,620)	5,910
Other Assets beyond one year	17,439	(606)	16,833
Tax Receivables beyond 12 months	2,442	103	2,545
Prepayments beyond 12 months	6,135	562	6,696
Total	**88,180**	**(38,963)**	**49,217**

Other non-current assets amount to Euro 49,217 thousand, decreasing Euro 38,963 thousand on December 31, 2022.

Trade receivables due beyond 12 months mainly relate to receivables for withholding guarantees by the buyer for the correct completion of works in progress, or other invoices due beyond 12 months.

The change is mainly due to the collection of old positions with the customer Sadara Chemical Company following the settlement of the dispute at the conclusion of arbitration, as well as the reclassification to short-term of certain guarantee withholdings in relation to projects in progress (mainly Borouge 4), net of new accruals.

Other trade receivables beyond 12 months amount to Euro 5,910 thousand and decreased; this amount mainly refers to receivables from a supplier with whom a deferred payment plan had been negotiated over time in exchange for the granting to the Maire Tecnimont Group of an interest rate for late payment. The reduction in the year is linked to the payment of one of the installments. The item residually also includes other miscellaneous receivables due beyond 12 months and security deposits.

The other assets for Euro 16,833 thousand concern the restoration of the amount involved in the fraudulent actions perpetuated in 2018 by individuals not yet identified against the Indian subsidiary Tecnimont Private Limited. The Maire Tecnimont Group is working with judicial authority offices in Italy and abroad to recover the fraudulently stolen sums. These assets are considered as virtually certain, also on the basis of the opinion of the legal experts supporting the company in the proceedings. Their recoverability is valued also according to the insurance coverage from leading insurers in protection against such events. The decrease relates to the translation of foreign currency items.

Tax receivables beyond 12 months of Euro 2,545 thousand concern those expected to be reimbursed by the Treasury beyond 12 months.

Prepayments beyond twelve months amount to Euro 6,696 thousand and mainly comprise advance payments on bank guarantee commissions relating to new large projects acquired.

28.9. Deferred tax assets and liabilities

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Deferred tax assets	53,491	3,698	57,190
Deferred tax liabilities	(48,619)	(13,183)	(61,802)
Total	**4,873**	**(9,485)**	**(4,612)**

Deferred tax assets and liabilities present a negative net balance of Euro 4,612 thousand, decreasing Euro 9,485 thousand compared to December 31, 2022, as a combined effect of the increase in deferred tax assets and in deferred tax liabilities, related to the temporary differences between the statutory and tax legislation.

The main changes in deferred tax assets are as an effect of the deferred tax assets arising on temporary charges deductible in future years, mainly related to provisions for future charges related to personnel that were allocated in 2023, interest expense deductible in future years and other charges deductible in future years.

Deferred tax liabilities increased as a result of the temporary differences which will be assessable in future periods, essentially related to differences between accounting principles and local fiscal regulations, particularly in relation to certain foreign subsidiaries, to currency gains not realized in 2023, and to the mark-to-market of hedging derivatives, which was positive for the year and recorded among equity in the valuation reserve net of the related tax effect.

Deferred tax assets were measured through critically assessing the future recoverability of these assets on the basis of the capacity of the company and of the Maire Tecnimont Group, also through use of the “tax consolidation” option, to generate assessable income in future years.

Deferred tax assets are recognized on temporary differences that are deductible in future periods. It is expected that the majority of these differences will be fully absorbed in the short to medium term, during which the exposure to risks and impacts arising from climate change may be considered very low.

There are no "Deferred tax assets" recorded referring to tax losses that require long-term forecasts for their recovery; Prior tax losses accrued by the Group in relation to which no deferred tax assets have been recognized amount to Euro 231.1 million. Deferred tax assets on unrecognized tax losses totaled Euro 66.7 million (the result of multiplying the value of the aforementioned tax losses by the ordinary corporate income tax rate in the various jurisdictions).

The Group also has an additional approximately Euro 3.5 million of unrecognized deferred tax assets in relation to the portion of the tax benefit related to the exercise of the option to realign the carrying amount and the tax value of certain business assets benefiting from the provisions of Article 110 of Decree-Law 104/2020 that will benefit the Italian domestic tax consolidation in the future.

Deferred tax assets and liabilities were offset based on the relative jurisdictions.

The table below summarizes the theoretical tax benefits for tax loss carryforwards not recognized to the financial statements broken down by state:

(Euro thousands)	Tax loss	Tax
Brazil	47,885	16,281
Mexico	3,754	1,126
Chile	114,964	28,741
Malta	47,065	16,473
USA	2,334	490
Azerbaijan	1,745	349
France	1,392	348
Malaysia	11,959	2,870
Total	**231,099**	**66,678**

28.10. Inventories and Advances to Suppliers

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Raw materials, ancillaries and consumables	0	2,475	2,475
Finished products and goods	3,946	2,798	6,744
Advances to suppliers	360,855	(7,630)	353,225
Total	**364,802**	**(2,358)**	**362,444**

Raw materials and ancillaries, in the amount of Euro 2,475 thousand, mainly concern certain provisions of bulk materials that became the property of the Group after not being used in the order to which they had been allocated. These materials are expected to be used in new orders in order to accelerate their respective procurement processes.

“Finished products and goods”, amounting to Euro 6,744 thousand, mainly relates to the finished product inventory of MyReplast Industries, which manages an advanced plastics mechanical recycling plant located in Bedizzole; the remaining amount refers to consumable materials and finished products at the warehouse of the subsidiary Met T&S, which supplies chemical products, spare parts and polymers. Here, too, the increase for the year is related to certain provisions of bulk materials that became the property of the Group after not being used in the order to which they had been allocated. These materials are expected to be used in new orders in order to accelerate their respective procurement processes.

Advance payments to suppliers, amounting to Euro 353,225 thousand, refer to the advances paid to foreign and Italian suppliers and sub-contractors against materials in progress and transit for the construction of plant and work in progress. The changes directly stem from the order performance.

28.11. Contractual Assets

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Works-in-progress	27,529,478	2,404,443	29,933,922
(Advances received on work-in-progress)	(25,268,681)	(2,123,613)	(27,392,293)
Total	**2,260,797**	**280,831**	**2,541,628**

"Contract Assets" are the net positive amount, by individual order, resulting from the difference between progressive production or the amount of works-in-progress recorded according to the percentage of completion net of losses realized or estimated at the reporting date and invoicing on account relating to the advancement of works.

The gross change on works carried out and advances received on work-in-progress is also impacted by the values of the projects closed during the year and transferred to revenues from sales.

The total value of Contract assets increased on the previous year by Euro 280,831 thousand. This increase is substantially due to the lower invoicing in the year in comparison to the economic advancement of the projects, influenced also by the contractual terms of the main orders.

The increase in Contractual assets in absolute terms is in line with the significant growth of volumes in 2023, which reflects the progression of projects towards phases which express greater volumes.

The value of construction contracts includes additional requests on contracts for the quota considered highly probable to be accepted by the client; the variable components were recorded in accordance with the guidelines illustrated in the accounting policies set out in the financial statements, to which reference should made. Currently, the portion of fees not yet approved accounted for approx. 6.9% of the value of the relative contracts.

The account "Contractual assets" also includes the accounting treatment of transactions with third parties who have in previous periods acquired a portion of the right to the reserves of the "Raddoppio Ferroviario Fiumetorto Cefalù" (Fiumetorto Cefalù" line doubling) initiative and the additional claims relating to the "Tempa Rossa" initiative. It bears recalling that the sale involves an initial price already paid on a definitive basis, regardless of the course of the negotiations, and a deferred price on the portion in excess of the amount already paid. In view of this deferred amount, the portion deemed highly probable affects the variability of the residual cash flows and therefore did not permit the assets to be fully derecognized as per IAS 32 paragraph 42. The value pertaining to third parties included under "Contractual assets" and of an equal amount shown under "Other current liabilities" amounts to approx. Euro 343.2 million.

28.12. Trade receivables

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Trade receivables - within 12 months	691,952	453,122	1,145,074
Subsidiaries - within 12 months	4	(4)	(0)
Associates - within 12 months	302	200	502
Parent companies - within 12 months	1	0	1
Group companies - within 12 months	11,923	4,311	16,234
Total	**704,182**	**457,629**	**1,161,811**

Trade receivables at December 31, 2023, amount to Euro 1,161,811 thousand, an increase of Euro 457,629 thousand compared to December 31, 2022.

The trade receivables balance derives from the contractual terms of the main contracts and is also affected by the progress of projects; in this regard, during 2023 there was a significant growth in volumes that reflects the significant backlog, thanks both to the progression towards execution phases capable of expressing higher volumes for projects in course and the start-up of the recently acquired projects.

The significant increase is related to the invoicing on account of certain milestones reached at the end of December on the new onshore treatment plant project of the Hail and Ghasha project with ADNOC for approx. Euro 367 million, whose collection is expected in the first quarter of 2024. At the same time, invoicing increased on the main major projects, such as the Port Harcourt refinery in Nigeria for the Borouge 4 EPC project and for Ras Laffan in Qatar.

Receivables from associates amount to Euro 502 thousand and refer for Euro 179 thousand to receivables from the JV Tecnimont-KZ LLP, for Euro 111 thousand from Gulf Compound Blending Ind Ltd, for Euro 2 thousand from G.C.B. General Trading Ltd, Euro 12 thousand from Biolevano S.r.l., for Euro 20 thousand from SMC S.c.a.r.l.. and for Euro 178 thousand from Hydrogeno Cadereyta.

Receivables from parent companies for Euro 1 thousand are from GLV Capital S.p.A.

Trade receivables from group companies mainly include Euro 14,164 thousand from Volgafert in relation to the latest milestones of the concluded EPC contract for the construction of a urea plant in the Kuipyshevazot industrial complex and amounts related to engineering services and/or various recharges from the Cavtomi consortium for Euro 1,710 thousand, Euro 43 thousand from the Cavet consortium and Euro 315 thousand from the Tecnoenergia Nord consortium.

Trade receivables are recorded net of the doubtful debt provision of Euro 14,684 thousand at December 31, 2023 (Euro 14,729 thousand at December 31, 2022).

(in Euro thousands)	31-12-2022	Provisions	Utilizations	Change in consolidation scope	Other movements	31-12-2023
Doubtful debt provision - customers	14,729	1,619	(1,785)	0	121	14,684
Total	**14,729**	**1,619**	**(1,785)**	**0**	**121**	**14,684**

The doubtful debt provision amounted to Euro 1,619 thousand and as already illustrated in Note "27.9 Doubtful debt provision" decreased over the previous year. Although decreasing, the account was again impacted by the geopolitical tension in 2023 related to the crises in Ukraine and in Israel and the rising interest rates which impacted the financial rating of a number of clients, resulting in a deterioration of counterparty risk with consequent impacts on the valuations of financial assets.

In addition to the assessments of the collectability of receivables and in accordance with IFRS 9 concerning impairment models, the Group estimated losses on receivables using the expected loss model based on supporting information available without undue effort or burden, which includes actual data and forecasts and was essentially obtained from information providers that, when quantifying expected losses at the closure date, incorporate the market effects of the continued international geopolitical tensions.

Uses of the doubtful debt provision mainly concern past business and a number of disputed positions closed in the year.

All trade receivables in the accounts substantially approximate fair value which was calculated as indicated in the accounting policies section.

28.13. Current tax assets

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Current tax assets	53,978	8,446	62,425
Other tax assets	105,128	20,127	125,255
Total	**159,106**	**28,574**	**187,680**

Current tax assets amount to Euro 187,680 thousand, an increase of Euro 28,574 thousand compared to December 31, 2022. The account mainly refers to VAT for Euro 125,255 thousand and other tax receivables of Euro 62,425 thousand.

The VAT receivables relate to the balance of the tax consolidation undertaken by the Parent Company Maire Tecnimont S.p.A of Euro 54,457 thousand (Euro 39,898 thousand at December 31, 2022), an increase of Euro 14,559 thousand, receivables of Italian companies not yet within the Group consolidation or prior to their inclusion and therefore not transferred to the parent company for Euro 23,042 thousand, an increase of Euro 7,513 thousand compared to December 31, 2022, foreign companies amounting to Euro 28,250 thousand (of which approx. Euro 14,813 thousand for Tecnimont Private Limited, Euro 3,134 thousand for MT Russia, Euro 5,157 thousand for TCM-KT JV Azerbaijan LLC and Euro 1,527 thousand for KT Angola), an increase of Euro 916 thousand compared to December 31, 2022 and for Euro 19,506 thousand, reducing Euro 2,860 thousand, the foreign subsidiary Tecnimont Chile. The VAT receivables of the South American entities are considered recoverable not only through the acquisition of new projects by the South American Group and the works currently in progress, but also in view of their recognition on any sale of the company.

Current tax receivables for Euro 62,425 thousand principally refer to:

- tax receivables of foreign companies for Euro 8,371 thousand, mainly related to the tax receivables of the Dutch subsidiary Stamicarbon BV and Tecnimont Private Limited;
- residual tax receivables of Euro 54,054 thousand, increasing Euro 16,275 thousand on December 31, 2022, mainly related to: excess corporation tax payment on account compared to current income taxes of the other companies of the Group not within the tax consolidation, IRAP payments on account, tax receivable for bank interest withholding tax and other tax receivables for various reimbursements, as well as tax credits for income taxes paid abroad.

Maire Tecnimont S.p.A. and the subsidiaries Tecnimont S.p.A., MST S.p.A., KT S.p.A., Met Development S,p,A., Met Dev 1 S.r.l. and Tecnimont-KT JV S.r.l. opted to apply the Tax Consolidation regime which permits the calculation of the IRES corporation tax on a tax basis representing the aggregate of the taxable income and losses of the individual companies. The Tax Consolidation is valid for fiscal years 2022-2024 and shall be deemed tacitly renewed unless revoked. With regard to the Nextchem Group, national tax consolidation is also in effect between Nextchem Tech and a number of Italian subsidiaries (i.e. MDG Real Estate S.r.l., MyRechemical S.r.l., and MyReplast Industries S.r.l.)

Maire Tecnimont S.p.A. and the Tecnimont S.p.A. companies, Cefalù 20 S.c.a.r.l., Met Development S.p.A, MST S.p.A., Tecnimont-KT JV S.r.l., Nextchem S.p.A. and Myrechemical S.r.l. have also applied the Group VAT consolidation regime.

28.14. Financial instruments - Derivatives (Current assets)

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Financial instruments - Currency hedging derivatives	8,433	497	8,930
Financial instruments - Interest rate hedging derivatives	3,895	(1,037)	2,858
Financial instruments - Raw material hedging derivatives	157	503	661
Financial instruments - Total Return Equity SWAP (TRES) derivatives	596	16,276	16,872
Total	**13,082**	**16,240**	**29,322**

Current asset derivative financial instruments at December 31, 2023 amount to Euro 29,322 thousand, increasing Euro 16,240 thousand compared to December 31, 2022 and concern the fair value measurement of the derivative contracts in force.

The account for Euro 8,930 thousand refers to the measurement of the derivative instruments to hedge against currency risks on the cash flows related to project revenues and costs, principally concerning the US dollar; the positive mark-to-market will be set off against future operating cash flows of a similar amount. The changes are as a result of exchange rate movements, mainly the dollar against the euro, which in 2023, following the increase in interest rates, saw a strengthening of the euro against the US dollar. Also in 2023, a number of currency hedging instruments were opened in the in response to the recent acquisitions.

Interest rate derivatives of Euro 2,858 thousand refer to the valuation of the current portion of the Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE's Italy Guarantee; the decrease in the positive fair-value is essentially related to the reduction of the notional amounts hedged in line with the repayment schedule of the main loan, as well as to market trends during the period under review in relation to the expected stabilization of inflation and the slight reduction in interest rates.

The total includes Euro 661 thousand for raw material derivative hedges (principally for copper and palladium) and for purchases of contracts. In 2023, following the receipt of major new orders, additional positions were purchased to cover this risk; however, the market experienced a normalization in the price of the raw materials hedged.

The account for Euro 16,872 thousand concerns the positive fair value of the residual portion of four cash-settled Total Return Equity Swap derivative instruments (TRES); to hedge against movements in the Maire Tecnimont share price essentially tied to the personnel incentive plans in place. The residual portions of the instrument as at December 31, 2023 hedged the risk relating to approx. 10.6 million shares. The derivative contracts (TRES) were underwritten with two financial intermediaries, with no obligation for Maire Tecnimont to acquire the treasury shares, but only the obligation for the settlement between the parties of the differential between the exercise price and the Maire Tecnimont share price on the maturity of the instruments. For accounting purposes, the TRES cannot be designated as a hedging derivative instrument and is valued, in accordance with IFRS 9 at fair value, with the related changes recorded in the income statement.

The increase in cash-settled Total Return Equity Swap (TRES) derivatives is due to the favorable performance and recovery of the Maire Tecnimont share price in 2023, following the market uncertainties of the previous year related to the international tensions; the share value was also driven by the Group's strong industrial performance.

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

28.15. Other current financial assets

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Financial receivables within 12 months:			
Subsidiaries	0	0	0
Associates	3,134	1,690	4,825
Group companies	186	0	186
Other securities	916	673	1,589
Others	3,250	50,155	53,404
Total	**7,486**	**52,518**	**60,003**

Other financial assets total Euro 60,003 thousand at December 31, 2023, and increased by Euro 52,518 thousand on December 31, 2022, due mainly to the Group's financial receivable in the Volgafert LLC initiative with the partner PJSC KuibyshevAzot being reclassified to short term following recent agreements.

Financial receivables from associates total Euro 4,825 thousand and concern Villaggio Olimpico Moi for Euro 24 thousand, for Euro 13 thousand G.C.B. General Trading Ltd, for Euro 972 thousand from Gulf Compound Blending Ind Ltd, for Euro 2,005 thousand the JV Tecnimont KZ LLP in Kazakhstan and for Euro 1,810 thousand the associate Hidrogeno Cadereyta S.A.P.I. de C.V..

Financial receivables from group companies concern the CAVET Consortium for Euro 186 thousand.

"Other securities" amounting to Euro 1,589 thousand concern subscriptions to units of the 360 Capital Partners managed 360-PoliMI investment fund; the fund specializes in the advanced manufacturing sector (high-technological content industrial solutions); the Milan Polytechnic, an initiative partner, supports the manager in the scouting, selection and assessment of initiatives invested in by the fund; this investment is valued as a financial asset at fair value with impact on the income statement; the increase in the year is due to the subscription of further units totaling Euro 467 thousand and the additional increase for Euro 206 thousand to adjust to the fair value of the investment, which rose on December 31, 2022.

Other financial receivables total Euro 53,404 thousand and increased by Euro 50,155 thousand in the year.

The breakdown at December 31, 2023 is as follows:

- Euro 50,326 thousand concerns the accounting representation of the Volgafert LLC initiative by the Group. The Maire Tecnimont Group, through the subsidiary Met Dev 1 S.r.l, incorporated together with PJSC KuibyshevAzot, (a Russian chemical sector leader), the joint venture Volgafert LLC. Volgafert LLC's corporate scope concerns the development, construction, funding, maintenance and management of a new urea plant in Togliatti, in the Samara region of the Russian Federation; the agreements among the partners stipulated for the Maire Tecnimont Group fixed remuneration throughout the duration of the initiative, the right to sell the shares and the guaranteed repayment of the amounts invested in the vehicle's equity. The initiative has now concluded and was never directly involved in the international sanctions against Russia either in relation to the type of plant under construction or for the Russian counterparty involved. In recent months, as the Russia-Ukraine war continues along with the sanctions on Russia by western nations, the Russian partner KuAzot, with which there are still excellent relations and a spirit of mutual cooperation, has expressed the intention to acquire the share held in Volgafert LLC ahead of schedule. Agreements reached thus far in that regard call for a sale price in line with the book value and for the interruption of the original agreements for remuneration of the project and of the put option agreement. At present, we await formal approval by the Russian government commission and formal consent for the sale by the lending banks and by SACE.
- The residual amount of other financial receivables of Euro 3,078 thousand includes financial receivables from factoring companies and banks for the residual portion of advances received,

receivables from some minor consortiums for special purpose projects of the MST Group, deposits, financial prepayments and accrued income and other financial receivables.

Other financial receivables are recorded net of the doubtful debt provision of Euro 235 thousand at December 31, 2023.

(in Euro thousands)	31-12-2022	Provisions	Utilizations	Change in consolidation scope	Other movements	31-12-2023
Provision for other doubtful financial debts	609	0	(374)	0	0	235
Total	**609**	**0**	**(374)**	**0**	**0**	**235**

The financial receivables provision decreased compared to the previous year. In 2022, this provision reported an increase in allocations in response to the significant economic and financial tensions surrounding the Russia-Ukraine crisis, which has had an impact on customer credit ratings, resulting in a generalized worsening of counterparty risk and consequent impact on the measurement of financial assets;

For all financial assets, the book value approximates the fair value which is calculated as described in the accounting policies section.

28.16. Other current assets

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Others receivables within 12 months	236,723	(84,597)	152,126
Commercial prepayments	22,874	37,003	59,877
Total	**259,598**	**(47,595)**	**212,003**

Other current assets at December 31, 2023 amount to Euro 212,003 thousand, a decrease of Euro 47,595 thousand compared to December 31, 2022.

The decrease in the current assets is mainly due to the collection of certain receivables from suppliers and subcontractors for contractual penalties charged, net of an increase in accrued income and prepayments.

“Other current assets” mainly comprises receivables from suppliers and subcontractors for contractual penalties charged as accrued to them in the course of supplying materials and/or providing services, under tender and otherwise, due to delays, production flaws and/or costs incurred on their account, including as a result of additional work, and then subsequently recharged. The decrease in the year of Euro 67,267 thousand is a result of the closure of some positions.

To safeguard against these situations, the Group normally makes either deductions from the fees to be paid to counterparties over the life of supply/service contracts, and/or bank or insurance guarantees are requested to compensate for their improper performance.

“Other current assets” also comprises commercial discounts, employee receivables, social security and tax receivables, VAT and taxes of foreign companies and other various receivables, in addition to receivables from the other shareholders of the consolidated consortium companies.

The increase in prepayments is related to the early payment of a number of services, rentals and fees connected with the new project for the onshore treatment plant of the Hail and Ghasha project with ADNOC in order to begin activities as quickly as possible.

The breakdown of other receivables due within 12 months is shown in the table below:

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Receivables from consortiums and JV's	8,570	1,234	9,804
Contractual penalties to suppliers and sub-contractors	120,970	(67,267)	53,703
Other debtors	39,178	(12,978)	26,200
Taxes, VAT and levies (foreign companies)	56,488	(3,227)	53,261
Security deposits	6,760	(1,709)	5,051
Other prepayments (rental, commissions, assistance)	22,874	37,005	59,877
Employee receivables	2,024	(167)	1,857
Social security institutions	2,242	6	2,248
Receivables for unpaid contributions from other shareholders	491	(490)	1
Total	**259,598**	**(47,595)**	**212,003**

28.17. Cash and cash equivalents

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Bank deposits	762,258	153,048	915,306
Cash in hand and similar	206	(11)	195
Total	**762,463**	**153,037**	**915,501**

Cash and cash equivalents at December 31, 2023, amount to Euro 915,501 thousand, a significant increase of Euro 153,037 thousand compared to December 31, 2022. Assets held for sale include additional cash and cash equivalents for Euro 1,871 thousand for an overall increase for the year of Euro 154,908 thousand.

Cash flow from operations saw a net generation of cash in the amount of Euro 369,701 thousand for the year, with a constant improvement over the year driven by earnings and changes in working capital. As already outlined, net working capital in fact further improved in 2023 thanks to the operating activities on the main projects and advances from clients regarding the new order intake, which therefore provided a further cash flow benefit, in particular following the acquisition of the Hail and Ghasha onshore treatment plant project with ADNOC.

Cash flows from operating activities include also income tax payments, which in 2023 totaled Euro 70,153 thousand.

Cash flows from investing activities however absorbed cash of Euro 58,965 thousand, mainly due to the acquisitions of Conser S.p.A. and MyRemono S.r.l., net of the cash and cash equivalents acquired. Additional disbursements are related to efforts to develop new technologies and intellectual property rights (patents and licenses), mainly by Nextchem Group, new software and relative developments supporting the business and company security and residually to a number of improvements on owned and leased office buildings by certain Maire Group companies.

Financial management, similarly to investment management, absorbed cash totaling Euro 155,827 thousand. This follows the final settlement of approx. Euro 65 million of the nominal Euro 185 million medium/long-term loan by the subsidiary Tecnimont S.p.A., now fully settled, and in relation to the nominal Euro 365 million Maire Tecnimont loan, backed for 80% by SACE's Italy Guarantee, for approx. Euro 91.2 million, the interest paid and the repayment of principal amounts of finance lease liabilities, in addition to the repayment of revolving lines, overdrafts and other financial instruments for the management of short-term commercial cash flows and to support working capital lines for short-term needs for the working capital management of a number of projects utilized at December 31, 2022.

Simultaneously, the funds from the Euro Commercial Paper Program were utilized for a net amount of Euro 19.1 million, of the signing of two new loans, respectively for Euro 150 million and 40 million, backed for 80% by the SACE S.p.A. Guarantee. In Q4 2023, Maire also issued a non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million.

Additional outlays concerned the payment of the dividend approved by the Shareholders' Meeting of Euro 40.7 million and the purchases of treasury shares for approx. Euro 3.8 million.

The estimate of the "fair value" of bank and postal deposits at December 31, 2023 approximates their book value.

28.18. Non-current assets classified as held-for-sale

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Assets held-for-sale	0	30,960	30,960
Elimination assets to and from discontinued operations	0	(169)	(169)
Total Assets	**0**	**30,791**	**30,791**
Liabilities directly associated with assets classified as held-for-sale	0	(12,067)	(12,067)
Elimination liabilities to and from discontinued operations	0	1,801	1,801
Total Liabilities	**0**	**(10,266)**	**(10,266)**
Total	**0**	**20,524**	**20,524**

The assets and liabilities held-for-sale reported a net positive value of Euro 20,524 thousand and concerned the company SE.MA. Global Facilities S.r.l. The company was established in 2023 by transferring the business unit of MST S.p.A. related to the assets tied to the management and maintenance of plant and equipment at large-scale, highly complex properties and infrastructures and other routine and extraordinary maintenance, installation and management of plant and buildings under the umbrella of facilities management.

With regards to the disposal of this company, on December 31, 2023 such was considered "highly probable" on the basis of the advanced status of negotiations with the interested counterparties, following the receipt of offers and manifestations of interest for the acquisition of the company. The net assets related to the company SE.MA. Global Facilities S.r.l. were valued at the lesser between the carrying amount and the fair value, net of selling costs, as per negotiations in progress, in accordance with IFRS 5. In the income statement the relative income flows are not classified separately from continuing operations as the disposal does not concern a major line of business, in accordance with IFRS 5.

A table summarizing the account is provided below:

ASSETS AND LIABILITIES HELD FOR SALE	
(Euro thousands)	**31-12-2023**
NON-CURRENT ASSETS	3,276
CURRENT ASSETS	25,813
FINANCIAL ASSETS	1,871
(Elimination of financial assets to and from discontinued operations)	*0*
(Elimination of non-financial assets to and from discontinued operations)	*(169)*
TOTAL ASSETS HELD FOR SALE	**30,791**
NON-CURRENT LIABILITIES	188
CURRENT LIABILITIES	11,119
FINANCIAL LIABILITIES	760
(Elimination of financial liabilities to and from discontinued operations)	*0*
(Elimination of non-financial liabilities to and from discontinued operations)	*(1,801)*
TOTAL LIABILITIES HELD FOR SALE	**10,266**

Non-current assets include Euro 2,100 thousand for a portion of the goodwill of the Integrated E&C Solutions CGU related to assets to be decommissioned.

Current assets and liabilities refer mainly to contract assets and receivables from customers net of trade payables.

Financial assets include the balance of cash and cash equivalents at December 31, 2023, whereas financial liabilities in the amount of Euro 760 thousand include leasing payable as per IFRS 16.

28.19. Shareholders' Equity

Group Shareholders' Equity at December 31, 2023 amounts to Euro 526,841 thousand, a net increase of Euro 35,267 thousand compared to December 31, 2022 (Euro 491,574 thousand).

Minority interest Shareholders' Equity at December 31, 2023 amounted to Euro 52,859 thousand, with a net increase of Euro 16,381 thousand compared to December 31, 2022 (Euro 36,477 thousand).

During 2023, following the completion of the industrial reorganization process of the Maire Tecnimont Group, which among other activities included the transfer to the subsidiary NextChem S.p.A. (previously NextChem Holding S.p.A.) of the 100% holding of the Dutch-registered subsidiary Stamicarbon B.V. and of 56.67% of the subsidiary NextChem Tech S.p.A. (previously NextChem S.p.A.) by Maire Tecnimont and by Maire Investments S.p.A. (related party), the remaining portion of the share capital of NextChem Tech S.p.A. (previously NextChem S.p.A.) (equal to 43.33%). As a result of the increase, the share capital of NextChem S.p.A. (previously NextChem Holding S.p.A) is now held 78.37% by Maire Tecnimont and 21.63% by Maire Investments S.p.A., with the consequent accounting recalculation of the minority share which increased by approx. Euro 11 million the minority interest shareholders' equity.

Total consolidated Shareholders' Equity, considering minority interests, at December 31, 2023 amounts to Euro 579,700 thousand, an increase of Euro 51,649 thousand compared to December 31, 2022 (Euro 528,051 thousand.

The overall increase in consolidated Shareholders' Equity reflects the net income in the year of Euro 129.5 million and the increase in the Cash Flow Hedge reserve of the derivative instruments, which mainly relates to the temporary mark-to-market gains of the derivative instruments to hedge the currency risk of the revenues and costs from the projects and the risk of raw material cost movements, net of the relative tax effect for Euro 13.7 million. The changes are due to the currency market movements, principally as a result of interest rate movements, which in 2023 saw the Euro realign with the US Dollar.

The currency movements however negatively impacted the translation reserve of financial statements in foreign currencies, supported by the adoption of the current exchange rate conversion method for the overseas companies which prepare their financial statements in a functional currency other than the Euro for Euro 65.7 million, principally in relation to the Ruble, the Nigerian Naira, the Indian Rupee and the Malaysian Ringgit.

Other reductions concerned the payment of the dividend approved by the Shareholders' Meeting for Euro 40.7 million and the purchase of treasury shares during the period to service Maire Tecnimont stock-based remuneration and incentive plans adopted by the Company.

SHARE CAPITAL

The Share Capital at December 31, 2023 was Euro 19,920,679 and was comprised of 328,640,432 shares without par value and with normal rights.

SHARE PREMIUM RESERVE

The Share Premium Reserve at December 31, 2023 amounted to Euro 272,921 thousand, broken down as follows:

The reserve comprises for Euro 25,000 thousand the share premium prior to November 26, 2007 and for Euro 58,045 thousand the share premium on the capital increase of 2007 net of the listing costs of Euro 3,971 thousand, net of the tax effect.

The change in 2013 was Euro 141,653 thousand, comprising share premium paid following the reserved share capital increase and from other shareholders amounting to Euro 146,417 thousand, offset for Euro 4,167 thousand for share capital increase charges net of the tax effect.

The increase in 2018 was Euro 48,223 thousand, following the share capital increase in service of conversion of the "€80,000,000 5.75 per cent equity-linked bonds due 2019" equity-linked bond loan.

This reserve may be utilized for share capital increases without consideration and/or for the coverage of losses. In accordance with Article 2431 of the Civil Code, this reserve may be distributed to the shareholders following a Shareholders' Meeting motion.

OTHER RESERVES

The other reserves at December 31, 2023 were negative and amount to Euro 54,997 thousand and comprise:

- Legal Reserve of the Parent Company Maire Tecnimont S.p.A. at December 31, 2023 of Euro 5,328 thousand;
- Asset revaluation reserve of Euro 9,722 thousand recorded following the accounting of the purchase of the residual 50% of Tecnimont Private Limited, and the revaluation of other buildings;
- Translation reserve at December 31, 2023 of a negative Euro 105,992 thousand and comprising the temporary translation differences of the financial statements in foreign currencies; the change in the year was a decrease of Euro 65,725 thousand, impacted by currency movements as previously described;
- Statutory reserves, which at December 31, 2023 amount to Euro 23,665 thousand;
- Other reserves, which at December 31, 2023 amounted to a negative Euro 18,271 thousand;
- Treasury shares in portfolio amounting to Euro -422 thousand; Maire Tecnimont S.p.A. launched a treasury share buyback program as per Article 5 of Regulation (EC) No. 596/2014 (the “MAR”), in service of the Maire Tecnimont share-based remuneration and incentive plans adopted by the Company and specifically to service the Third Cycle (2022) of the “2020-2022 General Share Plan for Maire Tecnimont Group employees”, adopted by the Company. As part of the share buy-back program, between June 21, 2023 and July 7, 2023 inclusive, 1,100,000 treasury shares were acquired (corresponding to 0.335% of the total number of ordinary shares), at an average weighted price of Euro 3.476, for a total amount of Euro 3,824,103, and the program was therefore completed. In light of the purchases made and the treasury shares already held in portfolio before the start of the Program, on the completion of the buy-back program on July 7, 2023, the Company held a total of 1,209,297 treasury shares. Subsequently, 1,086,211 shares were delivered to the beneficiaries of the Third Cycle (2022) of the 2020-2022 General Share Plan. As of December 31, 2023, the Company, by virtue of the remaining treasury shares from the previous year, the new purchases in 2023 and related deliveries, thus holds a residual 123,086 treasury shares to be used for the next cycle of the long-term general share plan.
- IFRS 2 Reserve for Euro 30,973 thousand, which includes both the valuation of the First Cycle (2023) of the 2023-2025 General Share Plan and the 2021-2023 LTI, 2022-2024 LTI and 2023-2025 LTI Plans. The Reserve reported a net increase of Euro 16,118 thousand for the year. The movements refer to accruals in 2023 of Euro 19,533 thousand, reductions for utilizations of Euro 2,750 thousand following the delivery to beneficiaries of the shares allocated under the Third Cycle (2022) of the General Share Plan and a reduction for adjustments to prior year values for Euro 665 thousand. The adjustments mainly take account of the proceeds related to the plans of employees who resigned and lost the right to the free assignment of the right to receive Maire Tecnimont shares.

  The aforementioned plans are represented as "Equity Settled" plans as the Group has allocated its own equity instruments as additional remuneration for the services received (the work performance). The Group did not however assume any liability to be settled with cash and cash equivalents or with other assets for employees. Given the impossibility to reliably estimate the fair value of the services received from the employees, the benefit cost to the employees is represented by the fair value of the shares granted, calculated at the grant date, to be recognized in the income statement under personnel costs and in a specific “IFRS 2 reserve” under equity.

VALUATION RESERVE

The valuation reserve, which at December 31, 2023 was negative for Euro 19,097 thousand, comprises the Cash Flow Hedge reserve, the Cost of Hedging Reserve (containing the effects of the costs of hedging in relation to the time value of the options), the actuarial gains and losses reserve and the financial assets measured at fair value reserve.

The changes in the valuation reserve are shown below:

(in Euro thousands)	Cash Flow Hedge Reserve & Cost of Hedging Reserve	Actuarial Gains/Losses	Financial assets measured at fair value reserve	Total
Net book value at December 31, 2022	**(22,332)**	**(3,625)**	**(5,586)**	**(31,543)**
Actuarial gain/(losses)	0	(1,210)	0	(1,210)
Relative tax effect	0	290	0	290
Valuation derivative instruments	18,077	0	0	18,077
Relative tax effect	(4,338)	0	0	(4,338)
Fair value changes of investments with OCI effects	0	0	(372)	(372)
Net book value at December 31, 2023	**(8,594)**	**(4,545)**	**(5,958)**	**(19,097)**

The net increase of Euro 13,738 thousand in the Cash Flow Hedge reserve of the derivative instruments mainly relates to the mark-to-market gains of the derivative instruments to hedge the currency risk on project revenues and costs, in addition to the risk of raw material price movements and the cash flows related to the payment of variable interest on financial liabilities, net of the relative tax effect. The movements are as a result of exchange rate movements, mainly the Dollar against the Euro, which in first half of 2023, following the increase in interest rates, saw a strengthening of the euro against the US dollar.

The cash flow hedge reserve remains negative because the mark-to-market is negative given that the exchange rate between the subscription date of the derivative instruments and the reporting date saw an opposite market trend compared to the underlying hedge; the negative mark-to-market will be offset by the future operating cash flows of a similar amount.

The decrease in the actuarial provision was due to the effect of the actuarial losses deriving from the change in the technical assumptions utilized for the present valuation compared to the previous, in addition to the change in the demographic and financial assumptions of the previous calculation model compared to that which effectively occurred during the valuation period.

The decrease in the reserve for financial assets measured at fair value of approx. Euro 372 thousand relates to the investments in other companies measured at fair value that were adjusted downwards during the year, particularly in relation to Interporto Campano S.p.A. and Cisfi S.p.A., while Kafco Ltd. was adjusted upward in response to the solid performance achieved.

The reconciliation between the "net income of Maire Tecnimont S.p.A. and Group net income" and the "Net equity of Maire Tecnimont S.p.A. and Group net equity" is shown below.

Reconciliation between net income of Maire Tecnimont S.p.A. and Group net income

(in Euro thousands)	31-12-2022	31-12-2023
Maire Tecnimont S.p.A. net income	**38,940**	**34,880**
Inter-company dividends eliminated in consolidated financial statements	(64,768)	(55,350)
Result reported by subsidiaries	113,899	153,000
Elimination of inter-company profits and write-downs	501	3,219
Other consolidation adjustments	(418)	(10,495)
Current and deferred taxes	1,735	103
Group net income	**89,890**	**125,356**

Reconciliation between net equity of Maire Tecnimont S.p.A. and Group net equity

(in Euro thousands)	31-12-2022	31-12-2023
Maire Tecnimont S.p.A. net equity	**470,611**	**477,581**
Elimination of the book value of consolidated investments	(777,010)	(783,651)
Recognition of net equity of the consolidated investments	635,921	691,379
Other consolidation adjustments	162,051	141,531
Group net equity	**491,574**	**526,842**
Minority interest	36,477	52,859
Consolidated Net Equity	**528,051**	**579,700**

In 2021, some Group companies exercised the option to realign the tax value of certain business assets to the higher book value recorded in the financial statements, as provided for in Decree Law No. 104/2020, Article 110.

It should be noted that the Group's shareholders' equity reserves include a tax suspension restriction for tax purposes amounting to Euro 37,600 thousand. This restriction satisfies the condition set out by Decree Law No. 104/2020 Article 110, paragraph 8, for the tax recognition of the higher values recorded in the financial statements of the business assets subject to tax realignment.

28.20. Financial payables - non-current portion

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Bank payables beyond 12 months	290,781	44,043	334,824
Total	**290,781**	**44,043**	**334,824**

Financial payables, net of the current portion, amount to Euro 334,824 thousand, increasing Euro 44,043 thousand on December 31, 2022, mainly due to the agreement of two new loans, respectively of Euro 150 million and Euro 40 million with Italian-based banks, backed for 80% by SACE S.p.A.'s guarantee, in line with Legislative Decree of May 17, 2022. The account also reflects the reclassification as short term of portions of the ESG-linked Schuldschien loan with a nominal value of Euro 55 thousand and the short-term reclassification of certain portions of the financing with a nominal value of Euro 365 million, 80% of which is backed by SACE's Garanzia Italia (Italy Guarantee).

In 2023, capital portions of Euro 91.2 million of the loan of a nominal Euro 365 million, backed for 80% by SACE's Italy Decree, drawn down in 2020, were repaid.

At December 31, 2023, financial debt net of the current portion was composed as follows:

- Euro 136,759 thousand from the loan backed for 80% by SACE's "Italy Guarantee", net of related ancillary charges, with an initial nominal value of Euro 365 million (the long-term portion totaled Euro 228,501 thousand at December 31, 2022).

  On July 8, 2020, Maire Tecnimont S.p.A. signed a loan agreement for Euro 365 million, 80% of which was backed by SACE's "Garanzia Italia" (Italy Guarantee), and disbursed by a syndicate of leading Italian financial institutions comprising Banco BPM, Cassa Depositi e Prestiti, Intesa Sanpaolo and Unicredit. The loan mainly supported the working capital needs of the parent company Maire Tecnimont and its main operating companies in Italy, in line with the provisions of the Liquidity Decree of April 9, 2020 and has a total duration of 6 years, of which 2 years grace period and a rate of 1.7% per annum, plus the cost of SACE's Italy Guarantee The financing, with extremely flexible features, as it can be repaid in whole or in part at any time without additional cost, will contribute to strengthening the group's financial structure to cope with the volatility of the markets caused by Covid 19.

  The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

- Euro 150,189 thousand from the new loan backed for 80% by SACE's "Italy Guarantee", net of related ancillary charges, with an initial nominal value of Euro 150 million.

  On March 13, 2023, Maire Tecnimont S.p.A. signed a new Euro 150 million loan, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Maire Tecnimont Group's financial structure. This loan was issued by a syndicate of leading Italian banks, comprising Banco BPM, MPS Capital Services and Intesa Sanpaolo (IMI Corporate & Investment Banking Division). This latter shall act also as the "SACE Agent" and Agent Bank for the transaction. In accordance with Legislative Decree No. 50 of May 17, 2022, the loan shall mainly support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the MAIRE Group's main operating company headquartered in Italy. The new loan shall have 6-year duration, of which 3 years grace period, a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

  The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

- Euro 39,932 thousand from the new loan backed for 80% by SACE's "Italy Guarantee", net of related ancillary charges, with an initial nominal value of Euro 40 million.

  On May 25, 2023, MAIRE S.p.A. signed a new Euro 40 million loan with BPER Corporate & Investment Banking, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Group's financial structure. In accordance with Decree-Law No. 50 of May 17, 2022, the loan is mainly to support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the Group's main operating company headquartered in Italy. The loan matures in December 2028 and has a three-year grace period. It provides for a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

  The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

- For Euro 6,471 thousand the loan from Banca Popolare di Sondrio for a nominal value of Euro 10 million, in support of the activities of MyReplast Industries S.r.l., net of the relative ancillary charges (Euro 6,458 thousand at December 31, 2022), with an extension of the loan term agreed by the parties in 2023; for Euro 742 thousand the Banca Popolare di Sondrio loan of a nominal Euro 1.5 million, also undertaken by MyReplast Industries S.r.l. (Euro 1,038 thousand at December 31, 2022), and for Euro 731 thousand a new loan in 2023, also from BPS, undertaken by MyReplast Industries S.r.l for a nominal Euro 1 million. In 2023, repayments were made in the amount of Euro 1,072 thousand.

  Maire Tecnimont is currently not aware of any default situations regarding the above-mentioned covenants. The bond covenants, which regard the maintenance of a ratio between the net financial position and net equity, as well as between the net financial position and EBITDA, on a half-yearly basis, to be next measured on the figures at December 31, 2023, have all been complied with according to the results currently available.

28.21. Provisions for charges - beyond 12 months

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Provisions for charges - beyond 12 months	13,518	2,274	15,792
Total	**13,518**	**2,274**	**15,792**

The provision for charges amounts to Euro 15,792 thousand, an increase of Euro 2,274 thousand compared to December 31, 2022.

The account mainly includes charges related to legal cases and disputes in course including fiscal, provisions for charges relating to remuneration and incentive policies with maturity beyond 12 months, in addition to personnel disputes and contractual risks on projects closed. The measurement of risks and potential charges related to orders yet to be completed is included in the measurement of the orders' contractual assets and liabilities.

This account also includes the measurement at equity of companies with a negative net equity for which the company has the intention - although not immediate given the absence of regulatory obligations - to contribute to the coverage of the negative net equity of the investee.

The main increases concern the likely expenses related to employment policies for the current year, primarily for short and medium-term monetary incentive plans (MBO), including the deferred component beyond 12 months.

Further increases refer to the provision to cover the negative equity of an associate company.

The decreases refer to the provision for some personnel disputes concluded in the year and other minor disputes, also concluded in the year.

The composition and changes in the year are shown below:

(in Euro thousands)	31-12-2022	Provisions	Util.	Reclass./Chane in consolidation scope	31-12-2023
Provision for personnel charges	**4,047**	**4,498**	**(505)**	**0**	**8,040**
Other	3,391	4,498	0	0	7,889
Disputes provision	656	0	(505)	0	150
Provision for fiscal risks	**6,207**	**0**	**(3)**	**0**	**6,204**
Provision for other charges:	**3,265**	**249**	**(1,964)**	**0**	**1,549**
Legal, contract and other risks	1,660	61	(1,964)	958	715
Coverage for losses in associates	1,605	188	0	(958)	834
Total	**13,518**	**4,747**	**(2,473)**	**0**	**15,792**

For details on liabilities and related estimates of timing, see the section “Disputes” of the Directors’ Report.

28.22. Post-employment & other employee benefits

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Post-employment & other employee benefits	10,190	339	10,529
Total	**10,190**	**339**	**10,529**

The Group has a liability to all employees of the Italian companies regarding the statutory TFR (Post-employment benefit) provision, while the employees of some foreign companies of the Tecnimont Group, in particular the Indian subsidiary Tecnimont Private LTD, are recognized defined contribution plans.

In accordance with IAS 19 (Employee benefits), the Group estimated the liability for defined benefit plans at December 31, 2023; the changes in the year are shown below:

(in Euro thousands)	POST-EMPLOYMENT BENEFIT PROVISION	OTHER PLANS	Total
December 31, 2022	**8,440**	**1,749**	**10,190**
Changes in the year	781	(441)	339.2
Balance at December 31, 2023	**9,221**	**1,308**	**10,529**

The change in the post-employment benefit provision was due to the change in the consolidation scope in relation to the acquisition of Conser S.p.A., net of the decreases relating to departures of employees and of actuarial losses deriving from the change in the technical assumptions utilized for the present valuation compared to the previous, in addition to the change in the demographic and financial assumptions of the previous calculation model compared to that which effectively occurred during the valuation period.

The decrease in other plans is related to the departure of personnel, net of the new provisions for the year in connection with the defined benefit plans of the Indian subsidiary.

The Cost relating to current employment services is recognized in the Income Statement under "Personnel expense". Financial expenses on obligations assumed are recognized in the Income Statement under financial expenses - other charges. Actuarial gains and losses and recognized in a specific valuation reserve under Equity.

The methods used are the same as those of the previous year, and the assumptions made in measuring post-employment benefits concern:

- Inflation: With reference to the inflationary parameter, the general economic environment outlined in the most recent Economy and Finance Document and Update Note with respect to the date of intervention was examined, assuming a rate of 3.0% for 2024, and 2.5% from 2025 onward;
- Salary increases: with reference to the salary increases, in line with that for the demographic technical bases, new salary line accounts were created for the companies which do not deposit the Employee Leaving Indemnity Provision with the INPS Treasury Fund; a salary growth rate of 3% annually was assumed for all employees, including inflation;
- Discount rate: determined with reference to bond market rates of primary companies at the valuation date. Specifically, the "Composite" interest rate curve of corporate issuers with "Investment Grade" AA ratings in the Eurozone was utilized (source: Bloomberg) at 29.12.2023, equal to 2.995%;
- Workforce reference: for the internal workforce subject to analysis of the Maire Tecnimont Group, the average age and length of service were considered (Post-employment benefit base) and an estimate of staff turnover.

Sensitivity analysis was also undertaken based on the changes in the following parameters: a) discount rate, b) inflation rate, c) salary increase, d) probability of departure and advances on Post-employment benefit provision; on the basis of these analyses, the range of values of the liabilities for defined benefit plans was established which did not highlight any significant impacts.

28.23. Other non current liabilities

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Trade payables beyond 12 months	58,482	11,142	69,624
Other payables beyond 12 months	0	12,387	12,387
Accrued liabilities	1,646	(219)	1,427
Total	**60,128**	**23,310**	**83,438**

Other non-current other liabilities at December 31, 2023 amount to Euro 83,438 thousand and mainly refer to the withholdings made by the Group to suppliers/sub-contractors in accordance with contractual guarantees for the correct completion of works.

The movement in "Trade payables beyond 12 months" concerns the advancement of orders and the contractual terms with suppliers, against which withholding taxes were higher compared to December 31, 2022; the large new orders have in fact entered into an advanced phase of works, with consequent increased withholdings from the main suppliers of materials and construction services.

"Other payables beyond 12 months" concerns for Euro 10,954 thousand the valuation of the earn-out clause on the basis of the achievement of set operating results for FY 2024 and put and call options structure on the remaining 16.5%, to be exercised within the coming three years, set out in the acquisition contract of Conser S.p.A..

28.24. Financial instruments - Derivatives (Non-current liabilities)

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Financial instruments - Currency hedging derivatives	80	326	406
Financial instruments - Raw material hedging derivatives	0	2,820	2,820
Total	**80**	**3,144**	**3,225**

Non-current liabilities derivative financial instruments at December 31, 2023 amount to Euro 3,225 thousand, a decrease of Euro 3,144 thousand compared to December 31, 2022 and concern the fair value measurement of the derivative contracts in force.

The account for Euro 406 thousand relates to the measurement of the derivative instruments to hedge against currency risks on the cash flows related to project revenues and costs. The mark-to-market is negative as exchange rates between the subscription date of the derivative instruments and the reporting date saw a revaluation principally of the Dollar against the Euro; the negative mark-to-market will be offset by future operating cash flows of a similar amount. The movements relate to interest rate movements, principally of the Dollar against the Euro in 2023.

The total includes Euro 2,820 thousand for raw material derivative hedges (principally for copper and palladium) and for purchases of contracts. In 2023, following the receipt of major new orders, additional positions were purchased to cover this risk; however, the market experienced a normalization in the price of the raw materials hedged. The mark-to-market is negative as the prices between the subscription date of the derivative instruments and the reporting date saw a revaluation of the commodities hedged; the negative mark-to-market will be offset by future operating cash flows of a similar amount as a result of the savings on the costs of supplies subject to hedging.

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

28.25. Other non-current financial liabilities

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Payables to other lenders - Bonds	164,440	32,973	197,413
Other financial payables	15,241	(13,102)	2,140
Financial payables - Warrants	451	0	451
Total	**180,132**	**19,872**	**200,004**

Other non-current financial liabilities amounted at December 31, 2023, to Euro 200,004 thousand, increasing Euro 19,872 thousand on December 31, 2022, as a result of the new issue of a bond loan with a nominal value of Euro 200 million and the redemption ahead of April 30, 2024, of the non-convertible bond loan for a total of Euro 165 million, net of the reclassification to short-term of the liability to Simest S.p.A. for Euro 14.9 million in relation to the Volgafert project.

Other non-current financial liabilities essentially includes Euro 197,413 thousand in relation to the new non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, for a nominal value of Euro 200 million, net of accessory charges, issued in Q4 2023.

In this regard, we report the following:

On September 28, 2023, the public offering in Luxembourg and Italy of the Maire Tecnimont S.p.A. "Senior Unsecured Sustainability Linked Notes due 5 October 2028" Bonds was concluded in advance, with a total nominal value of Bonds subscribed of Euro 200 million, at an issue price of 100% of their nominal value, represented by 200,000 Bonds with a nominal value of Euro 1,000 each. The gross proceeds from the Offering amounted to Euro 200 million.

The interest rate of the Bonds, corresponding to the yield at issuance, is 6.50% per annum gross. It should also be noted that there is a maximum interest rate increase of 0.50% overall where the specific CO2 emission reduction targets are not met.

In fact, the new Bond stipulates an interest rate increase if specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO2 emissions ("Scope 1 and Scope 2") by 35% compared to the 2018 level, and reduce the CO2 emissions of its suppliers by 9%, particularly through the "Scope 3" emission intensity related to purchased technology-content goods and services, measured as tons of CO2 relative to value added, compared to the 2022 level.

These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN's SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

Consequently, 200,000 Bonds were issued on October 5, 2023. On the same date, the Bonds began accruing interest, which shall be settled, in arrears, on April 5 and October 5 of each year beginning April 5, 2024; the Bond provides the option of voluntary early redemption from the third year.

The trading commencement date of the Bonds on the MOT set by Borsa Italiana S.p.A., pursuant to Article 2.4.3 of its Regulation, was October 5, 2023. On the same date, the Bonds were also admitted to listing on the official list of the Regulated Market of the Luxembourg Stock Exchange, with the commencement of trading.

The Company continues to integrate its sustainability goals into its financial management, as it did in 2019 with the ESG-linked Schuldschein Loan.

In fact, the new Bond takes into account the Sustainability-Linked Financing Framework approved by the Board of Directors. The Framework, drafted in line with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles, has been certified by Sustainalitycs as a Second-Party Opinion Provider, and is available along with the certification on the Company's website (www.mairetecnimont.com), in the "Investors" - "Investors and Sustainability" section. The transaction further strengthens MAIRE's commitment to the energy transition, as already represented in the 2023-2032 strategic plan.

The new Bond also includes an incurrence covenant, non-compliance with which would result in debt restrictions and default events in line with the Group's existing medium to long-term debt; specifically, the bond financial covenants require a maximum debt level and the maintenance of a stated net financial position/EBITDA ratio. The measurement of this financial covenant is on an annual basis, whose next measurement will take place with reference to final figures at December 31, 2023.

Maire Tecnimont is currently not aware of any default situations of the above-mentioned covenants, which have been complied with to date.

Finally, in Q4 2023, after issuing the non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, Maire redeemed ahead of the original maturity date (of April 30, 2024) the non-convertible bond loan for a total of Euro 165 million, which at December 31, 2022, was classified among other non-current financial assets in the amount of Euro 164,440 thousand.

“Other non-current financial liabilities” include other financial payables:

- Other financial payables beyond 12 months, amounting to a residual Euro 45 thousand, mainly refer to payables to public bodies for subsidized loans for research projects, while Euro 272 thousand concerns a financial liability to a commercial partner for a development project currently under way.
- For Euro 1,822 thousand the balance of the price for the acquisition of the investment in MyRemono S.r.l., whose payment was deferred compared to the closing and with the satisfaction of certain conditions stipulated beyond 2024; for further details, reference should be made to the “Key Events in the year” and “Consolidation scope” sections.

Warrants, in the amount of Euro 451 thousand, represent the carrying value of financial instruments issued and subscribed to for consideration and with the use of own capital by each Beneficiary as part of the 2020-2024 Long-Term Investment Plan in support of the Group's Green Acceleration project, based on financial instruments of the subsidiary NextChem TECH S.p.A.

This liability has not been classified as a financial liability within the net financial position as the Company has no contractual obligation to deliver cash to the holder of the Warrants; - no interest of any kind accrues on this liability; - this liability arises from an instrument that will provide the Company with a capital increase upon its possible future exercise.

For further information, reference should be made to the section “Accounting Polices - Warrants” of the 2023 consolidated financial statements.

28.26. Financial liabilities - Leasing

(in Euro thousands)	31-12-2022	Increases	Decreases	Interest	Payments	Other changes	31-12-2023
Financial liabilities - Leasing	133,026	24,084	(1,998)	5,576	(31,652)	(662)	128,373
Total	**133,026**	**24,084**	**(1,998)**	**5,576**	**(31,652)**	**(662)**	**128,373**
of which:							
Non-current financial liabilities - Leasing	*110,467*						*103,718*
Current financial liabilities - Leasing	*22,559*						*24,655*
Total	**133,026**						**128,373**

The value of current and non-current financial leasing liabilities related to Right-of-Use at December 31, 2023 was Euro 128,373 thousand, of which Euro 24,655 thousand short term and Euro 103,718 thousand beyond 12 months.

The lease liabilities are valued on recognition, discounting all future payments due for leases utilizing the implied lease rate, where this may easily be determined or alternatively utilizing the lessee's incremental borrowing rate. The lessee's incremental financing rate is based on the Group's incremental financing rate, i.e. the rate that the Group would have to pay to borrow the funds needed to purchase an asset of similar value in a similar financial context and with similar terms and conditions.

In 2023, the changes mainly relate to the payment of scheduled installments, interest accrued and new contracts entered into during the year net of early closure of contracts. The other changes mainly refer to the translation effect of amounts in foreign currencies.

The account was recognized following the application of the IFRS 16 standard and mainly concerns the financial liabilities related to the usage rights for the office use buildings hosting Group offices and also at various work sites, some key Group assets and also motor vehicles.

The following table analyses the breakdown and maturities of lease liabilities carried as at December 31, 2023 presented according to future cash flows, inclusive of interest:

(in Euro thousands)	31-12-2023
Current financial liabilities - Leasing	28,701
Non-current financial liabilities - Leasing	117,085
Total	**145,786**

(in Euro thousands)	Due within 1 year	Due between 1 & 5 years	Due beyond 5 years	Total
Financial liabilities - Leasing	28,701	91,694	25,391	145,786
Total	**28,701**	**91,694**	**25,391**	**145,786**
Of which Capital portion				*128,373*

28.27. Short-term financial payables

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Bank payables	282,044	(111,839)	170,205
Payables to other lenders	27,425	(21,249)	6,176
Accrued liabilities	1,367	2,607	3,974
Total	**310,837**	**(130,481)**	**180,355**

Short-term financial payables of Euro 180,355 thousand decreased Euro 130,481 thousand on December 31, 2022, mainly as a result of the repayment of the final capital portion of Euro 65 million of the medium/long-term loan of a nominal Euro 185 million of the subsidiary Tecnimont S.p.A., and the repayment of revolving lines, bank overdrafts and other financial instruments to manage short-term commercial cash flows in support of the working capital on a number of projects which had been utilized at December 31, 2022. At the same time, the account increased following the reclassification of the ESG-linked Schuldschein loan to short term for a nominal value of Euro 55 million.

At December 31, 2023, short-term bank payables mainly refer to the current portion of non-current debt:

- for Euro 91,903 thousand the current capital portion of the loan backed by a SACE Italy Guarantee for 80% of the amount with an initial nominal value of Euro 365 million granted to Maire Tecnimont S.p.A., of which a nominal approx. Euro 22.8 million repayable in each quarter until December 31, 2024;
- for Euro 263 thousand the current capital portion of a loan from Banca Popolare di Sondrio for a nominal value of Euro 10 million in support of the activities of MyReplast Industries S.r.l., for Euro 296 thousand the current capital portion of a loan also issued in 2021 by Banca Popolare di Sondrio to MyReplast Industries S.r.l. for a nominal Euro 1.5 million, and for Euro 264 thousand the new loan in 2023, also from BPS to MyReplast Industries S.r.l. of a nominal Euro 1 million.

The other short-term bank borrowings mainly refer to:

- For Euro 54,892 thousand of the ESG-linked Schuldschein loan attributable to Maire Tecnimont, net of the related additional charges, with an initial nominal value of Euro 62.5 million (the long-term portion was reclassified and totaled Euro 54,784 thousand at December 31, 2022).

  In 2019, Maire Tecnimont made a further commitment to its Green Acceleration project, launched in 2018, by taking out a loan to support Group investments in green technologies. The instrument originally was divided in two tranches (Euro 7.5 million repaid in 2022 and Euro 55 million maturity in 2024) with an average duration of approx. 5 years, total repayment at maturity, and an average rate of approximately 6.15%. The cost of the instrument may also vary – including downwards – in relation to the achievement of the Group's CO2 emission reduction targets.

  The bonds are supported by covenants in line with market practice; specifically, the bond covenants regard the maintenance of a ratio between the net financial position and EBITDA on a yearly basis, with the next measurement based on the figures at December 31, 2023.
- for Euro 22,586 thousand current account overdrafts for the utilization of credit lines granted and commercial advances relating to projects in course.

Payables to other short-term lenders amount to Euro 6,176 thousand, down by 21,249 thousand following the repayment of working capital lines to support the short-term requirements as part of the management of the working capital on some projects utilized at December 31, 2022; the residual balance is mainly related to receivables factoring transactions as part of the management of the working capital on some projects.

Interest due on loans, bonds and bank overdrafts matured and not yet paid amount to Euro 3,974 thousand.

The composition of the net financial position is reported in the paragraph "Group balance sheet and financial position" in the Directors' Report, to which reference should be made for further information on the changes compared to the previous period.

The following table reports the Group's net financial debt at December 31, 2023 and December 31, 2022, in line with Consob communication No. 5/21 of April 29, 2021:

NET FINANCIAL DEBT MAIRE TECNIMONT GROUP

	In Euro thousands	**December 31, 2023**	**December 31, 2022**
A.	Cash and cash equivalents	(915,501)	(762,463)
B.	Other liquidity	-	-
C.	Other current financial assets	(76,875)	(8,082)
D.	**Liquidity (A+B+C)**	**(992,376)**	**(770,545)**
E.	Current financial debt (including debt instruments but excluding the current portion of non-current financial debt)	155,849	180,881
F.	Current portion of non-current financial debt	92,727	158,261
G.	**Current financial debt (E+F)**	**248,575**	**339,142**
H.	**Net current financial debt (G-D)**	**(743,801)**	**(431,403)**
I	Non-current financial debt (excluding current portion and debt instruments)	438,542	401,248
J.	Debt instruments	200,004	180,132
K.	Trade payables and other non-current payables	-	-
L.	**Non-current financial debt (I+J+K)**	**638,546**	**581,379**
M.	**Total financial debt (H+L)**	**(105,255)**	**149,976**

The following table presents the reconciliation between the net financial debt and the net financial position of the Group at December 31, 2023 and December 31, 2022:

RECONCILIATION NFD & NFP

	In Euro thousands	**December 31, 2023**	**December 31, 2022**
M.	**Total financial debt**	**(105,255)**	**149,976**
	Net financial debt of discontinued operations	(1,111)	-
	Other non-current financial assets	(71,512)	(109,032)
	Derivative financial instruments	(6,841)	23,701
	"Project Financing - Non Recourse"	(6,734)	(7,520)
	Other non-current assets - Expected repayments	(16,833)	(17,439)
	Financial payables - Warrants	(451)	(451)
	Finance lease payables IFRS 16	(129,133)	(133,026)
Adjusted Net Financial Position		**(337,870)**	**(93,790)**

The adjusted Net Financial Position at December 31, 2023 indicates net cash of Euro 337.9 million, increasing Euro 244.1 million on December 31, 2022.

Operating cash generation more than offsets dividends settled of Euro 40.7 million, disbursements related to the buyback program of Euro 3.8 million, and gross capital expenditures for the period totaling Euro 76.6 million. Gross investments include Euro 35.8 million related to the acquisition of Conser S.p.A. (Euro 19.2

million net of the liquidity acquired) and Euro 6.9 million related to the acquisition of CatC technology and the funding of MyRemono S.r.l. (Euro 5.8 million net of the liquidity acquired) to support the industrialization activities of this technological solution, in line with the strategy of expanding the portfolio of sustainable technologies undertaken by the Group. Investments in new technologies and intellectual property rights (patents and licenses) mainly of the Nextchem Group, new software and related development to support the business and security aimed at integrating technology offerings with advanced digital solutions in line with the sustainable technology portfolio expansion strategy undertaken by the Group also continue.

The financial position at December 31, 2023 overall indicates a reduction in the gross debt, mainly due to the final settlement of approx. Euro 65 million of the nominal Euro 185 million medium/long-term loan by the subsidiary Tecnimont S.p.A., now fully settled, and in relation to the nominal Euro 365 million Maire Tecnimont loan, backed for 80% by SACE's Italy Guarantee, for approx. Euro 91.2 million, in addition to the repayment of revolving lines, overdrafts and other financial instruments for the management of short-term commercial cash flows and to support working capital lines for short-term needs for the working capital management of a number of projects used at December 31, 2022.

Simultaneously, the gross debt rose as a result of the signing of new loans, respectively for Euro 150 million and Euro 40 million, backed for 80% by the SACE S.p.A. Guarantee, in line with Legislative Decree No. 50 of May 17, 2022.

With regard to the Euro Commercial Paper program launched in 2021 by MAIRE for the issue of one or more non-convertible notes and placed with selected institutional investors for a maximum Euro 150 million, at December 31, 2023 the Euro Commercial Paper program has been utilized for Euro 21.6 million, with an increase of Euro 19.1 million compared to December 2022. The maturities of the notes are: Euro 1 million at January 2024, Euro 3.7 million at February 2024, Euro 6.9 million at March 2024, Euro 2 million at July 2024 and Euro 8 million at December 2024. The weighted average interest rate on outstanding financial liabilities is approximately 5.229%. In 2023, notes totaling Euro 124.4 million were issued, with reimbursements of Euro 105.3 million, with an average weighted interest rate on all financial liabilities which was approx. 4.395%.

In Q4 2023, Maire also issued a non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million.

The net financial position at the end of December 2023 was impacted by the temporary changes to the mark-to-market of the derivatives, which at December 31, 2023, had a positive value of Euro 23.7 million and in 2023 increased by Euro 49.8 million, mainly with regards to the derivatives hedging exchange risk on order revenue and cost fluctuations as a result of changes in exchange rates, mainly in relation to the US dollar against the euro, which saw the euro strengthening against the dollar in 2023 in response to trends in interest rates; the risk of movements in the price of certain raw materials and the risk of fluctuations in the Maire Tecnimont share price related to the personnel incentive plans, driven by the favorable trend and overall recovery of the Maire Tecnimont share price in 2023.

Finally, financial position saw a significant increase in cash and cash equivalents, which, at December 31, 2023, amounted to Euro 915,501 thousand, a change of Euro 153,037 thousand compared to December 31, 2022, while assets held for sale include additional cash and cash equivalents for Euro 1,871 thousand for an overall increase for the year of Euro 154,908 thousand.

Cash flow from operations saw a net generation of cash in the amount of Euro 369,701 thousand for the year, with a constant improvement over the year driven by earnings and changes in working capital. As already outlined, net working capital in fact further improved in 2023 thanks to the operating activities on the main projects and advances from clients regarding the new order intake, which therefore provided a further cash flow benefit, in particular following the acquisition of the Hail and Ghasha onshore treatment plant project with ADNOC.

Cash flows from operating activities include also income tax payments, which in 2023 totaled Euro 70,153 thousand.

Cash flows from investing activities however absorbed cash of Euro 58,965 thousand, mainly due to the acquisitions of Conser S.p.A. and MyRemono S.r.l., net of the cash and cash equivalents acquired. Additional disbursements are related to efforts to develop new technologies and intellectual property rights (patents and licenses), mainly by Nextchem Group, new software and relative developments supporting the business and company security and residually to a number of improvements on owned and leased office buildings by certain Maire Group companies.

Financial management, similarly to investment management, absorbed cash totaling Euro 155,827 thousand. The main underlying reasons are outlined above and related essentially to the repayment of the principal amounts of the outstanding loans, net of the newly agreed loans, the payment of dividends, interest and the repayment of the IFRS 16 leasing capital instalments.

The "adjusted net financial position" is also presented, which in Management's view includes the value of the recovery from the events in India on the basis of legal opinions and the insurance companies from leading providers for protection against such events (as outlined in paragraph 28.8), and excluding both financial lease payables - IFRS 16 of Euro 129,133 thousand, which were recognized solely on the basis of applying IFRS 16; the"Non Recourse" financial payables which relate to the MyReplast Industries S.r.l. loan issued by Banca Popolare di Sondrio for the company's Circular Economy operations and the financial payables for Warrants, in relation to which reference should be made to the "Accounting Policies - Warrants" section.

The estimate of the "fair value" of these financial instruments, calculated as indicated in the accounting policies section, at December 31, 2023 substantially approximated their book value. The breakdown by maturity of the gross financial debt is reported in the financial risks section.

28.28. Provisions for charges - within 12 months

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Provisions for charges - within 12 months	35,074	6,662	41,736
Total	**35,074**	**6,662**	**41,736**

The provision for charges with 12 months amounts to Euro 41,736 thousand, an increase of Euro 6,662 thousand compared to December 31, 2022.

The provision for charges within 12 months concerns the estimated costs for remuneration and incentive policies due within 12 months, essentially referring to the flexible benefits plans ("Maire4You"), the participation bonus pertaining to 2023 and the short and medium term MBO plans for the portion due within 12 months.

The increase for the year is essentially the result of the payment of the employee plans, and specifically the flexible-benefit plans (Maire4You), the attendance bonus for 2022, and of the short and medium-term monetary incentive plans (MBO) for 2022, net of new allocations for short-term plans for 2023, which was higher than utilizations for the year, in line with the overall expansion of the Group workforce, and with an increase also of the beneficiaries of the variable remuneration policies as a form of retention.

28.29. Tax payables

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Current income tax payables	8,098	13,363	21,460
Other payables	15,724	3,855	19,579
Total	**23,822**	**17,217**	**41,039**

Tax payables were Euro 41,039 thousand, increasing Euro 17,217 thousand on December 31, 2022, primarily due to the increase in the amount payable to the Treasury for VAT of some overseas entities and current income taxes in Italy and abroad.

At December 31, 2023, tax payables were as follows:

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Current income tax payables - Ires/Irap	5,777	5,980	11,757
Current income taxes payable - Imp. Overseas	2,320	7,382	9,703
VAT payables	5,549	2,717	8,266
Substitute taxes payable	7,641	1,062	8,703
Other payables	2,535	76	2,610
Total	**23,822**	**17,217**	**41,039**

“Current income tax payables” at December 31, 2023, includes Euro 8,296 thousand in corporate income taxes (IRES) payable for the Group’s tax consolidation in relation to Maire Tecnimont S.p.A., which, at December 31, 2022, presented a receivable balance of Euro 5,593 thousand classified among current tax assets following higher payments on account made in 2022 compared to the estimate of the tax charge for the year.

The residual of the “current income taxes payable - Ires/Irap” account refers to the IRES income tax payables of companies not participating in the tax consolidation and the IRAP tax payables of Italian companies of Euro 3,461 thousand.

Current income taxes payable abroad at December 31, 2023, includes the corporate income taxes payable by the companies abroad and mainly related to Euro 5,502 thousand for the Dutch subsidiary Stamicarbon, and for TPI, Met T&S, KT Arabia Ltd. and TCM Filippine.

“Other tax payables” relate to VAT payables of Euro 8,266 thousand, primarily attributable to the subsidiary TCM-KT JV Azerbaijan LLC and Tecnimont Arabia Ltd, and, to a residual extent, to the VAT of several international and Italian entities not participating in Group VAT consolidation.

The other residual tax payables include IRPEF personnel withholding tax payables and withholding taxes on account for third party compensation for Euro 8,703 thousand and other tax payables.

28.30. Financial instruments - Derivatives (Current liabilities)

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Financial instruments - Currency hedging derivatives	40,192	(36,337)	3,855
Financial instruments - Raw material hedging derivatives	223	(64)	159
Financial instruments - Total Return Equity SWAP (TRES) derivatives	2,966	(2,966)	0
Total	**43,381**	**(39,367)**	**4,014**

Current derivative financial instruments at December 31, 2023 amount to Euro 4,014 thousand, with a decrease of Euro 39,367 thousand compared to December 31, 2022 and concern the fair value measurement of the derivative contracts in force.

The account for Euro 3,855 thousand relates to the measurement of the derivative instruments to hedge against currency risks on the cash flows related to project revenues and costs. The mark-to-market is negative as exchange rates between the subscription date of the derivative instruments and the reporting date saw a revaluation principally of the Dollar against the Euro; the negative mark-to-market will be offset by future operating cash flows of a similar amount. The changes are as a result of exchange rate movements, mainly the dollar against the euro, which in 2023, following the increase in interest rates, saw a strengthening of the euro against the US dollar. Also in 2023, a number of currency hedging instruments were opened in the in response to the recent acquisitions.

The total includes Euro 159 thousand for raw material derivative hedges (principally for copper and palladium) and for purchases of contracts. In 2023, following the receipt of major new orders, additional positions were purchased to cover this risk; however, the market experienced a normalization in the price of the raw materials hedged. The mark-to-market is negative as the prices between the subscription date of the derivative instruments and the reporting date saw a revaluation of the commodities hedged; the negative mark-to-market will be offset by future operating cash flows of a similar amount as a result of the savings on the costs of supplies subject to hedging.

The increase in cash-settled Total Return Equity Swap (TRES) derivatives is due to the favorable performance and recovery of the Maire Tecnimont share price in 2023, following the market uncertainties of the previous year related to the international tensions; the share value was also driven by the Group's strong industrial performance. The mark-to-market of these instruments at December 31, 2023, was all positive and classified as "28.14 Financial instruments - Derivatives (Current assets)".

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

28.31. Other current financial liabilities

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Other current financial liabilities	280	21,685	21,965
Other current financial liabilities - Euro Commercial Paper (ECP)	2,500	19,100	21,600
Total	**2,780**	**40,785**	**43,565**

Other current financial liabilities amounted at December 31, 2023, to Euro 43,565 thousand, increasing Euro 40,785 thousand on December 31, 2022, as a consequence of the greater use of the Euro Commercial Paper Program of the Maire Tecnimont Group, the increase in financial liability related to a number of company acquisition in 2023, and for the reclassification to short-term of the loan to Simest S.p.A. in the amount of Euro 14.9 million in relation to the Volgafert project.

Other current financial liabilities may be broken down as follows:

- For Euro 21,600 thousand the payable related to the Euro Commercial Paper Program. In this regard we note that in 2022 Maire Tecnimont S.p.A. launched its first Euro Commercial Paper Program for the issue of one or more non-convertible notes placed with selected institutional investors, unrated and with a duration of three-years. The maximum aggregate amount of Notes issued and not redeemed under the ECP shall not exceed, at any time, Euro 150 million. The Notes are not listed on any regulated market. The ECP Program will allow the Company to diversify its short-term financing instruments, obtain a wider choice of funding and optimize its debt management in terms of maturity and pricing profile. The ECP Program is not guaranteed by any company belonging to the Maire Tecnimont Group or a third party. Subject to compliance with all applicable legal and regulatory provisions, the Notes may be denominated in Euro, USD, GBP, CHF or any other currency and the maturity of individual Notes may not be less than one day or more than 364 days from the date of issuance inclusive, to and excluding the maturity date. On December 19, 2022, the Board of Directors of Maire Tecnimont S.p.A. met and resolved to update the Program's pricing to better reflect changed market conditions, subject to the other terms and conditions of the Program. Specifically, the notes may have fixed or floating rate coupons. The cost of each individual note will be determined at the time of note issuance and in any case may not exceed 6% p.a. Notes may be issued at a discount or premium and may not be less than 94% or more than 106% of the face value of the note.

  At December 31, 2023, the Euro Commercial Paper program had in fact been utilized for Euro 21.6 million, increasing Euro 19.1 million on December 31, 2022. The maturities of the notes are: Euro 1 million at January 2024, Euro 3.7 million at February 2024, Euro 6.9 million at March 2024, Euro 2 million at July 2024 and Euro 8 million at December 2024. The average weighted interest rate on outstanding financial liabilities was approx. 5.229%; in 2023, notes totaling Euro 124.4 million were issued, with reimbursements of Euro 105.3 million, with an average weighted interest rate on all financial liabilities which was approx. 4.395%.

- For Euro 233 thousand a financial liability from the consortium Cavtomi, reducing Euro 47 thousand on December 31, 2022.

- For Euro 6,528 thousand the balance of the price for the acquisition of the investment in Conser S.p.A., whose payment was deferred compared to the closing and with the satisfaction of certain conditions stipulated by 2024; and for Euro 303 thousand recognition of the earn-out clause based on the achievement of specific performance targets for 2023 in relation to the acquisition of Conser S.p.A. For details, see the sections “Key events in the year” and “Consolidation scope”.

- for Euro 14,900 thousand the valuation of the repurchase obligation of the minority share of Simest S.p.A. in Met Dev 1 S.r.l, a Maire Tecnimont Group company which incorporated together with PJSC KuibyshevAzot (a Russian chemical sector leader) the Volgafert LLC joint venture. Volgafert LLC’s corporate scope concerns the development, construction, funding, maintenance and management of a new urea plant in Togliatti, in the Samara region of the Russian Federation. As part of the investment agreement signed between Met Development S.p.A. and Simest S.p.A., the Maire Tecnimont Group commits to repurchase on maturity the investment of Simest S.p.A. against a charge for the payment extension granted. The agreements stipulates also put and call options among the parties. The initiative has now concluded and was never directly involved in the international sanctions against Russia either in relation to the type of plant under construction or for the Russian counterparty involved. In recent months, as the Russia-Ukraine war continues along with the sanctions on Russia by western nations, the Russian partner KuAzot, with which there are still excellent relations and a spirit of mutual cooperation, has expressed the intention to acquire the share held in Volgafert LLC ahead of schedule. Agreements reached thus far in that regard call for a sale price in line with the book value and for the interruption of the original agreements for remuneration of the project and of the put option agreement. At present, we await formal approval by the Russian government commission and formal consent for the sale by the lending banks and by SACE. In the event of an early sale, repayment of the Simest investment in the project would also be accelerated, so it has been reclassified to short-term.

28.32. Client advance payments

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Client advance payments	645,631	303,705	949,336
Total	**645,631**	**303,705**	**949,336**

They concern contractual advances from clients on the signing of construction contracts, usually also covered by the related bond issued to the benefit of the principal.

Client advance payments at December 31, 2023 were Euro 949,336 thousand, increasing Euro 303,705 thousand on December 31, 2022, mainly due to the lower reabsorption of advances through invoicing on account and related work performed, compared to the receipt of new contractual advances, driven by the Group’s record order intake in the year.

In 2023, the order intake and new advances received mainly concerned the major Amiral order in the period, two EPC contracts related to the petrochemical expansion of the SATORP refinery (a JV comprising Saudi Aramco and TotalEnergies), at Jubail in Saudi Arabia for a total value of about USD 2 billion, and in relation to the acquisition on October 5, 2023 of an onshore treatment plant of the Hail and Ghasha project in Abu Dhabi awarded to MAIRE through the subsidiary Tecnimont with the ADNOC client of approx. USD 8.7 billion, whose contractual advance was 5% of the contractual price.

Net of the new advances collected in 2023, a significant reabsorption occurred and therefore a decrease of the advances collected in previous years, consistent with the strong growth in activities and related billing already reflected in the various financial statement items that reflect the evolution of projects in the significant backlog, mainly in relation to the contracts with Abu Dhabi Polymers Company – Borouge 4, Ras Laffan in Qatar and the Port Harcourt refinery in Nigeria.

28.33. Contractual Liabilities

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
(Works-in-progress)	(24,312,025)	(2,228,108)	(26,540,133)
Advances received on work-in-progress	24,672,349	2,447,808	27,120,156
Total	**360,324**	**219,700**	**580,024**

“Contract liabilities” are the net negative amount, by individual order, resulting from the difference between progressive production or the amount of works-in-progress recorded according to the percentage of completion net of losses realized or estimated at the reporting date and invoicing on account relating to the advancement of works.

The significant increase is related to the invoicing on account of some milestones reached at the end of December on the new onshore treatment plant project of the Hail and Ghasha project with ADNOC for approx. Euro 367 million, whose collection is expected in the first quarter of 2024,against which the amount of work in progress recorded according to the percentage of completion was much lower.

Without this event, the value of contract liabilities would decrease in relation to the advancement of the projects and their contractual terms, against which the value of works carried out in the year was higher than the invoicing on account, particularly in relation to the major projects obtained in previous years, such as the Port Harcourt refinery in Nigeria, the Borouge 4 EPC project, and Repsol in Portugal.

The gross change on works carried out and advances received on work-in-progress is also impacted by the values of the projects closed during the period and transferred to revenues from sales.

The value of construction liabilities includes additional requests on contracts for the quota considered highly probable to be accepted by the client; the variable components were recorded in accordance with the guidelines illustrated in the accounting policies.

28.34. Trade payables

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Suppliers - within 12 months	2,294,883	330,062	2,624,945
Associates - within 12 months	213	74	288
Parent companies - within 12 months	251	(94)	157
Group companies - within 12 months	456	0	456
Total	**2,295,802**	**330,043**	**2,625,845**

Trade payables at December 31, 2023 amount to Euro 2,625,845 thousand, an increase of Euro 330,043 thousand compared to December 31, 2022.

The increase is substantially related to the significant advancement of projects in progress, with the advancement of the procurement activities for critical materials and the construction phases. The increase in the account is consistent with the strong growth in activities already reflected in the various costs items and consequent production volumes that reflect the evolution of projects in the significant order book towards phases featuring more works.

Trade payables mainly includes the amounts of year-end allocations for work on supplies under construction and services performed that have not yet been invoiced and/or billable under the terms of the contracts. Most can be attributed to the Port Harcourt Refinery projects in Nigeria and the Borouge 4 EPC project, Agic in Saudi Arabia for the Indian projects.

Trade payables are also related to the general working capital performance of the main orders, including those substantially concluded, which similarly to the contract with the client influences the contractual terms of the goods and services provided by supplier and subcontractors, payment of which is essentially tied also to the final project milestones.

Trade payables to associates were Euro 288 thousand and principally concern Studio Geotecnico Italiano for Euro 178 thousand and TSJ Limited for Euro 110 thousand.

Payables to Parent Companies amount to Euro 157 thousand and concern GLV Capital S.p.A.

Payables to group companies of Euro 456 thousand principally concern payables to consortia and infrastructure initiatives, mainly relating to the Metro B1 Consortium for Euro 448 thousand.

28.35. Other current liabilities

(in Euro thousands)	31-12-2022	Changes in year	31-12-2023
Matured by personnel, not yet settled	26,670	4,542	31,212
Payables due to social security institutions	15,126	1,997	17,124
Taxes, VAT and levies (foreign companies)	17,957	26,158	44,115
Accrued liabilities and deferred income	3,049	(2,918)	130
Other payables (other creditors)	346,296	9,202	355,498
Total	**409,099**	**38,980**	**448,079**

Other current liabilities at December 31, 2023 amount to Euro 448,079 thousand, increasing Euro 38,980 thousand on December 31, 2022.

The main account regarding “Other payables (other receivables)” includes the accounting treatment of transactions with third parties who in previous periods acquired a portion of the right to the reserves of the "Raddoppio Ferroviario Fiumetorto Cefalù" (“Fiumetorto Cefalù” Double Railway Line) initiative and the additional claims relating to the "Tempa Rossa" initiative. It bears recalling that the sale involves an initial price already paid on a definitive basis, regardless of the course of the negotiations, and a deferred price on the portion in excess of the amount already paid. In view of this deferred amount, the portion deemed highly probable affects the variability of the residual cash flows and therefore did not permit the assets to be fully derecognized as per IAS 32 paragraph 42. The value of the payable shown under "Other payables" and the contractual asset of the same amount shown under "Contractual assets" also include the portion pertaining to third party counterparties for a total of approx. Euro 343.2 million.

The other principal current liability accounts refer to staff remuneration matured and not yet settled, principally payments for vacation, 14th month and the MAIRE4YOU flexible benefits, and payables to Italian and foreign social security institutions including contributions not yet matured.

The increase is essentially related to a liability for unused holiday time in relation to a general increase in the Group’s workforce during the course of 2023.

“Other payables” principally concern the VAT payables of overseas branches which recorded an increase in the year of Euro 26,158 thousand, particularly in relation to the increase in certain activities carried out on site.

The remaining other current liabilities concern various payables including deferred income.

Public grants in accordance with Law No. 124/2017

With regards to the rules on the transparency of public grants as per Article 1, paragraphs 125-129 of Law No. 124/2017, as subsequently amended by Article 35 of Decree-Law No. 34/2019 ("Growth Decree"), published in Italy's Official Journal no. 100 of April 30, 2019, the Maire Tecnimont Group analyzed its situation and decided to present in this paragraph the amounts received in 2023 in the form of contributions and grants:

- As part of funded training plans, Euro 192 thousand was received from Fondimpresa, Euro 53 thousand from Fondirigenti and Euro 1,173 thousand from Anpal;
- Public grants were received in relation to technological research and innovation projects funded by the European Union (ENEA) for Euro 732 thousand and by Ministry of Education, Universities and Research for Euro 459 thousand;
- Euro 13 thousand in previous subsidized loans received from the Ministry of Economic Development and Euro 11 thousand in previous subsidies received from the Ministry of Education, Universities and Research were repaid;

See the National register of State Aid for the de minimis state aid included for Maire Tecnimont Group companies.

29. Commitments and contingent liabilities

The Maire Tecnimont Group's financial guarantees at December 31, 2023 and December 31, 2022 were as follows:

MAIRE TECNIMONT GROUP FINANCIAL GUARANTEES (in Euro thousands)	31/12/2023	31/12/2022
GUARANTEES ISSUED IN THE INTEREST OF THE GROUP		
Sureties issued by third parties in favor of third parties, of which:		
Issued in favor of clients for orders under execution		
Performance bonds (banks and insurance)	2,340,286	2,216,242
Advance Bonds (banks and insurance)	1,251,416	1,171,018
Other	353,143	325,576
TOTAL GUARANTEES	3,944,845	3,712,836

"Guarantees issued in the interest of the Group" of Euro 3,944,845 thousand concern guarantees issued by Banks or Insurance companies in the interest of Group operating companies in relation to commitments undertaken upon core operations.

Specifically:

- "Performance Bonds": contract "successful execution" guarantee. With this guarantee, the bank undertakes the obligation to repay the client, up to a set amount, in the case of non-compliant execution of the contract by the contractor. In the case of large orders, SACE insurance cover may be requested for these risks in favor of the Bank.
- "Advance Bonds": repayment guarantee, requested for payment of contractual advances. With this guarantee the bank undertakes the obligation to repay the client a set amount, as reimbursement for amounts advanced, in the case of contractual non-compliance by the party requesting the guarantee (the contractor). In the case of large orders, SACE insurance cover may be requested for these risks in favor of the Bank.

Movements in 2023 see a significant decrease as a result of returns on completed or terminated projects mainly related to projects in the Russian federation (Amur AGCC and Amur AGPP) than a significant increase as a result of record acquisitions in 2023 and the related issuance of new guarantees especially related to the two new projects of Amiral in Saudi Arabia and Hail and Ghasha in Abu Dhabi.

Commitments

The Parent Company assumed commitments to clients and/or other beneficiaries to fulfil obligations, contractually undertaken by the company and/or subsidiaries awarded tenders as part of their core operations and therefore in the execution of orders, in the case of non-fulfilment of such and for the reimbursement for any damage from such non-fulfilment.

These commitments, which involve the undertaking of an obligation to complete, guarantee contracts whose total value amounts to Euro 28,164 million (Euro 17,438 million at December 31, 2022), including works already executed and the residual backlog at December 31, 2022. The increase is again related to the two new Amiral projects in Saudi Arabia and Hail and Ghasha in Abu Dhabi.

The Parent Company also undertook other residual commitments (letters of Patronage) in favor of banks in the interest of some subsidiaries, principally Tecnimont S.p.A..

30. Related party transactions

At December 31, 2023 the company's receivables/payables (including financial) and cost/revenue transactions with related parties for the period are presented in the tables below.

31/12/2023 (in Euro thousands)	Trade Receivables	Trade Payables	Financial Receivables	Financial Payables	Costs	Revenues
G.L.V. Capital S.p.A	1	(158)	0	0	(1,160)	1
Maire Investments Group	23	(1)	0	0	(144)	25
Luigi Alfieri	0	(63)	0	0	(338)	0
Total	**24**	**(222)**	**0**	**0**	**(1,642)**	**26**

In particular, payable contracts refer to the lease of office buildings from Group companies, the use of the "Maire" trademark and logos, other minor recharges from the parent G.L.V. Capital S.p.A. and from transactions with the Maire Investments Group, a company owned by the majority shareholder of Maire Tecnimont S.p.A. mainly for the purchase of administrative and other general services.

The relationship with Luigi Alfieri, Non Independent Director of Maire Tecnimont S.p.A., refers to an annual contract for assistance and consulting services in the financial field.

The Maire Tecnimont Group's contracts refer to personnel accounting services.

Transactions with other non-consolidated and/or associated Group companies, or subsidiaries over which another related party exercises a significant influence (Nextchem S.p.A. and its subsidiaries) are purely commercial and relate to specific activities linked to contracts or loans within the centralized liquidity management; in addition, certain consortiums, having substantially concluded operations, are in liquidation:

(in Euro thousands) 31/12/2023	Trade Receivables	Trade Payables	Receivables (Payables) for VAT consolidation	Receivables (Payables) for cash pooling	Financial Receivables	Financial Payables	Costs	Revenues
Studio Geotecnico Italiano S.r.l.	0	(196)	0	0	0	0	0	0
Biolevano S.r.l.	12	0	0	0	0	0	0	12
SMC S.c.a.r.l	20	0	0	0	0	0	0	19
TCM KTR LLP	179	0	0	0	2,005	0	0	72
Exportadora de Ingenieria y Servicios Tcm	0	0	0	0	0	(67)	0	0
Volgafert LLC	14,164	0	0	0	0	0	0	14,946
JV TSJ Limited	0	(115)	0	0	0	0	0	0
Hidrogeno Cadereyta - S.A.P.I. de C.V.	178	0	0	0	1,810	0	0	129
Nextchem S.p.A	370	0	0	0	22,062	(2,640)	0	370
Nextchem Tech S.p.A.	38,689	(12,760)	(6,802)	1,669	13,816	0	2,000	38,397
Stamicarbon B.V.	1,904	(11,108)	0	(25,468)	0	(15,000)	0	1,797
Stamicarbon USA	286	0	0	0	0	0	0	62
MDG Reale Estate S.r.l.	10	0	0	0	0	0	0	10
Conser S.p.A.	10	(367)	0	0	0	(13,500)	0	10
MyRechemical S.r.l.	2,398	(130)	1,438	(2,959)	0	0	0	1,430
MyReplast Industries S.r.l	133	0	0	0	0	0	0	39
MyReplast S.r.l	5	0	0	0	0	0	0	5
U-Coat S.p.A.	5	0	0	0	0	0	0	5
MyRemono S.r.l.	10	0	0	0	0	0	0	10
Met T&S Management	10	0	0	0	0	0	0	4
GCB General trading	2	0	0	0	13	0	0	2
Gulf Compound&Blending Ind.	112	0	0	0	972	0	0	21
Fondazione Maire Tecnimont	274	(107)	0	0	0	0	0	236
Total	**58,773**	**(24,784)**	**(5,364)**	**(26,758)**	**40,679**	**(31,207)**	**2,000**	**57,575**

The Maire Tecnimont Foundation is a non-profit organization founded in 2021 by the Group to organize initiatives aimed at promoting culture, research, training and corporate social responsibility, with the purpose of enhancing and improving knowledge of Maire Tecnimont Group's historical identity, technological skills and cultural heritage. At December 31, 2023, the Group had paid contributions amounting to Euro 904 thousand and rendered communication, marketing, administrative and legal services to the Foundation for a total value of approx. Euro 236 thousand.

Remuneration of Directors, Statutory Auditors and Senior Executives is outlined below:

31/12/2023 *(in Euro thousands)*	**Fees**
Directors	5,323
Statutory Auditors	365
Total	**5,688**

The remuneration concerns emoluments and all other payments, pension-related or social security deriving from the role of Director or Statutory Auditor in Maire Tecnimont S.p.A..

The remuneration of Directors and Statutory Auditors and Senior Executives, appears in the 2023 Corporate Governance and Ownership Structure Report and the 2024 Remuneration Report, both available on the company website at www.mairetecnimont.it in the “Governance” section.

With reference to the related party transactions reported, such were concluded in the interest of Maire Tecnimont S.p.A. and its subsidiaries.

31. Independent Audit Firm fees

The following table, prepared pursuant to Article 149 of the Consob Issuer's Regulation, reports the payments made in 2023 for audit services and other services carried out by the Audit Firm.

Type of service *(in Euro thousands)*	Provider	Company	2023 Fees
Audit	PricewaterhouseCoopers S.p.A.	Parent Company - Maire Tecnimont	323
	PricewaterhouseCoopers S.p.A.	Maire Tecnimont Group	1,952
	Pricewaterhousecoopers Network	Maire Tecnimont Group	378
	Other Network (***)	Maire Tecnimont Group	136
Certification services (*)	PricewaterhouseCoopers S.p.A.	Parent Company - Maire Tecnimont	4
	PricewaterhouseCoopers S.p.A.	Maire Tecnimont Group	58
Other services (**)	PricewaterhouseCoopers S.p.A.	Parent Company - Maire Tecnimont	163
	PricewaterhouseCoopers S.p.A.	Maire Tecnimont Group	125
	Pricewaterhousecoopers Network	Parent Company - Maire Tecnimont	166

The fees do not include VAT, expenses and any Consob oversight contribution repayments

(*) Certification services include the signing of tax declarations.

(**) The other services of the Parent Company include the audit fee for the Sustainability Report - containing the Non-Financial Statement as per Legislative Decree 254/2016 and the fee for support with development of the in-country value method, the fee for the issuance of comfort letter in connection with the issuance of Maire's new Euro 200 million Sustainability-Linked Bond, the assignment for the audit of the Scope 2 Market Based emissions reporting methodology and in relation to the Scope 3 Category 1 Hybrid Methodology, and an activity to analyze the reporting of certain ESG parameters required by Maire Tecnimont's ESG Linked Schuldschein Loan.

Other services for the Group include audit work in connection with the tax credit for the research and development expenses for some Italian subsidiaries and an activity to assess the reporting of costs of a Branch.

(***) Audit activities performed at the subsidiary MT Russia for consolidation purposes by a local auditor not belonging to the Pricewaterhousecoopers network.

32. Financial risk management

The Group's ordinary operations are exposed to financial risks. Specifically:

- credit risk, both in relation to normal commercial transactions with clients and financial activities;
- liquidity risk, concerning difficulties in liquidating positions held within necessary timeframes or in sourcing operating funding;
- market risk, relating to fluctuations in interest rates, exchange rates and the prices of goods, as the Group operates at an international level in various currencies and utilizes financial instruments which generate interest;
- default and debt covenant risk regarding the possibility that loan contracts include clauses permitting the lending Banks and other lenders to request immediate repayment on the occurrence of certain events, resulting therefore in a liquidity risk.

The Maire Tecnimont Group constantly controls Group financial risks, anticipating potential negative impacts and undertaking appropriate corrective actions.

The following section provides qualitative and quantitative information on the impact of these risks on the Maire Tecnimont Group. The following quantitative data may not be used for forecasting purposes, in particular the sensitivity analysis on market risks may not reflect the complexity and the related market reactions from any change in assumptions.

32.1. Credit risk

The Maire Tecnimont Group credit risk represents the exposure to potential losses deriving from the non-compliance with obligations by counterparties. Credit risk stems from normal operations and is monitored by the operating and financial departments on the basis of set procedures, which establish the methods for quantifying and controlling client risk.

They are managed according to procedures, including credit recovery and dispute management. Presently, there is no significant concentration of credit risk by region or by Client, as the Group operates on geographically diversified markets and through a range of clients and business lines.

The maximum theoretical exposure to the credit risk for the Group at December 31, 2023 is the carrying value of the financial assets recorded in the accounts, and the nominal value of the guarantees given on debts and commitments to third parties.

Receivables at December 31, 2023 were recognized net of write-downs calculated according to counterparty non-compliance risk, based on client reliability (third parties, related parties and public sector clients).

In addition to the assessments of the collectability of receivables and in accordance with IFRS 9 concerning impairment models, the Group estimated losses on receivables using the expected loss model based on supporting information available without undue effort or burden, which includes actual data and forecasts and was essentially obtained from information providers and in quantifying expected losses at the closure date incorporating any effects of current conflicts.

Credit risk is represented by the exposure to potential losses deriving from the non-compliance of obligations by buyers, who are almost entirely connected to sovereign states, government bodies, overseas state entities, public administrations or large oil companies. Credit risk is, therefore, in many cases linked to country risk.

At December 31, 2022, Trade receivables from third parties due within and beyond 12 months, respectively totaled Euro 1,145,074 thousand (Euro 691,952 thousand at December 31, 2022) and Euro 17,232 thousand (Euro 54,634 thousand at December 31, 2022), net of the doubtful debt provision of Euro 14,684 thousand (Euro 14,729 thousand at December 31, 2022).

Trade receivables from third parties by maturity and business unit are summarized below:

(in Euro thousands)	Overdue at 31/12/2023					
	Not overdue	From 0 to 90 days	From 91 to 365 days	From 366 to 730 days	Over 730 days	Total
Integrated E&C Solutions	859,128	105,441	12,544	19,684	122,553	1,119,350
Sustainable Technology Solutions	31,645	6,242	4,704	81	0	42,671
Other	79	94	107	0	4	285
Total trade receivables - third parties	**890,852**	**111,777**	**17,356**	**19,765**	**122,557**	**1,162,306**
Of which:						
Trade receivables due within 12 months Report note 28.12						*1,145,074*
Trade receivables beyond 12 months Report note 28.8						*17,232*

For comparative purposes, the prior year amounts are presented below:

(in Euro thousands)	Overdue at 31/12/2022					
	Not overdue	From 0 to 90 days	From 91 to 365 days	From 366 to 730 days	Over 730 days	Total
Integrated E&C Solutions	487,853	31,277	28,547	7,675	132,242	687,594
Sustainable Technology Solutions	45,623	3,990	1,455	683	7,153	58,904
Other	16	44	5	0	23	88
Total trade receivables - third parties	**533,492**	**35,311**	**30,006**	**8,358**	**139,418**	**746,586**
Of which:						
Trade receivables due within 12 months Report note 28.12						*691,952*
Trade receivables beyond 12 months Report note 28.8						*54,634*

Trade receivables are recorded net of the doubtful debt provision of Euro 14,684 thousand at December 31, 2023 (Euro 14,729 thousand at December 31, 2022).

(in Euro thousands)	31-12-2022	Provisions	Utilizations	Change in consolidation scope	Other movements	31-12-2023
Doubtful debt provision - customers	14,729	1,619	(1,785)	0	121	14,684
Total	**14,729**	**1,619**	**(1,785)**	**0**	**121**	**14,684**

The doubtful debt provision amounted to Euro 1,619 thousand and as already illustrated in Note "27.9 Doubtful debt provision" decreased over the previous year. Although decreasing, the account was again impacted by the geopolitical tension in 2023 related to the crises in Ukraine and in Israel and the rising interest rates which impacted the financial rating of a number of clients, resulting in a deterioration of counterparty risk with consequent impacts on the valuations of financial assets.

In addition to the assessments of the collectability of receivables and in accordance with IFRS 9 concerning impairment models, the Group estimated losses on receivables using the expected loss model based on supporting information available without undue effort or burden, which includes actual data and forecasts and was essentially obtained from information providers that, when quantifying expected losses at the closure date, incorporate the market effects of the continued international geopolitical tensions.

Uses of the doubtful debt provision mainly concern past business and a number of disputed positions closed in the year.

The trade receivables overdue for more than 730 days relate to a reduced number of positions, including in dispute, and are consistently monitored. In many cases they relate to sovereign states, government bodies, overseas state entities, public administrations or large oil companies. Credit risk is, therefore, in many cases linked to country risk. No positions cause concern from a solvency viewpoint, or for the recoverability of the amounts.

32.2. Liquidity risk

This risk concerns the difficulty in sourcing new funding or access to liquid assets, resulting in the enterprise’s failure to satisfy payment commitments, being forced to incur additional funding costs or, in extreme instances, being faced with potential insolvency which may put its going concern at risk.

The Group objective is to implement a financial structure which, in line with business objectives, guarantees an adequate level of liquidity, credit facilities and committed credit lines for the entire Group. The objective is oriented toward securing sufficient financial resources to meet short-term commitments and maturing obligations (including by refinancing transactions or advance funding) and ensuring that an adequate level of financial flexibility is provided for development programs, seeking to maintain a balance in terms of debt duration and composition and an appropriate structure of bank credit facilities. Activities to measure and control liquidity risk are conducted by continuously monitoring forecast cash flows, the maturity of financial liabilities, and the parameters of the main bank loan agreements. These indicators measure expected cash availability in the short term, maturity concentration of financial liabilities and derivatives, and the ratios between financial sources and expected uses in the short and medium term.

Among the measures adopted by the Maire Group to control and make efficient use of its liquidity is a centralized cash pooling system involving the Group’s main companies.

At the present moment, Maire Tecnimont considers that the good levels of liquidity held and prudent and functional management of the credit lines available are important elements for stability and sufficient to guarantee the resources necessary for operating continuity. The management of liquidity risk is based above all on the strategy of containing debt and maintaining financial equilibrium.

Cash and cash equivalents at December 31, 2023, amount to Euro 915,501 thousand, a significant increase of Euro 153,037 thousand compared to December 31, 2022. Assets held-for-sale include additional cash and cash equivalents for Euro 1,871 thousand for an overall increase for the year of Euro 154,908 thousand; cash and cash equivalents ensure short-term financial equilibrium.

Cash flow from operations saw a net generation of cash in the amount of Euro 367,911 thousand for the year, with a constant improvement over the year driven by earnings and changes in working capital.

The Group also believes that the acquisition of major new projects in 2023 will enable it to maintain good levels of liquidity.

The following tables shows the lines of credit and other credit facilities available to the Group as of December 31, 2023, broken down by type, distinguishing between amounts granted and used:

Credit lines granted to and used by the Group at December 31, 2023			
Description	**Amt. Granted (€)**	**Amt. Used (€)**	**Amt. available**
Overdraft facilities, revolving facilities and lines of credit	185,482,866	19,944,901	165,537,964
Advances on invoices - Factoring	5,500,000	2,365,361	3,134,639
M/L loans - Bonds	681,659,252	681,659,252	-
Total	**872,642,118**	**703,969,514**	**168,672,604**

The Euro Commercial Paper (ECP) Program will also allow the Company to diversify its short-term financing instruments, obtain a wider choice of funding and optimize its debt management in terms of maturity and pricing profile. The amounts used and the total granted are set out below:

Credit lines approved and used by the Group at December 31, 2023			
Description	**Amt. Granted (€)**	**Amt. Used (€)**	**Amt. available**
Euro Commercial Paper	150,000,000	21,600,000	128,400,000
Total	**150,000,000**	**21,600,000**	**128,400,000**

The following table analyses the breakdown and maturities of financial liabilities according to non-discounted future cash flows:

31.12.2023 *(In Euro thousands)*	**Due within 1 year**	**Due between 1 & 5 years**	**Due beyond 5 years**	**TOTAL CASH FLOWS**
Financial debt - non-current portion	0	376,440	2,085	378,525
Other non-current financial liabilities	13,000	254,318	0	267,318
Short-term debt	197,320	0	0	197,320
Other current financial liabilities	44,147	0	0	44,147
Finance lease Liabilities - current and non-current	28,701	91,694	25,391	145,786
Financial instruments - Current and non-current derivatives	4,014	3,225		7,239
Total liabilities	**287,182**	**725,677**	**27,476**	**1,040,335**

Future interest is estimated on the basis of existing market conditions at the preparation date of the financial statements.

The “beyond 5 years" portion of financial payables refers to a portion of the loan with Banca Popolare di Sondrio for the activities of MyReplast Industries S.r.l..

The portion of leasing financial liabilities “Beyond 5 years” is the value of the financial liability relating to the right-of-use assets recognized, primarily attributable to the properties in which the Group’s offices are located.

For comparative purposes, the prior year amounts are presented below:

31.12.2022 (In Euro thousands)	Due within 1 year	Due between 1 & 5 years	Due beyond 5 years	TOTAL CASH FLOWS
Financial debt - non-current portion	1,258	306,010	2,017	309,285
Other non-current financial liabilities	4,912	184,145	7	189,064
Short-term debt	326,943			326,943
Other current financial liabilities	2,782			2,782
Finance lease Liabilities - current and non-current	26,618	87,046	38,398	152,062
Financial instruments - Current and non-current derivatives	43,381	80		43,461
Total liabilities	**405,894**	**577,281**	**40,422**	**1,023,597**

32.3. Market risks

CURRENCY RISK

The Group is exposed to risks deriving from exchange rate fluctuations, which may impact on the result and on the net equity value. In particular, where the companies of the Group incur costs and revenues in currencies which do not offset each other, the variance in the exchange rate may impact on the operating result of these companies.

The principal exchange rates the Group is exposed to are:

- USD/EUR, in relation to US Dollar sales on contracts whose revenues are entirely or principally denominated in USD, as acquired in markets where the Dollar is the benchmark for commercial trading;
- EUR/USD, in relation to purchases of Dollars on contracts whose revenues are entirely or mainly denominated in EUR, although the costs are partly sustained in USD.

Other lesser exposures concerning USD/JPY, USD/MYR, EUR/PLN, EUR/NGM and EUR/RUB exchange rates.

In order to reduce currency risk, the Maire Tecnimont Group companies have adopted the following strategies:

- on signing the individual contracts, the part of receipts to cover payments in differing currencies, calculated during the entire duration of the order, are hedged through currency derivatives (cash flow hedging).
- contracts, where possible, are agreed in the payment currency in order to reduce hedging costs.

In the case of loans drawn down by companies of the Group in currencies other than the currency of the individual entities, they assess the need to hedge the currency risk through swap contracts.

The assets and liabilities of companies consolidated in currencies other than the Euro may be translated into Euro at varying exchange rates. In accordance with the accounting principles adopted, the effects of these changes are recorded directly in equity, in the account “Translation reserve”.

RAW MATERIAL PRICE CHANGE RISK

Group results may be impacted by raw material, finished product, transport and insurance cost price changes. This risk is mitigated through a precise and timely procurement policy, the use of derivative contracts, and/or in some cases, by charging the client for increases in the price of supplies, where contractually allowed.

The Group is closely monitoring the supply chain in order to identify and take action to mitigate potential impacts in terms of the cost of materials and services and of procurement times as a result of developments in ongoing conflicts. Furthermore, given the extreme unpredictability of this situation and its impact on contracts, we are adapting our execution strategies and in constant discussions with our clients and with the entire supply chain in order to negotiate mechanisms for managing and sharing the risk and for mitigating the impact on ongoing contracts.

MAIRE TECNIMONT SHARE PRICE CHANGE RISK

The company utilizes derivative instruments to hedge against movements in the Maire Tecnimont share price, in view of the implementation of a buy-back program to satisfy the "Equity Settled" employee plans, as the Group has assigned its capital instruments as additional remuneration for services received (employment). Maire Tecnimont S.p.A therefore subscribed cash-settled Total Return Equity Swap (TRES) derivative instruments, undertaken to hedge against movements in the Maire Tecnimont share price. For accounting purposes, the TRES derivative instruments cannot be designated as a hedging derivative instrument and are valued, in accordance with IFRS 9 at fair value, with the related changes recorded in the income statement.

32.4. Interest rate risk

Maire Tecnimont Group interest rate risk essentially concerns its variable medium/long-term loans. Variable rate debt interest rate risk not hedged through derivative instruments is however partly mitigated by liquidity remunerated at rates indexed to the same debt parameter (euribor). Any consequent interest rate fluctuations may create similar effects upon cash flows generated from inventories, although in an opposing manner than those produced on cash flows related to debt positions.

The Group also has Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE's Garanzia Italia (Italy Guarantee).

The risk on the variable rate debt is partially mitigated by the fact that Group cash deposits are remunerated at interest rates indexed to the same debt parameter (Euribor).

Net Financial Position *(in Euro thousands)*	Total	Hedged portion	Non-hedged portion
Short-term debt	223,920	0	223,920
Medium/long-term debt	534,828	93,750	441,078
Total debt (*)	**758,748**	**93,750**	**664,998**
Total Cash and Cash Equivalents	*(915,501)*	*0*	*(915,501)*

(*) The account does not include the IFRS 16 - Leasing financial liability

32.5. Default and debt covenant risk

This concerns the possibility that loan contracts include clauses permitting the lending Banks and other lenders to request immediate repayment on the occurrence of certain events, resulting therefore in a liquidity risk. The main positions to which the Group is potentially exposed are outlined below.

In 2023, the Group issued a new bond for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million.

In this regard, we report the following:

On September 28, 2023, the public offering in Luxembourg and Italy of the Maire Tecnimont S.p.A. "Senior Unsecured Sustainability Linked Notes due 5 October 2028" Bonds was concluded in advance, with a total nominal value of Bonds subscribed of Euro 200 million, at an issue price of 100% of their nominal value, represented by 200,000 Bonds with a nominal value of Euro 1,000 each. The gross proceeds from the Offering amounted to Euro 200 million.

The interest rate of the Bonds, corresponding to the yield at issuance, is 6.50% per annum gross. It should also be noted that there is a maximum interest rate increase of 0.50% overall where the specific CO2 emission reduction targets are not met.

In fact, the new Bond stipulates an interest rate increase if specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO2 emissions (“Scope 1 and Scope 2”) by 35% compared to the 2018 level, and reduce the CO2 emissions of its suppliers by 9%, particularly through the “Scope 3” emission intensity related to purchased technology-content goods and services, measured as tons of CO2 relative to value added, compared to the 2022 level.

These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN’s SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

Consequently, 200,000 Bonds were issued on October 5, 2023. On the same date, the Bonds began accruing interest, which shall be settled, in arrears, on April 5 and October 5 of each year beginning April 5, 2024; the Bond provides the option of voluntary early redemption from the third year.

The trading commencement date of the Bonds on the MOT set by Borsa Italiana S.p.A., pursuant to Article 2.4.3 of its Regulation, was October 5, 2023. On the same date, the Bonds were also admitted to listing on the official list of the Regulated Market of the Luxembourg Stock Exchange, with the commencement of trading.

The Company continues to integrate its sustainability goals into its financial management, as it did in 2019 with the ESG-linked Schuldschein Loan.

In fact, the new Bond will take into account the Sustainability-Linked Financing Framework approved by the Board of Directors. The Framework, drafted in line with the Sustainability-Linked Bond Principles and

Sustainability-Linked Loan Principles, has been certified by Sustainalitycs as a Second-Party Opinion Provider, and is available along with the certification on the Company's website (www.mairetecnimont.com), in the "Investors" - "Investors and Sustainability" section. The transaction further strengthens MAIRE's commitment to the energy transition, as already represented in the 2023-2032 strategic plan.

The new Bond also includes an incurrence covenant, non-compliance with which would result in debt restrictions and default events in line with the Group's existing medium to long-term debt; specifically, the bond financial covenants require a maximum debt level and the maintenance of a stated net financial position/EBITDA ratio. The measurement of this financial covenant is on an annual basis, whose next measurement will take place with reference to final figures at December 31, 2023.

On July 8, 2020, Maire Tecnimont S.p.A. signed a loan agreement for Euro 365 million, 80% of which was backed by SACE's “Garanzia Italia” (Italy Guarantee), and disbursed by a syndicate of leading Italian financial institutions comprising Banco BPM, Cassa Depositi e Prestiti, Intesa Sanpaolo and Unicredit. The loan mainly supported the working capital needs of the parent company Maire Tecnimont and its main operating companies in Italy, in line with the provisions of the Liquidity Decree of April 9, 2020 and has a total duration of 6 years, of which 2 years grace period and a rate of 1.7% per annum, plus the cost of SACE's Italy Guarantee The financing, with extremely flexible features, as it can be repaid in whole or in part at any time without additional cost, will contribute to strengthening the group's financial structure to cope with the volatility of the markets caused by Covid 19.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan’s financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

On March 13, 2023, Maire Tecnimont S.p.A. signed a new Euro 150 million loan, backed for 80% by SACE S.p.A.’s guarantee and further strengthening the Maire Tecnimont Group’s financial structure. This loan was issued by a syndicate of leading Italian banks, comprising Banco BPM, MPS Capital Services and Intesa Sanpaolo (IMI Corporate & Investment Banking Division). This latter shall act also as the “SACE Agent” and Agent Bank for the transaction. In accordance with Legislative Decree No. 50 of May 17, 2022, the loan shall mainly support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the MAIRE Group’s main operating company headquartered in Italy. The new loan shall have 6-year duration, of which 3 years grace period, a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan’s financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

On May 25, 2023, MAIRE S.p.A. signed a new Euro 40 million loan with BPER Corporate & Investment Banking, backed for 80% by SACE S.p.A.’s guarantee and further strengthening the Group’s financial structure. In accordance with Decree-Law No. 50 of May 17, 2022, the loan is mainly to support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the Group’s main operating company headquartered in Italy. The loan matures in December 2028 and has a three-year grace period. It provides for a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan’s financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

In 2019, Maire Tecnimont made a further commitment to its Green Acceleration project, launched in 2018, by taking out a “ESG Linked Schuldschein Loan” to support Group investments in green technologies. The instrument originally was divided in two tranches (Euro 7.5 million repaid in 2022 and Euro 55 million maturing in 2024) with an average duration of approx. 5 years, total repayment at maturity, and an average rate of approximately 6.15%. The cost of the instrument may also vary – including downwards – in relation to the achievement of the Group's CO2 emission reduction targets.

The bonds are supported by covenants in line with market practice; specifically, the bond covenants regard the maintenance of a ratio between the net financial position and EBITDA on a yearly basis, with the next measurement based on the figures at December 31, 2023.

Maire Tecnimont is currently not aware of any default situations regarding the above-mentioned covenants. The bond covenants, which regard the maintenance of a ratio between the net financial position and net equity, as well as between the net financial position and EBITDA to be next measured based on FY 2023 figures, have been complied with according to the results currently available.

32.6. Risks concerning the Group capacity to obtain and retain guaranteed credit lines and bank guarantees

In the course of operations and, in particular, for participation in tenders, the signing of contracts with operators or receiving advances and payments from such during order execution, the Group is required to issue bank and/or insurance guarantees in favor of operators.

The Group's capacity to obtain such guarantees from banks and/or insurance companies depends on an assessment of the Group's financial statements and, in particular, of the Group company involved, from analysis of the order risk, experience and the Group companies competitive positioning within its sector.

A constant stream of information is sent to the national and international banks and insurance companies with which the Group operates and which are involved in supporting the Group with the granting of the aforementioned banking and/or insurance guarantees in connection with projects for which bidding is in progress. In addition to the existing lines of credit, normally financial counterparties are selected and grant dedicated lines of credit after the Group company is awarded the contract.

At the present moment, Maire Tecnimont is satisfied with the level of credit lines available, which are considered sufficient to guarantee the resources necessary for operating continuity.

32.7. Forward operations and derivative instruments

In presenting hedges, the IFRS 9 requirements are verified for application of hedge accounting. Specifically:

- hedges under IFRS 9: these are broken down between cash flow hedges and fair value hedges. For cash flow hedges (which are currently the only category present), the matured result, where realized, is included in EBITDA with regards to currency and commodity hedges, in the financial management result for interest rate swaps, while the fair value change is recognized to shareholders' equity for the effective portion and to the income statement for the ineffective portion.
- The changes in the fair value of the derivative instruments designated, and which are efficient, to hedge future cash flows relating to the Group contractual commitments are directly recorded under Shareholders' Equity, while the non-efficient portion are immediately recorded in the Income Statement.
- not considered hedges under IFRS 9: the result and the fair value change are recognized to the financial statements under EBITDA in financial income and expenses.

Currency derivatives are undertaken with leading Italian and overseas banks in order to hedge operations and also for accounting purposes.

Derivative instruments at December 31, 2023

The table below shows the outstanding amounts of derivatives in place at the reporting date, analyzed by maturity:

(In Euro thousands)	Book value at 31/12/2023	Notional			
	MTM	Projected cash flows	Within 1 year	From 1 to 5 years	Beyond 5 years
Currency Option (*)	(530)	35,190	35,190		
Currency Forward (*)	5,806	525,443	472,137	53,307	
Interest Rate Swap (*)	3,789	121,875	37,500	84,375	
Commodity (*)	(2,224)	50,691	31,649	19,042	
Tres (*)	16,872	35,033	35,033		

(*) "Level 2" of Fair-Value

The Group has the following forward interest rate contracts:

Description	IRS	Interest Rate	Notional in Euro	Fair value at 31.12.2023
IRS 1	Maire Tecnimont	-0.23%	49,218,749	1,529,864
IRS 2	Maire Tecnimont	-0.23%	49,218,749	1,531,886
IRS 3	Maire Tecnimont	-0.23%	23,437,500	727,698
Total commitments			**121,874,998**	**3,789,447**

The Group has the following forward currency contracts:

Description	Currency	Notional in foreign currency	Notional in Euro	Fair value at 31.12.2023
Forward purchases JPY against EUR sales	JPY	8,384,100,000	56,342,332	(2,090,876)
Forward purchases USD against EUR sales	USD	59,775,300	54,645,011	(961,972)
Forward sales USD against EUR sales	USD	425,370,000	389,702,578	6,991,758
Forward purchases PLN against EUR sales	PLN	131,700,000	28,496,587	1,377,111
Forward purchases of TRY against sale of EUR	TRY	10,000,000	311,042	(8,439)
Forward purchase of GBP against sale of USD	GBP	5,664,000	6,393,156	124,045
Forward purchases of DZD against sale of EUR	DZD	3,700,000,000	24,742,768	(156,099)
Total commitments			560,633,473	5,275,528

The Group has the following forward contracts on raw materials:

Description	Commodity	Tons/Ounces	Notional in Euro	Fair value at 31.12.2023
Forward purchases	Copper	4,486	34,256,107	596,112
Forward purchases	Palladium	12,359	16,435,180	(2,819,669)
Total commitments			50,691,287	(2,223,557)

The Group has the following Total Return Equity Swap (TRES) contracts on the share price:

Description	Shares	Number	Notional in Euro	Fair value at 31.12.2023
TRES 3	Maire Tecnimont	2,067,800	8,687,351	1,230,203
TRES 6	Maire Tecnimont	2,000,000	5,553,200	4,185,602
TRES 7	Maire Tecnimont	5,000,000	15,728,000	9,223,640
TRES 9	Maire Tecnimont	1,500,000	5,064,750	2,232,760
Total commitments			35,033,301	16,872,205

SENSITIVITY ANALYSIS

The potential fair value loss (see table below) of currency risk derivatives (currency forwards, currency swaps and currency options) and derivatives on raw material price changes (commodity forwards), on interest rates (Interest rate swap) and on changes in TRES contracts held by the Group at December 31, 2023, following a hypothetical unfavorable and immediate change of +/-10% in the exchange and interest rates and the price of raw materials and shares of Maire Tecnimont, net of the tax effect which would be as represented below:

Financial instrument (Euro thousands)	Book value at 31/12/2023	Income statement impact	Shareholders' equity impact	Income statement impact	Shareholders' equity impact
Net Financial Assets/Liabilities		+10%		-10%	
Currency (*)	5,275		19,130		(16,948)
Interest Rate Swap (*)	3,789		(377)		377
Commodity (*)	(2,224)		4,792		(4,792)
Tres (*)	16,872	5,189		(5,189)	
Impact on financial assets/liabilities before tax effect		**5,189**	**23,544**	**(5,189)**	**(21,362)**
Tax rate		*24.00%*	*24.00%*	*24.00%*	*24.00%*
Impact on financial assets/liabilities, net of tax effect		**3,943**	**17,894**	**(3,943)**	**(16,235)**
Total increase (decrease)			**21,837**		**(20,178)**

(*) "Level 2" of Fair-Value

Receivables, payables and future cash flows are not considered where hedging operations have been undertaken. It is considered reasonable that currency movements may produce an opposing impact, of an equal amount, on the hedged underlying transactions.

32.8. Classification of the financial instruments

IFRS 7 requires that the classification of financial instruments valued at fair value is determined based on the quality of the input sources used in the valuation of the fair value. The IFRS 7 classification implies the following hierarchy:

- Level 1: fair value calculation according to active market prices. Group instruments do not fall within this category;
- Level 2: fair value measurement according to market prices or similar assets or through measurement techniques for which all significant factors are directly or indirectly based on observable market data. Group instruments fall within this category.
- Level 3: fair value measurement according to valuation models whose input is not based on observable market data ("unobservable inputs"). Some instruments whose value is based on models with inputs not directly based on observable market data are currently in place, particularly in relation to the valuation of minority holdings.

For all derivative instruments used by the Group, the fair value is calculated according to measurement techniques based on observable market parameters ("Level 2"); during, no transfers were made between Level 1 and Level 2 and vice versa.

As required, we report the type of financial instruments present in the financial statements, with indication of the accounting policies applied. The book value of financial assets and liabilities substantially coincide with their fair value.

31-12-2023 *(In Euro thousands)*	Loans and Receivables - Amortized Cost	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Capital instruments - Fair Value OCI (**)	Capital instruments - Fair Value to PL(**)	Total
Other non-current financial assets	63,883	-		14,071	-	**77,953**
Other non-current assets	49,216	-	-	-	-	**49,216**
Trade receivables	1,161,811	-	-	-	-	**1,161,811**
Financial instruments - Current and non-current derivatives	-	16,872	14,081	-	-	**30,953**
Other current financial assets	58,414	-	-	-	1,589	**60,003**
Other current assets	212,004	-	-	-	-	**212,004**
Cash and cash equivalents	915,501	-	-	-	-	**915,501**
Total Financial Assets	**2,460,828**	**16,872**	**14,081**	**14,071**	**1,589**	**2,507,441**

(*) *"Level 2" of the Fair-Value*

(**) *"Level 3" of Fair-Value*

31-12-2022 *(In Euro thousands)*	Loans and Receivables - Amortized Cost	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Capital instruments - Fair Value OCI (**)	Capital instruments - Fair Value to PL(**)	Total
Other non-current financial assets	102,795	-		14,194	-	**116,989**
Other non-current assets	88,179	-	-	-	-	**88,179**
Trade receivables	704,182	-	-	-	-	**704,182**
Financial instruments - Current and non-current derivatives	-	596	16,794	-	-	**17,390**
Other current financial assets	6,570	-	-	-	916	**7,486**
Other current assets	259,597	-	-	-	-	**259,597**
Cash and cash equivalents	762,463	-	-	-	-	762,463
Total Financial Assets	**1,923,786**	**596**	**16,794**	**14,194**	**916**	**1,956,287**

(*) *"Level 2" of the Fair-Value*

(**) *"Level 3" of Fair-Value*

31-12-2023 (In Euro thousands)	Financial Liabilities - Amortized Cost	Financial liabilities - Fair Value (**)	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Total
Financial debt - non-current portion	334,824				**334,824**
Other non-current financial liabilities	199,553	451			**200,004**
Other non-current liabilities	83,438				**83,438**
Short-term debt	180,355				**180,355**
Other current financial liabilities	43,565				**43,565**
Finance lease liabilities - current and non-current	128,373				**128,373**
Financial instruments - Current and non-current derivatives			0	7,240	**7,240**
Trade payables	2,625,845				**2,625,845**
Other Current Liabilities	448,078				**448,078**
Total Financial Liabilities	**4,044,031**	**451**	**0**	**7,240**	**4,051,722**

(*) *"Level 2" of the Fair-Value*

(**) *"Level 3" of Fair-Value*

31-12-2022 (In Euro thousands)	Financial Liabilities - Amortized Cost	Financial liabilities - Fair Value (**)	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Total
Financial debt - non-current portion	290,781				**290,781**
Other non-current financial liabilities	179,681	451			**180,132**
Other non-current liabilities	60,128				**60,128**
Short-term debt	310,837				**310,837**
Other current financial liabilities	2,780				**2,780**
Finance lease liabilities - current and non-current	133,026				**133,026**
Financial instruments - Current and non-current derivatives			2,966	40,495	**43,461**
Trade payables	2,295,802				**2,295,802**
Other Current Liabilities	409,098				**409,098**
Total Financial Liabilities	**3,682,133**	**451**	**2,966**	**40,495**	**3,726,045**

(*) *"Level 2" of the Fair-Value*

(**) *"Level 3" of Fair-Value*

33. Positions or transactions arising from exceptional and/or unusual transactions

In accordance with Consob Communication of July 28, 2006 No. DEM/6064293, the Group did not undertake any atypical and/or unusual operations, as defined in the communication.

34. Significant non-recurring events and transactions

In 2023, the Group did not execute any significant non-recurring operations in accordance with Consob Communication No. DEM/6064293 of July 28, 2006.

35. Subsequent events after December 31, 2023

For significant events following year-end, reference should be made to the accompanying Directors' Report.

36. Statement on the consolidated financial statements as per Article 154-bis, paragraph 5 of Legislative Decree No. 58/98 and subsequent amendments and supplements

1. The undersigned Alessandro Bernini, as “Chief Executive Officer” and Fabio Fritelli, as “Executive Officer for Financial Reporting” of MAIRE TECNIMONT S.p.A. declare, in consideration of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:
    - the adequacy considering the company’s characteristics and
    - the effective application of the administrative and accounting procedures for the compilation of the consolidated financial statements for 2023.
2. In addition, we declare that the consolidated financial statements:
    - are drawn up in conformity with the applicable international accounting standards recognized by the European Union in accordance with Regulation (CE) No. 1606/2002 of the European Parliament and the Commission of July 19, 2002;
    - corresponds to the underlying accounting documents and records;
    - are drawn up as per Article 154-*ter* of the above-stated Legislative Decree No. 58/98 and subsequent amendments and supplements and provide a true and fair view of the balance sheet, income statement and financial position of the issuer and the companies included in the consolidation.
3. The Directors’ Report includes a reliable analysis on the performance and operating result as well as the situation of the issuer and of the companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

This statement is provided also in accordance with Article 154-*bis*, paragraph 2 of Legislative Decree No. 58 of February 24, 1998.

Milan, March 5, 2024

The Chief Executive Officer

Alessandro Bernini

The Executive Officer
for Financial Reporting

Fabio Fritelli

Financial Statements and Explanatory Notes

at December 31, 2023

37. Financial Statements

37.1. Income Statement

(in Euro)	*Note*	December 31, 2023	December 31, 2022
Revenues	*41.1*	99,477,767	92,491,201
Other operating revenues	*41.2*	650,218	8,879,637
Total Revenues		**100,127,985**	**101,370,838**
Raw materials and consumables	*41.3*	(40,237)	(35,536)
Service costs	*41.4*	(27,248,055)	(23,636,919)
Personnel expenses	*41.5*	(48,252,856)	(38,186,988)
Other operating costs	*41.6*	(4,815,984)	(1,232,531)
Total Costs		**(80,357,132)**	**(63,091,974)**
EBITDA		**19,770,853**	**38,278,865**
Amortization, depreciation and write-downs	*41.7*	(1,325,130)	(1,305,636)
Write-down of current assets	*41.8*	0	(1,100,000)
EBIT		**18,445,723**	**35,873,229**
Financial income	*41.9*	62,362,882	21,870,493
Financial expense	*41.10*	(48,479,110)	(24,940,562)
Income before taxes		**32,329,495**	**32,803,159**
Income taxes, current and deferred	*41.11*	2,550,905	6,136,957
Net income for the year		**34,880,400**	**38,940,115**
Basic earnings per share	**41.12**	**0.106**	**0.118**
Diluted earnings per share	**41.12**	**0.106**	**0.118**

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure “Related Party Transactions”, while in the tables no separate indication was provided as not considered significant.

37.2. Comprehensive Income Statement

(in Euro)	*Note*	December 31, 2023	December 31, 2022
Net income/(loss) for the year		**34,880,400**	**38,940,115**
Other comprehensive income/(expense) which may not be subsequently reclassified to income/(loss) for the year:			
Actuarial gains/(losses)	*42.15*	(24,772)	61,361
Relative tax effect	*42.15*	5,945	(14,727)
Total other comprehensive income/(expense) which may not be subsequently reclassified to income/(loss) for the year:		**(18,827)**	**46,634**
Other comprehensive income/(expense) which may be subsequently reclassified to income/(loss) for the year:			
Net valuation of derivative instruments:			
· valuation derivative instruments	*42.15*	(4,096,988)	7,752,869
· relative tax effect	*42.15*	983,277	(1,860,689)
Total other comprehensive income/(expense) which may be subsequently reclassified to income/(loss) for the year:		**(3,113,711)**	**5,892,180**
Total other comprehensive income/(losses), net of tax effect		**(3,132,538)**	**5,938,814**
Total comprehensive income/(loss) for the year		**31,747,862**	**44,878,929**

37.3. Balance Sheet

(in Euro)	*Note*	December 31, 2023	December 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	*42.1*	735,753	604,962
Other intangible assets	*42.2*	4,195,337	4,380,455
Right-of-use - Leasing	*42.3*	6,829,350	6,736,413
Investments in subsidiaries	*42.4*	783,650,910	777,010,234
Financial receivables	*42.5*	265,858,310	201,786,192
Financial instruments - Derivatives (Non-current assets)	*42.6*	930,963	3,990,935
Other non-current assets	*42.7*	319,349	455,934
Deferred tax assets	*42.8*	3,425,662	2,518,925
Total non-current assets		**1,065,945,632**	**997,484,050**
Current assets			
Trade receivables	*42.9*	68,368,827	43,615,719
Current tax assets	*42.10*	58,231,557	46,080,602
Financial instruments - Derivatives (Current assets)	*42.11*	19,730,689	4,491,464
Other current financial assets	*42.12*	279,106,143	251,797,387
Other current assets	*42.13*	2,437,530	2,305,982
Cash and cash equivalents	*42.14*	133,306,898	56,996,941
Total current assets		**561,181,645**	**405,288,094**
Total Assets		**1,627,127,277**	**1,402,772,144**

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure "Related Party Transactions", while in the tables no separate indication was provided as not considered significant.

(in Euro)	Note	December 31, 2023	December 31, 2022
Shareholders' Equity			
Share capital	*42.15*	19,920,679	19,920,679
Share premium reserve	*42.15*	272,921,086	272,921,086
Other reserves	*42.15*	135,215,833	119,256,129
Valuation reserve	*42.15*	2,805,026	5,937,564
Total shareholders' equity & reserves	42.15	**430,862,624**	**418,035,459**
Retained earnings/(accumulated losses)	*42.15*	11,838,175	13,635,879
Net income for the year	*42.15*	34,880,400	38,940,115
Total Shareholders' Equity		**477,581,199**	**470,611,453**
Non-current liabilities			
Financial debt - non-current portion	*42.16*	326,880,602	283,285,042
Provisions for charges - beyond 12 months	*42.17*	4,309,453	2,014,263
Deferred tax liabilities	*42.8*	1,185,294	2,128,539
Post-employment & other employee benefits	*42.18*	639,389	501,965
Other non-current financial liabilities	*42.19*	197,412,906	164,439,640
Non-current financial liabilities - Leasing	*42.20*	6,173,048	6,059,763
Total Non-Current liabilities		**536,600,692**	**458,429,213**
Current liabilities			
Short-term debt	*42.21*	170,332,833	93,289,912
Current financial liabilities - Leasing	*42.20*	761,463	684,418
Provisions for risks and charges - within 12 months	*42.22*	7,482,115	6,266,305
Tax payables	*42.23*	9,505,078	578,050
Financial instruments - Derivatives (Current liabilities)	*42.24*	0	2,966,137
Other current financial liabilities	*42.25*	351,632,062	316,939,666
Trade payables	*42.26*	14,888,666	9,063,232
Other Current Liabilities	*42.27*	58,343,169	43,943,758
Total current liabilities		**612,945,385**	**473,731,479**
Total Shareholders' Equity and Liabilities		**1,627,127,277**	**1,402,772,144**

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure "Related Party Transactions", while in the tables no separate indication was provided as not considered significant.

38. Statement of changes in Shareholders' Equity

(in Euro)	Share capital	Share premium reserve	Legal reserve	Other reserves	Valuation reserve	Retained earnings/accum. losses	Net Income for the year	Shareholders' Equity
December 31, 2021	**19,920,679**	**272,921,086**	**5,328,333**	**105,415,905**	**(1,251)**	**0**	**73,740,964**	**477,325,716**
Allocation of the result						73,740,964	(73,740,964)	0
Distribution of dividends						(60,105,085)		(60,105,085)
Other changes				28,650				28,650
IFRS 2 (Employee share plans)				8,291,824				8,291,824
Utilization Treasury Shares 2022 for staff plans				3,106,358				3,106,358
Acquisition of Treasury Shares 2022				(2,914,941)				(2,914,941)
Comprehensive income/(loss) for the year					5,938,815		38,940,115	44,878,930
December 31, 2022	**19,920,679**	**272,921,086**	**5,328,333**	**113,927,796**	**5,937,564**	**13,635,879**	**38,940,115**	**470,611,453**

(in Euro)	Share capital	Share premium reserve	Legal reserve	Other reserves	Valuation reserve	Retained earnings/accum. losses	Net Income for the year	Shareholders' Equity
December 31, 2022	**19,920,679**	**272,921,086**	**5,328,333**	**113,927,796**	**5,937,564**	**13,635,879**	**38,940,115**	**470,611,453**
Distribution of dividends						(40,737,860)		(40,737,860)
Allocation of the result						38,940,115	(38,940,115)	0
Other changes				(60,096)		41		(60,055)
IFRS 2 (Employee share plans)				16,118,203				16,118,203
Utilization Treasury Shares for staff plans				3,725,699				3,725,699
Acquisition of Treasury Shares 2023				(3,824,103)				(3,824,103)
Comprehensive income/(loss) for the year					(3,132,538)		34,880,400	31,747,862
December 31, 2023	**19,920,679**	**272,921,086**	**5,328,333**	**129,887,500**	**2,805,026**	**11,838,175**	**34,880,400**	**477,581,199**

39. Cash Flow Statement (indirect method)

(in Euro)	December 31, 2023	December 31, 2022
Cash and cash equivalents at beginning of the year (A)	56,996,941	156,852,234
Operations		
Net income/(loss)	**34,880,400**	**38,940,115**
Adjustments:		
Amortization of intangible assets	322,052	332,052
Depreciation of non-current tangible assets	57,319	119,700
Amortization of right-of-use - Leasing	945,759	863,884
Provisions	0	1,100,000
(Revaluations)/Write-downs of investments		
Financial charges	48,479,110	24,940,563
Financial Income	(62,362,882)	(21,870,493)
Income & deferred tax	(2,550,905)	(6,136,957)
(Gains)/Losses		
(Increase) / Decrease in trade receivables	(24,753,109)	(2,128,393)
Increase/(Decrease) in other liabilities	14,399,411	3,143,819
(Increase)/Decrease in other assets	5,037	(648,644)
(Increase)/Decrease of deferred tax assets and liabilities	(1,514,967)	6,219,839
Increase/(Decrease) in trade payables	5,825,434	(1,244,816)
Increase / (Decrease) in provisions (incl. post-employ. benefits)	16,789,490	8,680,498
Income taxes paid	(18,816)	(10,425,096)
Cash flow from operations (B)	30,503,334	41,876,072
Investments		
(Investment)/Disposal of non-current tangible assets	(188,111)	(360,246)
(Investment)/Disposal of intangible assets	(136,933)	0
(Increase)/Decrease in other investments	(22,668)	(5,667)
Cash flow from investments (C)	(347,712)	(365,913)
Financing		
Repayments of principal of financial lease liabilities	(848,366)	(785,592)
Payment interest on finance lease liabilities	(274,307)	(265,907)
Increase/(Decrease) in current financial payables	21,767,233	1,003,257
Settlement of non-current financial payables	(91,250,000)	(53,125,000)
Undertaking of non-current financial payables	190,121,249	0
(Increase)/Decrease in securities/bonds	51,400,179	2,500,000
Change in other financial assets/liabilities	(80,199,690)	(27,672,184)
Dividends	(40,737,861)	(60,105,085)
Treasury Shares	(3,824,103)	(2,914,941)
Cash flow from financing (D)	46,154,334	(141,365,452)
Increase/(Decrease) in cash and cash equivalents (B+C+D)	76,309,956	(99,855,293)
Cash and cash equivalents at end of year (A+B+C+D)	133,306,897	56,966,941

The transactions with related parties, pursuant to Consob Resolution No. 15519 of July 27, 2006, are illustrated in the separate disclosure “Related Party Transactions”, while in the tables no separate indication was provided as not considered significant.

40. Explanatory Notes at December 31, 2023

BASIS OF PREPARATION

Introduction

Maire Tecnimont S.p.A. is a company incorporated in Italy at the Rome Companies Registration Office. The company has its registered office in Rome, Viale Castello della Magliana No. 27 and its operating headquarters in Milan, via Gaetano De Castillia, 6A, where the core activities are carried out.

Maire Tecnimont is an investment holding company, heading a Group operating on an international scale, in the field of natural resource transformation, with cutting-edge executive and technological skills. The Group is a leader in plant engineering in the downstream oil&gas, petrochemical, fertilizer and energy sectors. It also offers solutions in the field of green chemistry and energy transition technologies to meet the needs of clients engaged in the decarbonization process.

Maire Tecnimont, pursuant to Article 93 of the Consolidated Finance Act, is controlled by GLV Capital S.p.A. ("GLV Capital"). For further details, reference should be made to the Group's institutional website www.mairetecnimont.com.

According to the provisions of the first paragraph of Article 4 of Legislative Decree 38/2005, the statutory financial statements of Maire Tecnimont S.p.A. (separate financial statements), as listed on an Italian regulated market, have been prepared according to International Financial Reporting Standards (hereafter “IFRS” or international accounting standards) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure at Article 6 of Regulation (EC) No. 1606/2002 of the European Parliament and Council of July 19, 2002. The financial statements are prepared under the historical cost convention, modified where applicable for the valuation of certain financial instruments.

The financial statements are presented in Euro which is the Company’s functional currency.

Going concern

Based on the results achieved, the Group and the Company consider the going concern principle appropriate for the preparation of the annual report at December 31, 2023. See also the “Key Events in the year” and the “Subsequent events and outlook” paragraphs of the Directors’ Report.

Financial statements

The financial statements and disclosure reported in these statutory financial statements were prepared as per IAS 1 REVISED, CONSOB communication No. 1559 and CONSOB communication No. 6064293, issued on July 28, 2006.

The Balance Sheet accounts are classified between current and non-current, while the Income Statement and Comprehensive Income Statement are classified by nature of expenses.

The Cash Flow Statement is presented in accordance with the indirect method, adjusting the income for the period with non-cash items.

The statement of changes in Shareholders’ Equity reports comprehensive income (charges) for the period and the other changes in Shareholders’ Equity.

IFRS Accounting Standards, Amendments and Interpretations applied from January 1, 2023

The following amendments and interpretations applied from January 1, 2023 did not have a significant impact on the company’s separate financial statements.

- On June 25, 2020, the IASB issued amendments to IFRS 17 "Insurance Contracts" that define the accounting treatment of insurance contracts issued and reinsurance contracts held. The provisions of IFRS 17, which go beyond those currently envisaged by IFRS 4 "Insurance Contracts", are intended to help businesses implement the standard and (i) reduce costs by simplifying the requirements of the standard; (ii) make it easier to make disclosures in the financial statements; (iii) facilitate the transition to the new standard by postponing its entry into force.

Any application refers only to the separate financial statements, as Maire S.p.A. assumed commitments to clients and/or other beneficiaries to fulfil obligations, contractually undertaken by the company and/or subsidiaries awarded tenders as part of their core operations and therefore in the execution of orders, in the case of non-fulfilment of such and for the reimbursement for any damage from such non-fulfilment. According to the new IFRS 17, this would fall under performance bond contracts, as such are covered by the standard's definition of an insurance contract.

It should be noted, however, that performance bond contracts issued to subsidiaries contain full recourse clauses and therefore do not fall within the scope of IFRS 17.

- On February 12, 2021, the IASB issued Amendments to IAS 1 "Disclosure of Accounting Policies" and Amendment to IAS 8 "Definition of Accounting Estimates". The changes are intended to improve disclosure on accounting policies to provide more useful information to investors and other primary users of financial statements and to help companies distinguish between changes in accounting estimates and changes in accounting policies.
- On December 9, 2021, the IASB issued the Amendment to IFRS 17 "Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information". The amendment is a transition option related to comparative disclosure on financial assets presented upon first-time application of IFRS 17. The amendment is intended to help entities avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus improve the utility of comparative disclosure for users of financial statements.
- On May 7, 2021, the IASB issued the Amendment to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The amendments require companies to recognize deferred taxes on some transactions that upon initial recognition result in temporary differences that are taxable and deductible in equal value.
- On May 23, 2023, the IASB issued the Amendments to IAS 12 Income taxes document: International Tax Reform – Pillar Two Model Rules:

  On January 1, 2024, the Pillar 2 rules under EU Directive No. 2523 of December 14, 2022, implemented in Italy by Legislative Decree No. 209 of December 27, 2023 ("Decree"), came into effect, implementing the international tax reform. These rules apply to the GLV Group, as GLV Capital S.p.A. is the parent company.

  Under Pillar 2 rules, entities included in the Group's scope (wherever they may be located) must be subject to an effective income tax level of at least 15%, to be determined on the basis of a comprehensive assessment based on accounting and tax data. In the event that these entities are subject to an effective taxation level of less than 15%, a minimum tax ("Top-Up Tax") will be applied such that the effective taxation level reaches 15%.

  In accordance with the disclosure requirements of IAS 12, the GLV Group carried out an analysis, with the support of an external consultant, in order to identify the scope of application of the Pillar 2 rules, as well as the potential impacts resulting from the application of the regulations in the various states in which it operates.

  In line with the provisions of the Decree and the OECD guidelines, the GLV Group has adopted Transitional Safe Harbors ("TSH"), with reference to each country in which it operates.

  With regard to the states for which none of the TSH tests have been passed, the GLV Group will be required to calculate the level of effective taxation on the basis of the entire set of Pillar 2 rules provided for in the Decree by making the adjustments under these rules therefore to the accounting and tax data of the entities located in those states, including for the purpose of determining - where the level of effective taxation is less than 15% - the amount of the minimum tax due.

  Based on the analysis performed, for Pillar 2 purposes, GLV Capital S.p.A. qualifies as the "Ultimate Parent Company" ("UPE") and Maire Tecnimont S.p.A. qualifies as a "Partially-Owned Parent Entity" ("POPE").

  The application of TSHs was conducted based on the information available in the Country-by-Country Report, prepared by UPE for FY 2022, considering the "aggregate data" of the entities belonging to the GLV Group for each state in which it operates ("jurisdictional approach").

Based on this analysis, the following states may be considered as TSH: (i) Albania, (ii) Algeria, (ii) Angola, (iii) Azerbaijan, (iv) Brazil, (v) Bulgaria, (vi) Cameroon, (vii) Egypt, (viii) Philippines, (ix) France, (x) Germany, (xi) India, (xii) Iran, (xiii) Italy, (xiv) Kuwait, (xv) Indonesia, (xvi) Malaysia, (xvii) Mexico, (xviii) Nigeria, (xix) Netherlands, (xx) United Kingdom, (xxi) Dominican Republic, (xxii) Russia, (xxiii) Slovakia, (xxiv) Switzerland, (xxv) USA, (xxvi) Spain, (xxvii) Libya, (xxviii) Portugal.

The following states may not be considered TSH: (i) Saudi Arabia, (ii) Belgium, (iii) Chile, (iv) Croatia, (v) UAE, (vi) Oman, (vii) Poland, (viii) Turkey.

However, the combined application of the TSH and Pillar 2 rules, according to the assessments so far, is not expected to result in any Top-Up-Tax related exposure for the GLV Group in FY2024.

The above considerations are based on a prospective assessment of the tax charge, determined in light of currently available data and information and based on a simplified approach. A timely estimate of the tax charge by jurisdiction will only be possible after the data for FY 2024 is available.

Finally, it should be noted that, in accordance with IAS 12, the company has not recognized any effect for deferred taxation purposes arising from the entry into force of the Pillar 2 rules as of January 1, 2024.

IFRS and IFRIC accounting standards, amendments and interpretations approved by the EU, not yet mandatory and not adopted in advance by the Group at December 31, 2023

- On July 15, 2020, the IASB issued an Amendment to IAS 1 "Classification of Liabilities as Current or Non-current - Deferral of Effective Date" whereby, due to the COVID-19 pandemic, the effective date of the amendments was postponed to January 1, 2024.
- On October 31, 2022, the IASB issued Amendment to IAS 1 "Non-current Liabilities with Covenants“. The amendments are effective for fiscal years beginning on, or after, January 1, 2024.
- On September 22, 2022, the IASB issued the document Amendment to IFRS 16 "Leases: Lease Liability in a Sale and Leaseback”, the amendments are effective from years beginning on, or subsequent to, January 1, 2024.

IFRS accounting standards, amendments and interpretations not yet approved by the European Union at December 31, 2023

At the date of the present Annual Report, the relevant bodies of the European Union have not yet concluded the process necessary for the implementation of the amendments and standards described below:

- On May 25, 2023, the IASB issued the document Amendment to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Agreement”, which is scheduled to take effect on January 1, 2024.
- On August 15, 2023, the IASB published "Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability: which is scheduled to take effect on January 1, 2025.

The Company is currently assessing the possible impact of the above changes.

ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of the financial statements are illustrated below.

The accounting policies utilized in preparing the 2023 separate financial statements are the same as those adopted in preparing the 2022 separate financial statements, except for the changes resulting from the first-time adoption of the international accounting standard which entered into effect on January 1, 2023, as discussed above in the "Accounting standards applied from January 1, 2023" paragraph.

Business combinations

Business combinations are recorded in accordance with the purchase method. The cost of the business combination is measured as the aggregate of the fair values, at the date of exchange, of assets acquired, liabilities incurred or assumed, and equity instruments issued by the Company, in exchange for control of the company acquired, plus any costs directly attributable to the business combination.

The identifiable assets, liabilities and contingent liabilities of the company acquired that comply with the conditions for recognition under IFRS 3 are recognized at their fair value at the acquisition date, with the exception of non-current assets (or disposal groups) which are classified as held-for-sale in accordance with IFRS 5 and are recognized and measured at fair value, net of sales costs.

Goodwill deriving from acquisition is recognized under assets and initially measured at cost, represented by the excess of the acquisition cost compared to the Group share in the present value of the identifiable assets, liabilities and contingent liabilities recognized. Where, after the measurement of these values, the Group share in the present value of the identifiable assets, liabilities and contingent liabilities exceeds the acquisition cost, the excess is immediately recorded in the Income Statement.

Investments

Investments in subsidiaries, in jointly held subsidiaries and in associates, differing from those held-for-sale, are measured at purchase cost including direct accessory costs. Where there is an indication of a reduction in the value of an asset, its recovery is verified comparing the carrying value with the relative recoverable value, represented by the higher between the fair value, net of selling costs, and the value in use. In the absence of a binding sales agreement, the fair value is estimated on the basis of the values in an active market, from recent transactions or on the basis of the best information available to reflect the amount which the entity could obtain from the sale of the asset. The value in use is generally established, within the limits of the corresponding portion of net equity of the investee from the consolidated financial statements, by discounting the projected cash flows of the asset and, if significant and reasonably calculable, from its disposal, less disposal costs. The cash flow is determined on the basis of reasonable and documented assumptions represented by the best estimates of the expected economic conditions, giving greater significance to the indications obtained from outside sources. Discounting is carried out at a rate which takes account of the implied risk within the company's operating sector. The risk deriving from any losses exceeding the net equity is recorded in a specific account up to the amount the parent company is committed to comply with legal or implicit obligations in relation to the investee or in any case to cover the losses.

If the reasons for the recognition of the impairment loss no longer exist, the previously recognized impairment loss shall be reversed. The amount of the reversal shall be recognized in the income statement under investment income/expense. Other investments are measured at fair value with recognition of the effects to the income statement if held-for-trading, or to the "Other reserves" net equity account; in this latter case, the reserve is recognized to the income statement on write-down or realization. Where the fair value may not be reliably calculated, the investments are valued at cost, adjusted for impairments; impairments may be not written back.

Investments held-for-sale are measured at the lower of their book value and fair value, less selling costs.

Non-current assets classified as held-for-sale

Non-current assets (and disposal groups) are classified as held-for-sale when their carrying value is expected to be recovered by means of a sales transaction rather than through use in company operations. This condition is met only when the sale is highly likely, the assets (or group of assets) are available for immediate sale in their current condition and, consequently, management is committed to a sale, which should take place within 12 months of the classification as held-for-sale.

Non-current assets (and disposal groups) classified as held-for-sale are measured at the lower of their previous carrying value and market value less selling costs.

Revenue recognition

Revenues are recorded at the fair value of the amount received less returns, discounts and allowances as follows:

- revenue from sales: on the effective transfer of the risks and rewards typically connected with ownership;
- revenue from services: on the provision of the service.

The Company classifies exchange differences deriving from commercial operations under operating results, and in particular in the accounts other operating revenues and other operating costs depending on whether the net effect is a gain or loss, with detailed information provided in the Explanatory Notes.

Dividends received

Dividends are recognized where the shareholder right to receipt arises, normally the year in which the Shareholders' Meeting of the investee is held approving the distribution of profits or reserves.

Property, plant and equipment

Plant and machinery utilized for the production or the provision of goods and services are recorded in the financial statements at historic cost, including any accessory and direct costs necessary for the asset to be available for use.

Plant, machinery & equipment are recognized at cost, net of accumulated depreciation and any write-down for loss in value.

Depreciation is calculated on a straight-line basis on the cost of the assets, according to their estimated useful life, which is reviewed annually at following rates:

Asset Category	Rate
Land	0%
Buildings	from 2% to 10%
Plant & machinery	from 7.5% to 15%
Industrial and commercial equipment	15%
Furniture	12%
EDP	20%
Motor vehicles	from 20% to 25%

Gains and losses deriving from the disposal or sale of assets are determined as the difference between the sales revenue and the net book value of the asset and are recorded in the Income Statement in the year.

Ordinary maintenance costs are fully charged to the income statement.

Improvements on the original value of the assets are capitalized and depreciated based on their residual utilization.

Leasehold improvements which may be recorded as an asset are recognized under property, plant and equipment and depreciated at the lower between the residual duration of the contract and the residual useful life of the asset.

Grants

Capital grants are recognized when there is reasonable certainty that they will be received and that the conditions will be satisfied for their attainment.

Capital grants are recorded as a direct reduction of the asset to which they refer. The value of an asset is adjusted by straight-line depreciation, calculated on the basis of the residual useful life of the asset.

Intangible assets

Intangible assets acquired separately are recorded at cost less amortization and any net loss in value. Amortization is calculated on a straight-line basis over the useful life of the asset. The amortization method and the residual useful life are reviewed at the end of each accounting period. The effects deriving from the change in the amortization method and the residual useful life are recorded prospectively.

Intangible assets generated internally – research and development costs

Research costs are expensed to the income statement in the period in which they are incurred.

Intangible assets generated internally deriving from the development phase of a Company internal project are only recognized under assets when the following conditions are met:

- There is the technical feasibility to complete the intangible asset for its use or sale;
- There is the intention to complete the intangible asset and utilize or sell the asset;
- There is the capacity to utilize or sell the intangible asset;
- It is probable that the asset created will generate future economic benefits;
- There exists the technical, financial and other resources in order to complete the development and utilize or sell the asset during the development phase.

The initial amount recognized of the intangible assets generated internally corresponds to the sum of the expenses incurred at the date in which the asset meets the criteria described above. Where these expenses may not be recorded as intangible assets generated internally, the development expenses are expensed in the Income Statement in the period in which they are incurred.

Subsequent to initial recognition, the intangible assets generated internally are recorded at cost less any accumulated loss in value and amortization, as occurs for intangible assets acquired separately.

Intangible assets acquired through a Business Combination

Intangible assets acquired in a business combination are identified and the amortization is recorded where they satisfy the definition of intangible assets and their fair value may be determined reliably. The cost of these intangible assets is their fair value at the acquisition date. Subsequent to initial recognition, the intangible assets acquired in a business combination are recorded at cost less amortization and any accumulated loss in value, as occurs for intangible assets acquired separately.

Right-of-use - Leasing

IFRS 16 establishes a single model for accounting for lease contracts involving the recognition by the lessee of a right-of-use asset and a lease liability representing the obligation to make the payments required under the contract. At the commencement date (the date on which the asset is made available for use), the right of use is initially measured at cost as the sum of the following:

- the initial amount of the lease liability;

- the payments due for the lease made on or before the commencement date, net of any incentives received for the lease;

- the initial direct costs incurred by the lessee;

- the estimated costs that the lessee expects to pay to dismantle and remove the underlying asset and restore the site in which it is located or to restore the underlying asset to the conditions provided for in the terms and conditions indicated in the lease contract.

After initial recognition, the right of use is amortized, tested for impairment and adjusted to reflect any restatement of the lease liability. Amortization is applied on a straight-line basis according to the term of the contract, taking account of renewal/termination options that are highly likely to be exercised. Only if the lease provides for a reasonably certain purchase option is the right-of-use asset amortized systematically over the entire useful life of the underlying asset.

After initial recognition, the right of use is amortized, tested for impairment and adjusted to reflect any restatement of the lease liability. Amortization is applied on a straight-line basis according to the term of the contract, taking account of renewal/termination options that are highly likely to be exercised. Only if the lease provides for a reasonably certain purchase option is the right-of-use asset amortized systematically over the entire useful life of the underlying asset.

Impairment of tangible, intangible and financial assets

At each reporting date, the Company reviews the carrying value of its intangible, tangible and financial assets to determine if there are indications that these assets have incurred a loss in value. Where it is not possible to make an estimate of the recoverable amount of an asset individually, the Company makes an estimate of the recoverable amount of the cash-generating unit the asset belongs to. When it is established that a potential loss exists, an estimate of the recoverable amount is made in order to identify the amount of the loss.

The indefinite intangible assets, such as goodwill and brands, are verified annually and whenever there is an indication of a possible loss in value, in order to determine if there has been a loss in value.

The recoverable value is the higher between fair value less costs to sell and value in use. In determining the value in use, the estimated future cash flows are discounted on a pre-tax basis which reflects the market assessment of the time value of money and the risks specific to the asset. In the determination of this value various cash flow scenarios are utilized (sensitivity analysis).

If the recoverable value of an asset (or a CGU) is considered lower than its carrying value, it is reduced to its recoverable value. A loss in value is recognized in the income statement immediately.

Where, subsequently, the loss in value no longer exists or reduces, the book value of the asset is increased up to the new estimate of the recoverable value and may not exceed the value which would be determined where no loss in value had been recorded. The reversal of a loss in value is immediately recorded in the income statement.

In addition, IFRS 16 requires that lessees test rights of use associated with leased assets for impairment in accordance with IAS 36, similarly to other owned company assets. Accordingly, when there are signs of impairment, it must be determined whether the right of use may be tested on a stand-alone basis or at the level of CGU.

With reference to the recoverability test of the “Right-of-Use”, the Company decided to include the right-of-use net of the related lease liability in the CGU being assessed and determine the value in use considering the outlays for lease rentals using a pre-IFRS 16 discounting rate.

Financial instruments

The classification of the financial instruments as per IFRS 9 is based on the “business model” and on the characteristics of the contractual cash flows of the instruments. The “business model” represents the management model of the financial assets held by the company on the basis of the strategic objectives defined, in order to generate cash flows by collecting the contractual cash flows, selling financial assets or managing both models.

Financial assets and liabilities are recorded in the financial statements when the Company has the contractual obligations of the instrument.

Financial assets

The “business models” utilized by the company are:

- Held To Collect (HTC), managed to collect contractual cash flows: corresponding to the wish to hold the instruments until maturity;

- Held To Collect and Sell (HTC&S), managed to collect contractual cash flows and for sale: corresponding to the wish to meet liquidity needs and minimize liquidity management cost and maintain the risk profile;

- Other – residual category, managed for trading; corresponding to the wish to maximize contractual cash flows through sale.

Receivables

In considering the classification of financial assets, the company’s business model and cash flow characteristics were taken into account. In particular trade receivables are classified in the category of the receivables Held-to-collect, corresponding to the wish to hold the instruments until maturity.

Receivables are initially recognized at fair value and subsequently measured at amortized cost, utilizing the effective interest rate method, net of the relative losses in value with reference to amounts considered non-recoverable, recorded in a specific doubtful debt provision. The original amount is restated whenever the reasons for the adjustment no longer apply. In this case, any reversal of previous provisions are recorded in the income statement and may not exceed the amortized cost of the receivable in the absence of the previous adjustments.

Trade receivables which mature within the normal commercial terms are not discounted. Receivables in currencies other than the operational currency of the individual companies are recorded at the period-end exchange rates.

Other financial assets

Financial assets are recognized at cost, recorded at the trading date, represented by the fair value of the initial amount given in exchange, increased by any transaction costs (for example: commissions, consultancy etc.) directly attributable to the acquisition of the asset. After initial recognition, these assets are measured at amortized cost using the original effective interest method.

Financial assets held for speculative purposes in the short-term are recognized and measured at fair value, with changes recorded in the income statement.

With regards to the valuation of financial assets concerning minority investments, IFRS 9 requires fair value measurement. These investments are measured at fair value with changes to the statement of comprehensive income, although as not listed on an active market, the fair value is therefore estimated, although does not vary from the cost and the relative portion of equity.

Cash and cash equivalents

Cash and cash equivalents include cash balances and bank current accounts and deposits repayable on-demand, plus other highly liquid short term financial investments that can be readily converted into cash and are not subject to a significant risk of a change in value.

Impairment model

The method is based on a predictive approach (expected credit losses model), based on the probability of default and the capacity of recovery in the event of a loss given default.

In the estimate of the impairment of receivables official ratings are utilized where available or internal ratings, to determine the probability of default of the counterparty; the capacity of recovery was also identified in the case of a loss given default of the counterparty based on historical experiences and different possible recovery methods.

Currently, all company receivables are inter-company and in consideration of the net exposure of the company towards these parties, no impairment effects are indicated.

Financial liabilities and Equity instruments

Financial liabilities and Equity instruments issued by the Company are classified in accordance with the underlying contractual agreements and in accordance with the respective definition of liabilities and Equity instruments. These latter are defined as those contracts which give the right to benefit from the residual interest of the assets of the company after the reduction of the liabilities. The accounting policies adopted for specific financial liabilities and Equity instruments are described below.

Payables

Payables are initially recorded at cost, corresponding to the fair value of the liability, net of directly attributable transaction costs.

Subsequent to initial recognition, the payables are measured under the amortized cost method, utilizing the effective interest rate method. This category includes interest bearing bank loans, overdrafts, non-convertible bonds and trade payables.

The trade payables which mature within the normal commercial terms are not discounted. Payables in currencies other than the operational currency of the individual companies are recorded at the period-end exchange rates.

Fair value measurement

Fair value is the amount in which an asset (or a liability) may be exchanged in a transaction between independent counterparties with reasonable knowledge of the market conditions and significant events related to the item under negotiation. The presumption that an entity is fully operational and does not need to liquidate or significantly reduce activities, or undertake operations at unfavorable conditions, is fundamental to the definition of fair value. The fair value reflects the credit quality of the instrument as it incorporates the counterparty risk.

Receivables and Payables

For receivables and payables recorded in the financial statements at cost or amortized cost, the fair value for the purposes of the disclosure to be provided in the Explanatory Notes is determined as follows:

- for short-term receivables and payables, it is considered that the value paid/received reasonably approximates fair value;

- for medium/long-term receivables/payables, the measurement is principally undertaken through the discounting of future cash flows. The discounting of the expected cash flows is normally undertaken through the zero coupon curve increased by the margin represented by the specific credit risk of the counterparty.

Other financial instruments (Debt and equity securities)

The fair value for this category of financial asset is measured taking as reference the listed prices at the reporting date of the financial statements where existing, otherwise with reference to technical valuations utilizing as input exclusively market data.

Other financial instruments (Minority holdings)

The fair value for this category of financial assets is calculated according to valuation models whose input is not based on observable market data (“unobservable inputs”).

Financial liabilities - Leasing

Under IFRS 16, the lease liability is initially measured at the present value of the payments due at the commencement date, which include:

- the fixed payments that are reasonably certain to be paid, net of any lease incentives to be received;

- the variable payments due that depend on an index or a rate (variable payments such as rentals based on the use of the leased asset, are not included in the lease liability, but taken to the income statement as operating costs over the term of the lease contract);

- any amounts expected to be paid as security for the residual value granted to the lessor;

- the exercise price of the purchase option, if the lessee is reasonably certain to exercise it;

- the penalty payments for breaking the lease, if the lessee is reasonably certain to exercise this option.

The present value of these payments is calculated by adopting a discount rate equal to the implicit interest rate on the lease or, where this cannot be easily determined, using the lessee’s incremental financing rate. The lessee’s incremental financing rate is based on the Company’s incremental financing rate, i.e. the rate that the Company would have to pay to borrow the funds needed to purchase an asset of similar value in a similar financial context and with similar terms and conditions.

Future cash flows are therefore discounted at the risk free rate of the respective currencies, plus a spread for the specific risk of the Company, established as the difference between the yield on the listed Maire Tecnimont S.p.A. debt securities against an instrument with similar features but without risk.

After initial recognition, the lease liability is measured at amortized cost (i.e., by increasing its carrying amount to take account of the interest on the liability and decreasing it to take account of the payments made) using the effective interest rate and is redetermined, with a balancing entry to the carrying amount of the related right-of-use, to reflect any modifications to the lease following contractual renegotiations, changes in indices or rates or modifications relating to the exercise of contractually established renewal, early termination or leased asset purchase options.

The extension and termination options are included in a series of lease agreements mainly related to Company properties. To determine the duration of the lease agreement, management takes account of all facts and circumstances that can

generate a financial incentive to exercise an option to extend or not exercise an option to terminate.

Extension options (or periods following termination options) are included in the duration of the lease agreement only if it is reasonably certain that the lease agreement will be extended (or not terminated).

The Standard eliminates the classification, for the lessee, of leases as operating or financial, with limited exceptions to the application of the accounting treatment (allocation of lease rentals to the income statement on an accrual basis for leases that qualify as “short-term” or “low-value”). For the financial statements of lessors, however, the separation is maintained between operating and financing leases.

The Company adopts the exemptions allowed by the standard; therefore, leasing costs referring to rental or lease agreements that envisage variable payments, or assets of minimal value (i.e. less than USD 5,000) or with a duration of less than 12 months, are expensed gradually over time as they are incurred.

Equity instruments

Equity instruments issued by the Company are recognized based on the amount received, net of direct issue costs.

Convertible bonds

In accordance with IAS 32 “Financial Instruments: Presentation in the financial statements” convertible bonds are recorded as hybrid financial instruments, formed by two components which are treated separately only if significant: a liability and a conversion option. The liability corresponds to the present value of the future cash flows based on the current interest rate at the issue date for an equivalent non-convertible bond. The value of the option is defined as the difference between the net amount received and the amount of the liability and is recorded under equity. The value of the conversion option in shares does not change in subsequent periods. On the contrary, where the characteristics of the bond result in, on the exercise of the conversion right, the right of the company to deliver shares or offer a combination of shares and cash, the option is recognized as a financial liability for the incorporated host, measured at fair value through P&L, while the difference compared to the original nominal value or rather the financial liability (host) is recorded at amortized cost.

Derivative instruments and hedge accounting

The company utilizes derivative instruments to hedge against fluctuations in the Maire Tecnimont share price, known as Total Return Equity Swaps (TRES), in view of the implementation of a buy-back program. The structure of the contracts in place is in line with the Group “hedging” policy.

For accounting purposes, the TRES derivative instruments cannot be designated as a hedging derivative instrument and are valued, in accordance with IFRS 9 at fair value, with the related changes recorded in the income statement.

The accounting of the hedging instruments differs depending on the objective of the hedge: cash flow hedges or fair value hedges.

Fair value calculation

The fair value of financial instruments is represented by the current market price or, in their absence the application of appropriate financial valuation models which take into consideration all the factors adopted by market operators and the prices obtained in a real market transaction.

In particular, the fair value of the TRES is measured discounting the expected cash flows, calculated on the basis of market interest rate at the reference date and the price of the underlying listed shares.

Cash flow hedge

The changes in the fair value of the derivative instruments which are designated, and which are efficient, to hedge future cash flows relating to the Company contractual commitments are directly recorded under Equity, while the non-efficient portion are immediately recorded in the Income Statement.

The amounts recorded directly under Equity are included in the Income Statement in the same period that the contractual commitment hedged is included in the Income Statement.

Derecognition of financial instruments

Financial assets are eliminated from the balance sheet when the right to receive the cash flows no longer exists and all the related risks and benefits are substantially transferred (so-called derecognition) or where the item is considered definitively non-recoverable after the completion of all the necessary recovery procedures. Financial liabilities are derecognized from the balance sheet when the specific contractual obligations are extinct. Receivables transferred following factoring operations are eliminated from the balance sheet only when the related risks and benefits of ownership have been substantially transferred. With recourse receivables and non-recourse receivables which do not satisfy these requisites remain on the balance sheet of the company, even if legally transferred; in this case a financial liability of a similar amount is recorded under liabilities against advances received.

Shareholders' Equity

Share capital

The share capital is the amount of the subscribed and paid-in capital of the Company. The costs strictly related to the issue of new shares are classified as a reduction of the share capital when they refer to costs directly attributable to the equity operation.

Treasury shares

They are recorded as a decrease of the shareholders' equity. The costs incurred for the issue of new shares by the Company are recorded as a reduction in equity, net of any deferred tax effect. The gains or losses for the purchase, sale, issue or cancellation of treasury shares are not recorded in the income statement.

Retained earnings/(accum. losses)

This refers to the results of previous years for the part not distributed or recorded under reserves (in the case of profit) or recapitalized (in the case of losses). The account 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.

Other reserves

These include, among others, the legal reserve and the extraordinary reserve.

Valuation reserve

These include, among others, the actuarial reserve on defined benefit plans recognized directly to equity.

Contractual liabilities deriving from financial guarantees

The contractual liabilities deriving from financial guarantees are initially measured at their fair value and subsequently measured at the higher between:

- the amount of the contractual obligation, determined in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets;
- the initial amount recorded net, where applicable, of the accumulated amount recorded in accordance with the recognition of the revenues as described above.

Provisions for risks and charges

Provisions are recorded when the Company has a current obligation (legal or implied) that is the result of a past event and it is probable that the Company will be required to fulfil the obligation. Provisions are made based on the best estimate of the cost of fulfilling the obligation at the reporting date, and are discounted when the effect is significant.

When the Company considers a provision for risks and charges must be in part or in full reimbursed, the indemnity is recorded under assets only when the reimbursement is almost certain and the amount of reimbursement may be determined reliably.

Onerous contracts

Where the Company has an onerous contract, the current obligation contained in the contract must be recognized and measured as a provision.

An onerous contract is a contract in which the non-discretional costs necessary to settle the obligations exceed the economic benefits deriving from such.

Personnel incentive plans

The Group recognizes additional benefits to employees through the cash incentive plans. These plans represent a remuneration component of the beneficiaries; therefore, the cost is recognized in the income statement under “Personnel expense” over the period between the granting date and that of maturity and under provisions for risks and charges.

The financial effects of the Plans are estimated and recognized in accordance with IAS 19 by adequately weighing the defined maturity conditions (including the probability of employees remaining in the Group for the duration of the Plan); at the end of each year the estimate is updated and recognized under “Personnel expense”. The plans within this category included the MBO incentive system, both in its short-term and deferred long-term component, and the annual attendance bonus.

Guarantees

The provisions for guarantee costs are accrued when it is considered probable that the request to honor the guarantee will be made. The calculation of the provision is made based on the best estimate by Management of the costs required to comply with the obligation.

Post-employment benefits

The payments for defined contribution plans are recognized in the Income Statement of the period in which they are due.

For the defined benefit plans, the cost relating to the benefits recognized is determined using the projected unit credit method, making actuarial valuations at the end of each period. Actuarial gains and losses are recognized in the period they arise and recorded directly in a specific equity reserve. The cost relating to past employment service is immediately recorded when the benefits have already matured.

The liabilities for post-employment benefits recorded in the balance sheet represent the present value of the liabilities for the defined benefit plans adjusted to take into account any actuarial gains or losses not recorded and costs relating to past employment services not recorded, and reduced by the fair value of the asset plan.

Any net assets resulting from this calculation are limited to the value of the actuarial losses not recorded and costs relating to past employment services not recorded, plus the present value of any repayments and reductions in future contributions to the plan.

Other long-term benefits

The accounting treatment of the other long-term benefits is similar to those of the plans for post-employment benefits with the exception of the fact that the actuarial gains and losses and costs deriving from past employment services are recognized in the income statement fully in the year in which they arise.

Share-based payments

The company recognizes additional benefits to employees through equity participation plans. The above-mentioned plans are recognized in accordance with IFRS 2 (Share-based payments). In accordance with IFRS 2, these plans represent a remuneration component of the beneficiaries; therefore, for the equity participation plans, the cost is represented by the fair value of these instruments at the granting date, and recognized in the income statement under "Personnel expense" over the period between the granting date and that of maturity, and in the "IFRS 2 reserve" under equity. Changes subsequent to the granting date in the fair value do not have an effect on the initial value. At the end of each year the estimate is updated on the number of rights which will mature on maturity. The change in the estimate reduces the amount in the "IFRS 2 reserve" and is recorded under "Personnel expense" in the P&L.

Financial income and expenses

Interest is recognized in accordance with the effective interest rate method, utilizing therefore the interest rate which is financially equivalent to all the cash inflows and outflows (including premiums, discounts, commissions etc.) which comprise an operation. The Company classifies in this account the exchange differences deriving from financial operations, while the exchange differences from commercial operations are classified under operating results, and in particular in the accounts other operating revenues and other operating costs, depending on whether the net effect is a gain or loss, with detailed information provided in the Explanatory Notes.

Income taxes

Income taxes for the year represent the sum of current and deferred taxation.

Current income tax

Current income taxes for the year and previous years are recorded for the amount expected to be paid to the fiscal authorities.

Current income tax liabilities are calculated using applicable rates and tax regulations or those substantially approved at the reporting date. Maire Tecnimont S.p.A. and the main subsidiaries resident in Italy have opted for a consolidated tax regime. This means that the IRES (Corporation Tax) charge is calculated on a tax base representing the aggregate of the taxable income and tax losses of the individual companies.

Deferred taxes

Deferred taxes are the taxes that it is expected to pay or recover on the temporary differences between the carrying value of the assets and of the liabilities in the financial statements and the corresponding fiscal value used in the calculation of the assessable income.

Deferred tax liabilities are generally recorded on all temporary assessable differences, while deferred tax assets are recorded based on the probability that the future assessable results will permit the use of the temporary deductible differences.

The carrying value of deferred tax assets is revised at the end of the year and reduced to the extent that it is no longer likely that there will be sufficient taxable income against which to recover all or part of the assets.

Deferred taxes are calculated based on the fiscal rates that are expected to be in force at the moment of the realization of the asset or the settlement of the liability. Deferred taxes are recognized directly to the income statement with the exception of those relating to accounts directly recognized to equity, in which case the deferred taxes are also recognized to equity.

USE OF ESTIMATES

The preparation of the financial statements and the relative notes in application of IFRS require that management make estimates and assumptions on the values of the assets and liabilities in the financial statements and on the disclosures relating to the assets and contingent liabilities at the reporting date. The estimates and assumptions used are based on past experience and other factors considered relevant. The actual results may differ from such estimates. The estimates and assumptions are reviewed periodically and the effects of any changes are recorded in the income statement in the period of the revision of the estimate, if the revision has effect only on that period, or also in subsequent periods if the revision has effect on the current year and on future years. In this context it is reported that the economic and financial situation resulted in the need to make assumptions on a future outlook characterized by significant uncertainty, for which it cannot be excluded that results in the next year will be different from such estimates and which therefore could require adjustment, currently not possible to estimate or forecast, which may even be significant, to the book value of the relative items.

The accounts principally affected by such uncertainty are:

- PROVISIONS FOR RISKS AND CHARGES: The Company is involved in judicial or administrative proceedings for which allocations are made to provisions, mainly connected with legal and fiscal disputes. The process and procedures for assessing the risks related to these proceedings are based on complex factors that require the directors to make assumptions and estimates, particularly with regard to the assessment of uncertainties connected with the predicted outcome of the proceedings taking account of information obtained from the legal affairs unit and from outside legal counsel. These provisions are estimated through a complex process involving subjective assessments by Company Management.

- IMPAIRMENT OF FINANCIAL ASSETS AND RECEIVABLES: The collectability of receivables and the need to recognize impairment for doubtful accounts is done in accordance with the expected credit loss model. This process requires company management to make complex and/or subjective assumptions. The factors considered in making these assumptions concern, in part, the creditworthiness of the counterparty, where available, the amount and timing of expected future payments, any mechanisms put in place to mitigate credit risk, and any steps taken or planned to collect the receivables.

- FAIR VALUE The fair-value measurement of financial and non-financial instruments is a structured process involving complex methods and approaches and requires the gathering of up-to-date information from the markets concerned and/or the use of internal inputs. As for the other estimates, fair-value measurements are, even when based on the best information available and on the appropriate measurement methods and techniques, intrinsically characterized by uncertainty and professional opinion and can lead to estimates that differ from the actual figures once they are known.

- IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT, INTANGIBLES, AND EQUITY INVESTMENTS These assets are written down when changing circumstances or other events give reason to believe that their book value is no longer recoverable. Events that can result in writing down a these assets are significant, permanent changes in the outlook for the market segment in which the asset is being used. Decisions to write down an asset, and the measurement process itself, depend on estimates made by company management concerning complex, highly uncertain factors, such as future trends in the market concerned, the impact of inflation, the conditions of global supply and demand, and trends in operations and in the business generally. The write-down of these assets is measured by comparing the book value with the recoverable value, which is the greater of the asset's fair value less disposal costs and its value in use, which is calculated based on the expected cash flows on the use of the asset less disposal costs. This calculation is done at the level of the smallest cash generating unit (CGU) or equity investment that is amply independent from the cash flows generated by other assets or asset groups and based on which company management measures business profits. The expected cash flows for each CGU or equity investment are determined based on the most recent budget, business plan, and actual financial reports as prepared by management and approved by the Board of Directors. The business plan includes forecasts prepared by management based on information available at the time in terms of business volumes, operating costs, profit margins, and the industrial, commercial and strategic configuration of the specific CGUs or equity investments in the specific marketplace. The present value of these cash flows is then calculated based on discount rates that take account of the specific risk of the business segment to which the CGU or equity investment belongs. The intangible assets with indefinite useful life are not subject to amortization; the recoverability of their carrying amount is verified at least annually and however where events which may suggest an impairment loss arise.

41. Notes to the income statement

41.1. Revenues

Revenues in 2023 amounted to Euro 99,478 thousand, an increase of Euro 6,987 thousand compared to the previous year and broken down as follows:

(in Euro thousands)	2023	2022
Revenues from sales and services	44,127	27,723
Dividends from subsidiaries	55,350	64,768
Total	**99,478**	**92,491**

Revenues from subsidiary dividends amounted to Euro 55,350 thousand and concern those received during the year from the subsidiaries Tecnimont S.p.A. for Euro 40,000 thousand and KT-Kinetics Technology S.p.A. for Euro 15,350 thousand. Revenues from dividends decreased on the previous year in the absence of the contribution from the subsidiary Stamicarbon B.V., transferred in 2023 to the newly-incorporated Nextchem S.p.A..

Revenues from sales and services were Euro 44,127 thousand and principally concern “Inter-company services” provided to the direct subsidiaries. Service revenues specifically concern those provided by the Parent Company as part of the management, co-ordination and control from a legal, administrative, tax, financial and strategic viewpoint in the interest of Group companies.

The increase on the previous year is due to both an increase in services provided and a new drafting of the contract governing “Inter-company Services" that also includes a number of specific services that previously were billed separately and recorded under other income.

41.2. Other operating revenues

(in Euro thousands)	2023	2022
Cost recoveries	1	1
Gains on disposals	0	2
Operating currency differences	0	3,437
Other income	624	5,439
Contract Penalty	24	0
Total	**650**	**8,879**

Other operating revenues in the year amounted to Euro 650 thousand and decreased compared to the previous year as the income from specific contracts for administrative, tax, legal and procurement services, under the new “Inter-company services” contract, are included in this latter and were therefore recognized to “revenues for sales and services”.

A further decrease on the previous year relates to “Operating currency differences”, which in 2022 represented the net positive difference between gains and losses on operating exchange differences. The decrease is due to forex market movements and of the currencies regarding the loans and commercial transactions in place and the relative financial statements items, which in the previous year saw the Dollar strengthen significantly against the Euro; in the 2023, operating exchange differences were negative and classified to “Other Operating expenses”.

41.3. Raw materials and consumables

Raw materials and consumables costs for the year were Euro 40 thousand.

The breakdown of the account is as follows:

(in Euro thousands)	2023	2022
Consumables	(23)	(17)
Fuel	(17)	(18)
Total	**(40)**	**(35)**

The account principally concerns the purchase of stationary for Euro 23 thousand and fuel consumption for Euro 17 thousand for company vehicles.

41.4. Service costs

Service costs for the year amount to Euro 27,248 thousand, an increase of Euro 3,611 thousand on the previous year.

The breakdown of the account is as follows:

(in Euro thousands)	2023	2022
Utilities	(237)	(262)
Maintenance	(514)	(477)
Consultants and related services	(4,723)	(3,982)
Director and Statutory Auditor Remuneration	(2,564)	(2,562)
Bank expenses and sureties	(173)	(344)
Selling & advertising costs	(773)	(804)
Accessory personnel costs	(6,402)	(5,731)
Post & telephone and similar	(19)	(12)
Insurance	(1,066)	(881)
Other	(10,777)	(8,582)
Total	**(27,248)**	**(23,637)**

Consultants and related services include professional fees, principally legal services and consultancy and administrative services and audit and tax and commercial consultancy fees.

Director and Statutory Auditor Remuneration concerns that matured by the members of the Board of Directors, the Board of Statutory Auditors' emoluments, those of the Supervisory Committee, the Remuneration Committee, the Internal Control Committee and the Related Parties Committee.

Accessory personnel costs mainly include travel expenses and other accessory personnel costs, and increased due to the greater average size of the workforce compared to the previous year, and due to the general restart of operations and the journeys related to commercial and on-site activities.

Bank expenses and sureties include the costs for the services provided by banks and other financial companies other than true and proper financial charges and commissions and accessory expenses to loans which are included under financial charges; the account therefore principally comprises costs for guarantees provided in the interests of the companies. "Insurance" however increased due to the general increase in market rates.

The Other account mainly concerns inter-company services for the Via Gaetano de Castillia (Milan) offices, including office canteen expenses, maintenance and other accessory activities. The account in addition includes non-capitalized IT costs, application package maintenance expenses and printing and reproduction service costs.

41.5. Personnel expenses

Personnel expenses in the year amount to Euro 48,253 thousand, an increase of Euro 10,066 thousand compared to the previous year.

(in Euro thousands)	2023	2022
Wages and salaries	(39,331)	(30,282)
Social security contributions	(6,610)	(6,104)
Post-employment benefits	(2,258)	(1,726)
Other costs	(54)	(75)
Total	**(48,253)**	**(38,187)**

The workforce at December 31, 2023 numbered 229, increasing 32 on the previous year; the average headcount increased from 182 to 215.

The movement in the company's workforce by category is as follows:

Category	Workforce 31/12/2022	Hires	Departures	Inter-company transfers	Promotions	Workforce 31/12/2023
Executives	68	7	(3)	3	8	83
Managers	69	13	(8)	2	0	76
White-collar	60	24	(7)	1	(8)	70
Blue-collar	0	0	0	0	0	0
Total	197	44	(18)	6	0	229
Average headcount	**182**					**215**

In 2023 personnel expenses rose due to the increase in the workforce as illustrated above and the increase in charges related to the remuneration policy and employee incentive plans; the social security charges also increased on the previous year and their percentage of total remuneration is in line with the requirements by law.

Moreover, to limit the impacts of inflation on employee income and purchasing power, Company management decided, after notifying the trade union representatives, not to implement the economic increases envisaged by the chemical and metalworking sector collective bargaining agreements.

The Shareholders' Meeting on April 19, 2023 approved the 2023 Remuneration Policy and resolved to adopt the new 2023-2025 LTI Plan and the 2023-2025 GSP. The 2023-2025 LTI Plan, which aims to continue the long-term creation of sustainable value, sets out, in addition to annual access conditions of an economic-financial nature, performance targets identified in parameters related to sustainability issues and in line with the objectives of the Group's Sustainability Strategy and Business Plan. With reference to the new

2023-2025 General Share Plan, to consolidate and expand the Group's focus on and awareness of topics associated with its Sustainability Strategy, a new objective concerning Environmental, Social, and Governance (ESG) topics was introduced alongside the existing economic-financial goals from previous plans. The Board meeting of July 27 also confirmed the launch of the First Cycle (2023) of this Plan, for all employees, granting the relevant Rights on July 28, 2023. As in previous plans, the 2023 cycle recorded an overall membership rate of more than 94%, reflecting employees' ongoing appreciation of the initiative, which is seen as an important lever to further strengthen their sense of belonging to the Group.

In 2023 the objectives related to the incentive and engagement systems in place for 2022 were reviewed and the relevant bonuses were awarded. For the same year, in compliance with current trade union agreements, annual bonuses and profit sharing figures were also approved, in addition to the flexible benefits portion of the MAIRE4YOU Plan for the same period.

We also note that, having verified the achievement of the Third Cycle (2022) performance objectives included in the 2020-2022 General Share Plan, the Board of Directors met on May 24 to approve the allocation - on July 17, 2023 - of shares to more than 4,300 beneficiaries. Lastly, on September 19, 2023, together with the trade union representatives, the Company entered into a new engagement and incentive agreement for the 2023-2025 three-year period, in which particular importance was placed on ESG targets, as described above.

In 2023, “Personnel expense” includes also the portion accruing in the year of the long-term incentive plan for the Chief Executive Officer and selected Senior Executives (2021-2023 LTI), the second year of the 2022-2024 LTI Plan, the first year of the new 2023-2025 LTI Plan as outlined above and the First Cycle (2023) of the new 2023-2025 General Share Plan.

The aforementioned plans are represented as "Equity Settled" plans as the Company has allocated its own equity instruments as additional remuneration for the services received (the work performance). The net total cost of these plans in 2023 amounts to Euro 9,367 thousand; also based on the fair value of the equity instruments of Euro 3.726 per share for the 2021-2023 LTI, Euro 2.554 per share in relation to the 2022-2024 LTI, Euro 4.39 per share in relation to the 2023-2025 LTI, and Euro 3.89 per share for the 2023-2025 General Share Plan.

"Personnel expense" also includes the estimated charges related to the short-term monetary incentive plans ("MBO"), plans to employees of flexible benefits ("Maire4You") and the estimated participation bonus for 2023.

41.6. Other operating costs

Other operating costs in the year amounted to Euro 4,816 thousand, an increase of Euro 3,584 thousand compared to the previous year. The breakdown of the account is as follows:

(in Euro thousands)	2023	2022
Hire	(46)	(31)
Rental	(60)	(95)
Operating currency differences	(3,324)	0
Other costs	(1,386)	(1,106)
Total	**(4,816)**	**(1,232)**

The item Rentals mainly refers to the short-term rental of vehicles and therefore excluded from the application of IFRS 16.

Rental charges concern the accessory charges related to the leasing of the office use buildings, in particular those at Piazzale Flaminio (Rome) and Via Castello della Magliana (Rome).

The value of commitments related to leases of less than 12 months non included among financial liabilities is approximately the same as the payments expensed during the year.

The main increase on the previous year related to "Operating currency differences", which represent the net negative value between exchange gains and losses from operating currency differences; at December 31, 2022, net operating currency gains were reported.

Other costs of Euro 1,386 thousand principally concern membership fees, sales representative costs and other general costs.

41.7. Amortization, depreciation & write-downs

Amortization, depreciation and write-down of fixed assets in the year amount to Euro 1,325 thousand, an increase of Euro 19 thousand compared to the previous year.

The breakdown of the account is as follows:

(in Euro thousands)	2023	2022
Amortization	(322)	(322)
Depreciation	(57)	(120)
Depreciation of rights-of-use - Leasing	(946)	(864)
Total	**(1,325)**	**(1,306)**

Amortization of intangible assets of Euro 322 thousand relates to concessions and licenses (company software applications) and other intangible assets, principally concerning consultancy costs for the installation and launch of these applications.

Depreciation amounted to Euro 57 thousand and concerns EDP, miscellaneous equipment and improvements at the Rome offices in Piazzale Flaminio.

The depreciation of right-of-use - leasing of Euro 946 thousand concerns the right-of-use recognized on the buildings and motor vehicles.

41.8. Write-downs of current receivables & liquidity

(in Euro thousands)	2023	2022
Doubtful debt provision	0	(1,100)
Total	0	(1,100)

No write-downs of receivables were recognized in 2023. The item in the previous year was impacted by the write-down of a disputed receivable from the Region of Calabria. The arbitration award initially upheld most of the claims made by the Company, while in 2022 however a Court of Cassation ruling nullified this award.

41.9. Financial income

(in Euro thousands)	2023	2022
Income from subsidiaries	39,249	20,599
Other income	2,700	446
Income on derivatives	20,414	826
Total	62,363	21,871

Financial income amounted to Euro 62,363 thousand, increasing Euro 40,492 thousand on the previous year. The 2023 figure includes the contribution from the net valuation of the cash-settled Total Return Equity Swap derivative instruments and the increased interest income on liquidity and as remuneration to subsidiaries.

Income from subsidiaries of Euro 39,249 thousand concerns interest matured on loans, financial instruments classified as loans and receivables at amortized cost, granted to MST S.p.A, Met Development S.p.A., Met Dev 1 S.r.l., NextChem S.p.A., NextChem Tech S.p.A. and Met T&S Limited, and interest income accrued on current accounts; we recall that the Company adopted with the subsidiaries cash pooling systems to streamline the management of Group cash flows, avoiding the dispersion of liquidity and minimizing financial charges and other costs.

Other income of Euro 2,700 thousand increased on the previous year as a combined effect of higher interest income and increased current account balances.

Income on derivatives for Euro 20,414 thousand refers specifically to income arising from the TRES contracts and in particular:

• for Euro 1,172 thousand income arising on the TRES contracts, related to the distribution of dividends by Maire Tecnimont S.p.A., which the intermediary receded to the Issuer.

• for Euro 19,242 thousand the positive fair value change of the residual portion of four cash-settled Total Return Equity Swap derivative instruments (TRES) to hedge against movements in the Maire Tecnimont share price essentially tied to the personnel incentive plans in place.

The residual portions of the instruments as at December 31, 2023 hedged the risk relating to approx. 10.6 million shares. The derivative contracts (TRES) were underwritten with two financial intermediaries, with no obligation for Maire Tecnimont to acquire the treasury shares, but only the obligation for the settlement between the parties of the differential between the exercise price and the Maire Tecnimont share price on the maturity of the instruments. For accounting purposes, the TRES cannot be designated as a hedging derivative instrument and is valued, in accordance with IFRS 9, as a derivative at fair value, with the related changes recorded in the income statement. The increase in cash-settled Total Return Equity Swap (TRES) derivatives is due to the favorable performance and recovery of the Maire Tecnimont share price in 2023, following the market uncertainties of the previous year related to the international tensions; the share value was also driven by the Group's strong industrial performance.

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

41.10. Financial expenses

(in Euro thousands)	2023	2022
Charges from subsidiaries	(11,441)	(3,780)
Other charges	(27,384)	(12,508)
Equity Linked Bond interest & other charges	(9,380)	(4,933)
Charges on derivatives	0	(3,454)
Financial expenses on rights-of-use	(274)	(266)
Total	(48,479)	(24,941)

Financial expenses amounted to Euro 48,479 thousand and increased Euro 23,538 thousand compared to the previous year, principally due to the general increase in the financial expenses on the Company's financial liabilities due to the rise in interest rates on the variable component of the debt.

Financial expenses for Euro 11,441 thousand concern interest charges on loans received from KT-Kinetics Technology S.p.A., Stamicarbon B.V., Tecnimont S.p.A. and from Conser S.p.A. These charges are measured at amortized cost using the effective interest rate method and financial charges for cash pooling related to the interest paid to the subsidiaries on the current account balances of the cash pooling during the year. Charges from subsidiaries increased on the previous year, as in 2023 new loans were drawn down from the subsidiaries Tecnimont S.p.A. and Conser S.p.A. and the remuneration of the inter-company rates was reviewed in line with market developments.

"Other charges", amounting to Euro 27,384 thousand, principally include loan interest, current account interest charges, factoring charges and banking and accessory charges and charges on financial liabilities measured at amortized cost. The increase compared to the previous year is related to an increase in gross debt as a result of the increased use of lines of working capital to support short-term needs within the scope of managing the working capital; further increases are related to a general increase in market interest rates that have affected the Company's financial liabilities.

The "Interest Bond" charges, amounting to Euro 9,380 thousand, specifically refer to:

- for Euro 4,495 thousand the cash and non-cash components of interest on non-convertible bonds of Euro 165 million issued on May 3, 2018 by Maire Tecnimont S.p.A. and repaid in advance of the original maturity (April 30, 2024) in Q4 2023.
- for Euro 3,185 thousand, the monetary and non-monetary components of the interest on the new non-convertible "Senior Unsecured Sustainability-Linked due 5 October 2028" bond for a nominal value of Euro 200 million, net of accessory charges, issued in Q4 2023.
- For Euro 1,700 thousand interest related to the Euro Commercial Paper Program.

The reduction in Total Return Equity Swap (TRES) derivatives is due to the favorable performance and recovery of the Maire Tecnimont share price in 2023, following the market uncertainties of the previous year related to the international tensions; the share value was also driven by the Group's strong industrial performance. The mark-to-market of these instruments at December 31, 2023 were all positive and classified as "financial income".

Right-of-use - Leasing financial expense at Euro 274 thousand concerns the financial expense matured in 2022 on finance lease liabilities recognized following the application of IFRS 16; the increase on the previous year is mainly due to the increase in financial liabilities on which interest matures as a result of new contracts signed during the year.

41.11. Income taxes

(in Euro thousands)	2023	2022
Current income taxes	623	5,114
Prior year taxes	1,063	916
Deferred tax income	904	251
Deferred tax charges	(39)	(144)
Total	**2,551**	**6,137**

Income taxes, which resulted in income of Euro 2,551 thousand, decreased Euro 3,586 thousand on the previous year, and mainly concern income from the tax consolidation in the year and prior year taxes. This income, recognized to the current income taxes account, relates to remuneration on the tax losses and the interest expense transferred to the tax consolidation and utilized to determine the Group's assessable income.

Prior year taxes, a positive Euro 1,063 thousand, reflects the effects of the tax filing as compared to the estimate calculated for the 2022 financial statements, which contained an excess.

Deferred tax income of Euro 904 thousand mainly concerned the provisions for personnel incentive plans and unrealized exchange losses, while deferred tax charges of Euro 39 thousand principally concerns the adjustments made following the submission of tax returns.

Maire Tecnimont S.p.A. and the subsidiaries Tecnimont S.p.A., Met Development S.p.A., MST S.p.A., KT-Kinetics Technology S.p.A., Met Dev 1 S.r.l. and Tecnimont KT-JV S.r.l. opted to apply the tax consolidation regime which permits the calculation of the IRES corporation tax on a tax basis representing the aggregate of the taxable income and losses of the individual companies.

An analysis of the difference between the theoretical and effective tax charge for the year follows:

IRES		
Description	**%**	**31/12/2023**
Income before taxes		**32,329**
Theoretical Rate (*)		**24.0%**
Theoretical tax charge	**27.50**	**7,759**
Temporary differences deductible in future years		12,196
Temporary differences assessable in future years	20.18	(340)
reversal of temporary differences from previous years:	20.18	(12)
Deductible temporary differences		(352)
Taxable temporary differences		12,196
Total	0.00	11,844
Non-reversing differences in future years:		
Increases	67.79	13,414
Decreases	(86.89)	(53,768)
Total	(19.10)	(40,354)
Total changes	1.08	(28,510)
Assessable income		**3,819**
Current taxes (A)		**917**
Effective IRES rate		**2.84%**
Effect adhesion to fiscal consolidation		
Temporary differences deductible in future years		**(8,133)**
Utilization of the tax loss for the year		**(4,217)**
Reduction in current taxes (B)		**(917)**
Income from the tax consolidation (C)		**(1,012)**
Charge from the tax consolidation (D)		390
Current income taxes (A) + (B) + (C) + (D)		**(623)**

(*) For the purposes of a better understanding on the reconciliation between the tax charge recorded in the accounts and the theoretical tax charge, no account is taken of the IRAP regional tax charge, as consisting of a tax with a different assessable base would generate distortions between each year. Therefore, theoretical taxes were calculated applying only the applicable rate in Italy (24% for IRES in 2021) to the pre-tax result.

(**) The account principally concerns dividends received from subsidiaries and the write-down of investments.

41.12. Earnings per share

The share capital of Maire Tecnimont S.p.A. comprises ordinary shares, whose earnings per share is calculated dividing the net income in 2023 by the weighted average number of Maire Tecnimont S.p.A. shares in circulation in the period considered.

Therefore, at the reporting date, following the acquisition of 123,086 treasury shares, the number of shares in circulation was 328,531,135. This figure was used as the denominator for the calculation of the earnings (loss) per share at December 31, 2023.

Basic earnings per share, net of treasury shares, amounts to Euro 0.106 and reduced on the previous year, essentially as a result of lower net income for the year, primarily due to lower revenues from dividends received during the year.

(in Euro)	2023	2022
Number of shares in circulation	328,640,432	328,640,432
(Treasury shares)	(123,086)	(109,297)
Number of shares to calculate earnings per share	328,517,346	328,531,135
Net income	34,880,400	38,940,115
Earnings per share (Euro)		
Earnings per share - basic (in euro)	**0.106**	**0.118**
Earnings per share - basic (in euro)	**0.106**	**0.118**

Diluted earnings equate to basic earnings in the absence of dilutive elements.

42. Notes to the Balance Sheet

42.1. Property, plant and equipment

(in Euro thousands)	2022	Changes in year	2023
Other assets	605	131	736
Total	**605**	**131**	**736**

The following table illustrates the changes in the historical cost, accumulated depreciation and net book values for the year 2023:

(in Euro thousands)	Plant & Equipment	Industrial and commercial equipment	Assets in progress and advances	Other assets	Total
Net book value at December 31, 2022	**0**	**0**	**523**	**82**	**605**
Increases	0	0	0	711	711
Depreciation & write-downs	0	0	0	(57)	(57)
Other changes	0	0	(523)	0	(523)
Net book value at December 31, 2023	**0**	**0**	**0**	**736**	**736**
Historical cost	2	20	0	1,974	1,996
Accumulated depreciation	(2)	(20)	0	(1,238)	(1,260)

The increase mainly concerns other intangible assets. This related to lease space improvements completed in 2023. In the previous year, they were reclassified under assets in progress and advances. The decreases concerned amortization in the year.

For comparative purposes the changes relating to the previous year are shown below:

(in Euro thousands)	Plant & Equipment	Industrial and commercial equipment	Assets in progress and advances	Other assets	Total
Net book value at December 31, 2021	**0**	**0**	**162**	**202**	**364**
Increases	0	0	361	0	361
Depreciation & write-downs	0	0	0	(120)	(120)
Other changes	0	0	0	0	0
Net book value at December 31, 2022	**0**	**0**	**523**	**82**	**605**
Historical cost	2	20	523	1,262	1,807
Accumulated depreciation	(2)	(20)	0	(1,180)	(1,202)

42.2. Other intangible assets

(in Euro thousands)	2022	Changes in year	2023
Concessions, licenses, trademarks and similar rights	3,097	0	3,097
Other	1,283	(312)	971
Assets in progress and advances	0	128	128
Total	**4,380**	**(184)**	**4,196**

The following table illustrates the changes in the historical cost, accumulated depreciation and net book values for the year 2023:

(in Euro thousands)	Concessions, licenses, trademarks and similar rights	Other	Assets in progress and advances	Total
Net book value at December 31, 2022	**3,097**	**1,283**	**0**	**4,380**
Increases	0	0	128	128
Disposals	0	0	0	0
Amortization & write-downs	0	(312)	0	(312)
Other changes	0	0	0	0
Cost reclassification/adjustments	0	0	0	0
Net book value at December 31, 2023	**3,097**	**971**	**128**	**4,195**
Historical cost	4,495	6,432	128	11,055
Accumulated amortization	(1,399)	(5,461)	0	(6,860)

Other Intangible Assets reported a total net decrease of Euro 184 thousand, as a result of the combined effect of the amortization for the year for Euro 312 thousand and the recognition to assets in progress and advances for Euro 128 thousand of costs incurred for the introduction of company operating software.

The breakdown of the trademarks with indefinite useful lives is shown in the table below.

(in Euro thousands)	2023
Tecnimont brand	3,016
KT- Kinetics Technology brand	70
Nextchem brand	5
MST Brand	4
Total	**3,095**

The Company verifies the recovery of the indefinite useful lives of the trademarks at least on an annual basis or more frequently when there is an indication of a loss in value. The recoverable value of trademarks with indefinite life was compared to the value in use and the analyses did not reveal any impairment losses.

For comparative purposes the changes relating to the previous year are shown below:

(in Euro thousands)	Concessions, licenses, trademarks and similar rights	Other	Assets in progress and advances	Total
Net book value at December 31, 2021	**3,098**	**11**	**1,593**	**4,702**
Increases	0	0	0	0
Disposals	0	0	0	0
Amortization & write-downs	(1)	(321)	0	(322)
Other changes	0	0	0	0
Cost reclassification/adjustments	0	1,593	(1,593)	0
Net book value at December 31, 2022	**3,097**	**1,283**	**0**	**4,380**
Historical cost	4,495	6,422	0	10,917
Accumulated amortization	(1,397)	(5,139)	0	(6,536)

42.3. Right-of-use - Leasing

(in Euro thousands)	2022	Increases	Decreases	Depreciation for the year	2023
Right-of-use - Leasing - Historical cost	9,018	533	0	0	9,551
(Right-of-use - Leasing - Accumulated depreciation)	(2,282)	66	0	(506)	(2,722)
Total	**6,736**	**599**	**0**	**(506)**	**6,829**

The value of Right-of-use recognized according to IFRS 16 at December 31, 2023 was Euro 6,829 thousand, increasing on December 31, 2022 by Euro 93 thousand; this movement is mainly due to a combined effect of depreciation in the year, net of new contracts and the early closure of some contracts.

The account right-of-use - leasing mainly refers to rights of use recognized for office use buildings and motor vehicles, as follows:

(in Euro thousands)	2022	Changes in year	2023
Buildings	6,260	(152)	6,108
Other assets	476	245	721
Total	**6,736**	**93**	**6,829**

42.4. Investments in subsidiaries

The value of equity investments in subsidiaries amounts to Euro 783,651 thousand, an increase of Euro 6,641 thousand on the previous year.

(in Euro thousands)	2022	Changes in year	2023
Subsidiary companies:			
Investment in Tecnimont S.p.A.	612,943	50,527	663,470
Investment in MST S.p.A.	26,702	(220)	26,482
Investment in Neosia Renewables S.p.A.	38,174	(38,174)	0
Investment in Met Development S.p.A.	10,020	28	10,048
Investment in KT S.p.A.	28,439	1,149	29,588
Investment in MET GAS Processing Technologies S.p.A.	8,180	(8,180)	0
Investment in Stamicarbon B.V.	40,784	(40,784)	0
Shareholding in Nextchem Tech S.p.A.	11,762	(11,762)	0
Shareholding in Nextchem S.p.A.	6	54,057	54,063
Total	**777,010**	**6,641**	**783,651**

The main increase is linked to the adjustment of the value of the equity investments held as a result of the free assignment of shares to the employees of some Group companies, as provided for by IFRS 2. In fact, the compensation component from shares granted by Maire Tecnimont S.p.A. to employees of some Group companies is recognized as a capital contribution to the subsidiaries which employ beneficiaries of the stock option plans, and, as a result, is recorded as an increase in the carrying amount of the investment, with a balancing entry recognized directly in equity. The effects in the financial statements of the Plans, estimated through adequately weighting the defined maturity conditions (including the probability of employees remaining in the Group for the duration of the Plan), will be recognized over the maturity period of the benefit, or rather over the duration of the Plan.

Investments in subsidiaries are measured at cost.

On February 20, 2023, the merger approved in December 2022 by the Shareholders' Meetings of Neosia Renewables S.p.A. and Tecnimont S.p.A. became effective and consequently the investment was reclassified.

On February 21, 2023, the merger approved in December 2022 by the Shareholders' Meetings of MET Gas Processing Technologies S.p.A and Tecnimont S.p.A. became effective and consequently the investment was reclassified.

On March 1, 2023, the Board of Directors of Maire Tecnimont approved the transfer to the newly-incorporated subsidiary NextChem S.p.A. (previously NextChem Holding) of 100% of the share capital of the Dutch subsidiary Stamicarbon B.V. and of 56.67% of the share capital of the subsidiary NextChem Tech S.p.A. (previously Nextchem S.p.A.). Maire Investments S.p.A. ("MI"), owner of the remainder of NextChem Tech S.p.A. (previously Nextchem S.p.A.) (43.33%), also transferred its holding to NextChem S.p.A. (previously NextChem Holding).

A paid-in and indivisible share capital increase was therefore undertaken of NextChem S.p.A. (previously NextChem Holding) (initially 56.67% and 43.33% held by Maire Tecnimont and MI respectively) for a total of Euro 648,450,000, excluding the pre-emption rights pursuant to Article 2441, paragraph 4, of the Civil Code and reserved for Maire Tecnimont and MI shareholders, to be paid-in by means of the simultaneous contribution of the above-mentioned shareholdings.

As a result of the increase, 78.37% of the share capital of NextChem S.p.A. (previously NextChem Holding) is now held by Maire Tecnimont and 21.63% by MI, while NextChem S.p.A. (previously NextChem Holding) wholly-owns NextChem and Stamicarbon.

The Extraordinary Shareholders' Meetings of NextChem S.p.A. (previously NextChem Holding) and of NextChem Tech S.p.A. (previously NextChem S.p.A.) were held on July 25, 2023, at which it was resolved to change the names of both companies.

The last column of the following table shows the differences between the book value at cost and the relative share of Net Equity:

Company (in Euro thousands)	Registered Office	Share capital	Currency	Book Net Equity (Group share) (*)	% held	Book net equity share (A)	Book value (B)	Change (A-B)
Tecnimont S.p.A.	Via G. De Castillia 6/A (MI)	1,000	Euro	457,104	100%	457,104	663,470	(206,366)
MST S.p.A	Via di Vannina 88/94 (RM)	400	Euro	42,169	100%	42,169	26,482	15,687
MET Development S.p.A.	Via G. De Castillia 6/A (MI)	10,005	Euro	21,154	100%	21,154	10,048	11,106
KT S.p.A.	Viale Castello Della Malian (RM)	6,000	Euro	45,677	100%	45,677	29,588	16,089
Nextchem S.p.A.	Via di Vannina 88/94 (RM)	27,225	Euro	125,275	78.37%	98,178	54,063	44,115

(*) As per the latest consolidated financial statements approved by the respective Boards of Directors, or where not available, the consolidated reporting packages.

An impairment test was carried out on the investment in Tecnimont S.p.A. as the book value of the investment was higher than the pro-quota net equity at December 31, 2023.

With regard to the investments in MST S.p.A. and Nextchem S.p.A., an impairment test was carried out as MST S.p.A. was still restructuring its industrial and commercial activities in the year and also identifying its facility management activities as being held-for-sale, while for Nextchem S.p.A. - as focused on a business still in a start-up phase - it was deemed necessary to monitor the performance of the cash flows assumed in the 2024 - 2033 business and financial plan.

No impairment tests were carried out on other investments as no events occurred indicating a reduction in value.

Given the general global landscape, which has been affected by the ongoing geopolitical tensions, particularly in Ukraine and Israel, and the condition of the financial markets specifically, which reflect the expectations on monetary policy by the leading central banks and the impact this could have on economic growth and inflation, the Company and the Group has paid special attention to the balance sheet accounts most impacted by this uncertainty and has consequently updated the related estimates.

The analysis of the recoverability of the carrying value of the investments was undertaken in conjunction with an independent expert, utilizing the cash flows based on the 2024 Budget and the 2024-2033 Business Plan approved by the Board of Directors on March 5, 2024.

Changing market conditions, rising interest rates, heightening inflation, uncertainty surrounding the general rise in the price of major raw materials, their availability, transportation logistics, and procurement in some markets, has led the Group to update its short-term operating and financial forecasts by means of the 2024 Budget, and to update its Business and Financial Plan.

The assumptions and strategic assumptions underlying the Group's plan update reflect Management's best estimates of the key assumptions underlying business operations, including assessments on continuing international geopolitical tensions.

The underlying assumptions and the corresponding financials take into account the various scenarios summarized in the plan update and are considered appropriate for the impairment test; the analysis was conducted with the support of an independent expert.

The principal assumptions reflected in the 2024 Budget and the 2024-2033 Business Plan take into account the record order backlog existing at December 31, 2023, following acquisitions in 2023, which were also at an all-time high for the Group.

Energy transition activity forecasts are also reflected in the 2024 Budget and 2024-2033 Business Plan. The drive to cut its carbon footprint encourages the Group to increasingly integrate traditional technological solutions for downstream activities with the innovative green technological propositions developed in-house and in any case available to the Group, thanks to co-operation and development agreements with leading domestic and international partners. Due also to the strengthening of its in-house technological expertise, the close focus continues on the industrialization of new proprietary technologies in the circular economy, bioplastics/biofuels, CO_2 capture, hydrogen and green fertilizers sectors.

Finally, the approved 2024-2033 Business Plan also includes ESG (environmental, social and governance) sustainability indicators in relation to the United Nations Sustainable Development Goals; within the Plan, the material topics that formed the basis for updating the "Group Sustainability Plan" were identified and prioritized according to the various business lines and the relative Sustainable Development Goals ("SDGs"). In this way, the Plan links operating-financial and sustainability objectives, allowing for integrated strategic planning. For further details on climate change risk, please refer to the “Risks and uncertainties" section of the Directors’ Report.

The configuration of the value utilized for the calculation of the recoverable value of the investments indicated above is the value in use which is obtained estimating the operating value (OV), the net financial position (NFP) and the value of accessory assets (ACC).

The operating value of each unit was determined based on the estimated future cash flows discounted which the CGU will be capable of producing in the future. The estimated cash flows include the recharge of general and administration costs (G&A) of the Group for all the CGU’s. The value of the cash flows was expressed net of the notional imposition, considering the tax benefit relating to any deductibility of amortization and depreciation.

For the calculation of the recoverable value, the income streams refer to the business planning period, as well as a Terminal Value; specifically, for the investment in Nextchem S.p.A., engaged in the activities related to the energy transition, the explicit period of 10 years was considered, while for the other investments the explicit period of 5 years was considered. Relating to the estimate of the Terminal Value, the last year of the cash flows was not taken as an expression of the “normalized” cash flow, but rather the average margin of the Plan future cash flows of the explicit 5-year plan for all the investments with the exception of the investment in Nextchem S.p.A. which utilized the last 5 years of the 10-year plan.

For the purposes of the discounting of the operating cash flows, the interest rate identified was the weighted average cost of capital (WACC) post tax. The parameters used to estimate the discount rates (Beta and Net Financial Position) were determined on the basis of a basket of comparable companies operating in the "Infrastructure", "Plant Engineering", "Licensing" and "Green Chemistry" sectors, respectively, calculating for each the key financial indicators, as well as the most significant market values.

The risk-free rate utilized considered the Eurirs average 6 months (S&P Capital IQ) rate, the expected medium/long-term inflation rate for the reference countries and the relative Country Risk Premium (determined on the basis of the differential between the country CDS spread and the country benchmark CDS spread). The market risk premium was estimated at 5.5%. It was considered appropriate to consider a specific risk for each investment above the relative discounting rate; this premium was determined based on the comparison between the size of the investment and the companies utilized for the estimate of the Beta Unlevered. This risk was increased by a Company Specific Risk Premium in relation to the conditions of the individual investments.

For cost of equity, therefore, the rates have been prudently increased in order to reflect the potential execution risk connected with the specific characteristics of the related businesses, and specifically: 1.24 percentage points for the investment in Tecnimont, 2.91 percentage points of the investment in MST S.p.A. given, in part, the outlook for the two companies following the change in their structure, their commercial repositioning, and 1.24 percentage points for the investment in Nextchem S.p.A.

The principal accessory asset/liability (ACC) included in the valuation were the tax benefits from prior year tax losses over the Plan duration and other minor assets.

The analysis undertaken based on the parameters outlined above did not result in any loss in value in relation to the investments.

A sensitivity analysis was also undertaken on the basis of the changes in the following parameters: i) discount rate, ii) growth rate for the estimate of the Terminal Value, and iii) cash flows for the plans under consideration (-10%/+10%); based on this analysis, the range of the recoverable value of the investments was determined.

Discount rate (WACC post tax)	Lower extreme	Higher extreme
Investment in Tecnimont S.p.A.	9.58%	11.58%
Investment in MST S.p.A.	10.66%	12.66%
Investment in Nextchem S.p.A.	11.21%	13.21%
Growth rate beyond plan period	Lower extreme	Higher extreme
Investment in Tecnimont S.p.A.	0%	4.5%
Investment in MST S.p.A.	0%	4.3%
Investment in Nextchem S.p.A.	0%	4.8%

The results of these sensitivity analyses did not highlight any impacts on the values recorded by the investments.

In the application of this method, management utilized assumptions, including the estimate of the future increases in the backlog, revenues, gross margin, operating costs, growth rate of the terminal value, investments and average weighed cost of capital (discount rate). The cash flow forecasts refer to current business conditions, therefore they do not include cash flows related to events of an extraordinary nature.

The estimates and the budget data were determined by company management based on past experience and forecasts relating to the development of the Group and company markets. However, the estimate of the recoverable value of the investments requires discretionary interpretation and the use of estimates by management. The company cannot guarantee that there will not be a loss in value of the investments in future years. In fact, various market environment factors may require a review of the value of the investments. The circumstances and events which could give rise to a further loss in value will be monitored constantly by the company and the Group.

42.5. Financial receivables

(in Euro thousands)	2022	Change in the year	2023
Financial receivables	201,786	64,072	265,858
Total	**201,786**	**64,072**	**265,858**

At December 31, 2023, financial receivables amounted to Euro 265,858 thousand, increasing Euro 64,072 thousand on the previous year.

In 2023, Maire Tecnimont S.p.A. issued two new loans to Tecnimont S.p.A., respectively for Euro 105 million and for Euro 40 million.

These loans receivable were granted following the subscription by Maire Tecnimont S.p.A. of two loans:

- The first of Euro 150,189 thousand is backed for 80% by SACE's Italian Guarantee, net of related accessory charges, with an initial nominal value of Euro 150 million disbursed by a syndicate of leading Italian banks consisting of Banco BPM, MPS Capital Services and Intesa Sanpaolo (IMI Corporate & Investment Banking Division). The loan shall have 6-year duration, of which 3 years grace period, a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.
- The second of Euro 39,932 thousand is backed for 80% by SACE's Italian Guarantee, net of related accessory charges, with an initial nominal value of Euro 40 million disbursed by BPER Corporate & Investment Banking. The loan matures in December 2028 and has a three-year grace period. It provides for a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

Maire Tecnimont S.p.A. on July 14, 2020, provided loans to two of its main operating companies in Italy, Tecnimont S.p.A. and KT-Kinetics Technology S.p.A., for Euro 250 million and Euro 70 million respectively. These loans were granted following the subscription by Maire Tecnimont of a loan agreement of Euro 365 million with an 80% guarantee from the SACE Italy Guarantee. This loan was disbursed by a syndicate of major Italian financial institutions made up of Banco BPM, Cassa Depositi e Prestiti, Intesa Sanpaolo and Unicredit. In accordance with the provisions of the Liquidity Decree of April 9, 2020, these loans granted, like that received by Maire Tecnimont S.p.A., will have a total term of six years, of which two years of grace period and a rate of 1.7% per annum plus Euribor, in addition to the cost of the SACE Italy Guarantee.

During the year, portions of the above loans amounting to Euro 81,034 thousand were reclassified to financial receivables due within 12 months.

42.6. Financial instruments - Derivatives (Non-current assets)

(in Euro thousands)	2022	Changes in year	2023
Non-current interest rate hedging derivatives	3,991	(3,060)	931
Total	3,991	(3,060)	931

The account, amounting to Euro 931 thousand, refers to the valuation of the non-current portion of the Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE's Italy Guarantee; the decrease in the positive fair-value is essentially related to the reduction of the notional amounts hedged in line with the repayment schedule of the main loan, as well as to market trends during the period under review in relation to the expected stabilization of inflation and the slight reduction in interest rates.

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

42.7. Other non-current assets

(in Euro thousands)	2022	Change in the year	2023
Long-term prepayments	456	(137)	319
Total	456	(137)	319

Euro 319 thousand concerns long-term prepayments.

42.8. Deferred tax assets and liabilities

(in Euro thousands)	2022	Change in the year	2023
Deferred tax assets	2,519	907	3,426
Deferred tax liabilities	(2,129)	944	(1,185)
Total	390	1,851	2,241

Deferred tax assets and liabilities report a positive balance of Euro 2,241 thousand, increasing Euro 1,851 thousand on the previous year and comprising deferred tax assets for Euro 3,426 thousand and deferred tax liabilities for Euro 1,185 thousand.

Maire Tecnimont S.p.A. and the subsidiaries Tecnimont S.p.A., Met Development S.p.A., KT-Kinetics Technology S.p.A., MST S.p.A., Met Dev 1 S.r.l. and Tecnimont KT-JV S.r.l. opted to apply the Tax Consolidation regime which permits the calculation of the IRES corporation tax on a tax basis representing the aggregate of the taxable income and losses of the individual companies. Deferred tax assets on fiscal losses and carried forward are recognized only for those amounts for which it is probable there will be future assessable income to recover the amounts.

Deferred tax assets of Euro 3,426 thousand refer mainly to allocations related to employee compensation and incentive policies, which shall become deductible in future years.

Deferred tax liabilities of Euro 1,185 thousand are related to amortization recognized for tax purposes on the trademarks of indefinite life of Tecnimont, KT-Kinetics Technology, Nextchem and MST, as well as to unrealized currency gains and the mark-to-market of interest-rate swaps (IRSs) for hedging purposes.

The breakdown and changes in the deferred tax assets and liabilities is shown below:

(in Euro thousands)	2022	Provisions	Utilizations	Reclassifications /reversals	2023
Deferred tax assets					
Charges related to remuneration policies and personnel bonuses	1,958	871	(29)	-	2,800
Other	546	63	(3)	-	606
Post-employment benefits	15	6	-	-	21
Interest Rate Swap	-			-	-
Total deferred tax assets	**2,519**	**939**	**(32)**	**-**	**3,426**
Deferred tax liabilities					
Difference in intangible asset values (Trademarks)	(92)	(52)		-	(144)
Unrealized exchange gains	(144)	(1)	14	-	(131)
Interest Rate Swap	(1,893)	-	982	-	(910)
Total deferred tax liabilities	**(2,128)**	**(53)**	**996**	**-**	**(1,185)**
Total	**390**	**887**	**964**	**-**	**2,241**

42.9. Trade receivables

(in Euro thousands)	2022	Changes in year	2023
Trade receivables - within 12 months	88	197	285
Subsidiaries - within 12 months	43,525	24,547	68,072
Associates - within 12 months	3	9	12
Total	**43,616**	**24,753**	**68,369**

Trade receivables at December 31, 2023, amount to Euro 68,369 thousand, Euro 285 thousand of which refer to receivables from clients and Euro 68,072 thousand to receivables from subsidiaries:

- Euro 43,062 thousand relate to control and coordination activities, tax, financial and legal services, staff service agreements, Bank Guarantee chargebacks and other chargebacks.

- Euro 8,000 thousand refer to credits for excess IRES transferred to the subsidiaries; on the basis of the provisions of Presidential Decree 29/09/1973, these may be used to offset other payables to the tax authorities.
- Euro 17,010 thousand relates to receivables for the tax consolidation; the amount concerns the net balance of advances and tax credit and debit positions transferred to the consolidating company by the subsidiaries involved in the tax consolidation.

Receivables from associated companies amount to Euro 12 thousand.

42.10. Current tax assets

(in Euro thousands)	2022	Changes in year	2023
Current tax assets	6,183	(2,408)	3,775
Other tax assets	39,898	14,559	54,457
Total	**46,081**	**12,151**	**58,232**

Current tax assets at December 31, 2023 amount to Euro 58,232 thousand, increasing Euro 12,151 thousand on the previous year.

They mainly concern various tax refunds of Euro 773 thousand, IRES withholding tax credits of Euro 809 thousand, excess IRES tax credits to be used as offsets for F24 payments of Euro 2,000 thousand, and IRAP credits of Euro 168 thousand.

Other tax receivables concern receivables for Group VAT paid as tax consolidating company for Euro 54,350 thousand and VAT credits to be used to offset VAT payments for Euro 106 thousand.

Maire Tecnimont S.p.A. and the subsidiaries Tecnimont S.p.A., MST S.p.A., KT S.p.A., Met Development S,p,A., Met Dev 1 S.r.l. and Tecnimont-KT JV S.r.l. opted to apply the Tax Consolidation regime which permits the calculation of the IRES corporation tax on a tax basis representing the aggregate of the taxable income and losses of the individual companies. The Tax Consolidation is valid for fiscal years 2022-2024 and shall be deemed tacitly renewed unless revoked.

Maire Tecnimont S.p.A. and the Tecnimont S.p.A. companies, Cefalù 20 S.c.a.r.l., Met Development S.p.A, MST S.p.A., Tecnimont-KT JV S.r.l., Nextchem Tech S.p.A. and Myrechemical S.r.l. have also applied the Group VAT consolidation regime.

42.11. Financial instruments - Derivatives (Current assets)

(in Euro thousands)	2022	Change in the year	2023
Derivative financial instruments - TRES	596	16,276	16,872
Current interest rate hedging derivatives	3,895	(1,037)	2,858
Total	**4,491**	**15,240**	**19,731**

Current asset derivative financial instruments at December 31, 2023 amount to Euro 19,731 thousand, increasing Euro 15,240 thousand compared to December 31, 2022 and concern the fair value measurement of the derivative contracts in force.

Interest rate derivatives of Euro 2,858 thousand refer to the valuation of the current portion of the Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE's Italy Guarantee; the decrease in the positive fair-value is essentially related to the reduction of the notional amounts hedged in line with the repayment schedule of the main loan, as well as to market trends during the period under review in relation to the expected stabilization of inflation and the slight reduction in interest rates.

The account for Euro 16,872 thousand concerns the positive fair value of the residual portion of four cash-settled Total Return Equity Swap derivative instruments (TRES); to hedge against movements in the Maire Tecnimont share price essentially tied to the personnel incentive plans in place. The residual portions of the instrument as at December 31, 2023 hedged the risk relating to approx. 10.6 million shares. The derivative contracts (TRES) were underwritten with two financial intermediaries, with no obligation for Maire Tecnimont to acquire the treasury shares, but only the obligation for the settlement between the parties of the differential between the exercise price and the Maire Tecnimont share price on the maturity of the instruments. For accounting purposes, the TRES cannot be designated as a hedging derivative instrument and is valued, in accordance with IFRS 9 at fair value, with the related changes recorded in the income statement.

The increase in cash-settled Total Return Equity Swap (TRES) derivatives is due to the favorable performance and recovery of the Maire Tecnimont share price in 2023, following the market uncertainties of the previous year related to the international tensions; the share value was also driven by the Group's strong industrial performance.

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

42.12. Other current financial assets

(in Euro thousands)	2022	Changes in year	2023
Financial receivables within 12 months:			
Subsidiaries	251,797	27,309	279,106
Total	**251,797**	**27,309**	**279,106**

Other current financial assets amounted to Euro 279,106 thousand, an increase over the previous year due to both the reclassification of certain short-term portions and an increase in loans and of the credit balance of current accounts with subsidiaries.

They are composed as follows:

- Euro 130,984 thousand for financial receivables from MST S.p.A., Met T&S Limited, Tecnimont Philippines, Met Development S.p.A., Nextchem S.p.A., Nextchem Tech S.p.A and Met Dev 1 S.r.l..
- Euro 81,158 thousand for the short-term portion of loans granted to Tecnimont S.p.A. and KT-Kinetics Technology S.p.A. following the subscription by Maire Tecnimont of a loan agreement of Euro 365 million with an 80% guarantee from the SACE Italy Guarantee. This loan was disbursed by a syndicate of major Italian financial institutions made up of Banco BPM, Cassa Depositi e Prestiti, Intesa Sanpaolo and Unicredit.
- Euro 66,869 thousand for receivables related to current accounts with subsidiaries.
- Euro 95 thousand in financial accrued income.

From 2018 Maire Tecnimont S.p.A. adopted the cash pooling system to streamline the management of Group cash flows, avoiding the dispersion of liquidity and minimizing financial charges. Financial receivables and cash pooling account receivables are interest bearing, in accordance with market rates.

For all financial assets, the book value approximates the fair value which is calculated as described in the accounting policies section.

42.13. Other current assets

(in Euro thousands)	2022	Changes in year	2023
Other receivables - within 12 months	1,794	333	2,128
Commercial prepayments	512	(202)	310
Total	**2,306**	**132**	**2,438**

Other current assets at December 31, 2023 amounted to Euro 2,438 thousand and concerns Euro 310 thousand for prepayments for costs incurred in advance and for Euro 2,128 thousand the receivable from parent companies in respect of the Group's consolidated VAT and deposits.

Again in 2023 a number of Group companies joined the tax consolidation, transferring their VAT settlement debit/credit balances to the consolidating Maire Tecnimont S.p.A..

42.14. Cash and cash equivalents

(in Euro thousands)	2022	Changes in year	2023
Bank and postal deposits	56,991	76,306	133,297
Cash in hand and similar	6	4	10
Total	**56,997**	**76,310**	**133,307**

Cash and cash equivalents at December 31, 2023 amount to Euro 133,307 thousand, an increase of Euro 76,310 thousand compared to December 31, 2022.

Operating cash flows generated Euro 30,503 thousand, decreasing on 2022 which reported the generation of Euro 41,876 thousand. Cash flow from operating activities in 2023 include the decrease in dividends received from subsidiaries.

Cash flow from investments however absorbed cash of Euro 348 thousand, mainly for investments to improve leased spaces and costs incurred to introduce company operating software.

Financial activities, similarly to operating activities, generated funds of Euro 46,154 thousand. This relates to the utilization of the funds from the Euro Commercial Paper Program for a net amount of Euro 19.1 million and the signing of two new loans, respectively for Euro 150 million and 40 million, backed for 80% by the SACE S.p.A. guarantee. In Q4 2023, Maire also issued a non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million and utilized a number of credit lines granted.

These effects were partially offset by the disbursement of new loans to subsidiaries, mainly Tecnimont S.p.A. as a result of the two new loans backed by guarantees granted by SACE S.p.A., the repayment of installments in connection with the loan with a nominal value of Euro 365 million, 80% of which backed by SACE's Italy Guarantee for approx. Euro 91.2 million and interest paid and repayments of the principal of financial lease liabilities. Additional outlays concerned the payment of the dividend approved by the Shareholders' Meeting of Euro 40.7 million and the purchases of treasury shares for approx. Euro 3.8 million.

The estimate of the “fair value” of bank and postal deposits at December 31, 2023 approximates their book value.

42.15. Shareholders' Equity

Shareholders' Equity at December 31, 2023 was Euro 477,581 thousand, an increase on the previous year of Euro 6,970 thousand.

SHARE CAPITAL

The Share Capital of Euro 19,920,679 thousand comprises 328,640,432 shares, without nominal value and with full rights.

SHARE PREMIUM RESERVE

The Share Premium Reserve at December 31, 2023 amounted to Euro 272,921 thousand, broken down as follows:

The reserve comprises for Euro 25,000 thousand the share premium prior to November 26, 2007 and for Euro 58,045 thousand the share premium on the capital increase of 2007 net of the listing costs of Euro 3,971 thousand, net of the tax effect.

The change in 2013 was Euro 141,653 thousand, comprising share premium paid following the reserved share capital increase and from other shareholders amounting to Euro 146,417 thousand, offset for Euro 4,167 thousand for share capital increase charges net of the tax effect.

The increase in 2018 was Euro 48,223 thousand, following the share capital increase in service of conversion of the "€80,000,000 5.75 per cent equity-linked bonds due 2019" equity-linked bond loan.

This reserve may be utilized for share capital increases without consideration and/or for the coverage of losses. In accordance with Article 2431 of the Civil Code, this reserve may be distributed to the shareholders following a Shareholders' Meeting motion.

OTHER RESERVES

The other reserves at December 31, 2023 amount to Euro 135,216 thousand and comprise:

- Legal Reserve which at December 31, 2023 amounts to Euro 3,510 thousand.
- Restricted Legal Reserve Legislative Decree 104/20, Article 110 at December 31, 2023 amounts to Euro 1,818 thousand.
- Extraordinary reserve at December 31, 2023 amounts to Euro 117,682 thousand.
- IFRS 2 Reserve for Euro 30,973 thousand, which includes both the valuation of the First Cycle (2023) of the 2023-2025 General Share Plan, the new 2023-2025 LTI Plan and the 2021-2023 LTI and 2022-2024 LTI Plans. The Reserve reports a net increase of Euro 16,118 thousand in the year, of which Euro 9,216 relates to Maire employees and the rest to the employees of the subsidiaries. The overall movement was due to the accruals in 2023 for Euro 18,868 thousand (of which Euro 9,367 thousand concerning Maire alone), the reduction for utilizations for Euro 2,750 thousand (of which Euro 151 thousand Maire), following the assignment to the Beneficiaries of the Shares allocated within the Second Cycle (2022) of the General Share Plan.

  The aforementioned plans are represented as "Equity Settled" plans as the Group has allocated its own equity instruments as additional remuneration for the services received (the work performance). The Group did not however assume any liability to be settled with cash and cash equivalents or with other assets for employees. Given the impossibility to reliably estimate the fair value of the services received from the employees, the benefit cost to the employees is represented by the fair value of the shares granted, calculated at the grant date, to be recognized in the income statement under personnel costs and in a specific "IFRS 2 reserve" under equity.
- Other reserves at December 31, 2022, amounted to a negative Euro 18,345 thousand.
- Treasury shares in portfolio amounting to Euro -422 thousand; Maire Tecnimont S.p.A. launched a treasury share buyback program as per Article 5 of Regulation (EC) No. 596/2014 (the "MAR"), in service of the Maire Tecnimont share-based remuneration and incentive plans adopted by the Company and specifically to service the Third Cycle (2022) of the "2020-2022 General Share Plan for Maire Tecnimont Group employees", adopted by the Company. As part of the share buy-back

program, between June 21, 2023 and July 7, 2023 inclusive, 1,100,000 treasury shares were acquired (corresponding to 0.335% of the total number of ordinary shares), at an average weighted price of Euro 3.476, for a total amount of Euro 3,824,103, and the program was therefore completed. In light of the purchases made and the treasury shares already held in portfolio before the start of the Program, on the completion of the buy-back program on July 7, 2023, the Company held a total of 1,209,297 treasury shares. Subsequently, 1,086,211 shares were delivered to the beneficiaries of the Third Cycle (2022) of the 2020-2022 General Share Plan. As of December 31, 2023, the Company, by virtue of the remaining treasury shares from the previous year, the new purchases in 2023 and related deliveries, thus holds a residual 123,086 treasury shares to be used for the next cycle of the long-term general share plan.

It should be noted that the legal reserve includes a tax-suspension restriction for fiscal purposes in the amount of Euro 1,818 thousand. This restriction satisfies the condition set out by Decree Law No. 104/2020 Article 110, paragraph 8, for the tax recognition of the higher values recorded in the financial statements of the Tecnimont and KT-Kinetics Technology trademarks of indefinite useful life.

VALUATION RESERVE

The valuation reserve, which at December 31, 2023 was Euro 2,805 thousand, refers partially to the Cash Flow Hedge reserve and the actuarial losses as per IAS 19.

The changes compared to the previous year are shown below:

(in Euro thousands)	*Cash Flow Hedge Reserve*	*Actuarial gains and losses*	*Total*
Net book value at December 31, 2022	**5,994**	**(56)**	**5,938**
Actuarial gain/(losses)		(25)	(25)
Relative tax effect		6	0
Valuation derivative instruments	(4,097)		(4,097)
Relative tax effect	983		983
Net book value at December 31, 2023	**2,880**	**(75)**	**2,805**

The Cash Flow Hedge Reserve includes the valuation of the Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE’s Garanzia Italia (Italy Guarantee).

The net decrease in the Cash Flow Hedge reserve of the derivative instruments mainly relates to the mark-to-market losses of the derivative instruments to hedge the currency risk on cash flows related to the payment of variable interest on financial liabilities, net of the relative tax effect. The decrease in the positive fair-value is essentially related to the reduction of the notional amounts hedged in line with the repayment schedule of the main loan, as well as to market trends during the period under review in relation to the expected stabilization of inflation and the slight reduction in interest rates.

The decrease in the actuarial provision was due to the effect of the actuarial losses deriving from the change in the technical assumptions utilized for the present valuation compared to the previous, in addition to the change in the demographic and financial assumptions of the previous calculation model compared to that which effectively occurred during the valuation period.

RETAINED EARNINGS/(ACCUM. LOSSES)

This amounts to Euro 11,838 thousand following the Shareholders' Meeting decision to carry forward the 2022 profit.

In relation to the equity reserves the following is noted:

AVAILABILITY OF RESERVES FOR DISTRIBUTION

(in Euro thousands)	2023	Possible uses	Quota available
Share capital	19,920		-
Share premium reserve	272,921	A,B,C	272,921
Legal reserve	5,328	B	-
Extraordinary reserve	117,682	A,B,C	117,682
Other reserves - Ifrs 2 (*)	30,973	B	-
Other reserves	(18,345)		-
Valuation reserve	2,805		-
Retained Earnings/(Accum. Losses)	11,838	A,B,C	11,838

Key:

A: for share capital increase

B: to cover losses

C: for distribution to shareholders

Note: (*) In accordance with Article 6, paragraph 5, of Legislative Decree No. 38 of 2005, these reserves are only available to cover losses with prior utilization of the profit reserves available and the legal reserve. In this case the above-mention reserves must be reintegrated covering the retained earnings.

42.16. Financial payables - non-current portion

(in Euro thousands)	2022	Changes in year	2023
Bank payables beyond 12 months	283,285	43,596	326,881
Total	**283,285**	**43,596**	**326,881**

Financial payables, net of the current portion, amount to Euro 326,881 thousand, increasing Euro 43,596 thousand on December 31, 2022, mainly due to the agreement of two new loans, respectively of Euro 150 million and Euro 40 million with Italian-based banks, backed for 80% by SACE S.p.A.'s guarantee, in line with Legislative Decree of May 17, 2022.

The account also reflects the reclassification as short term of portions of the ESG-linked Schuldschien loan with a nominal value of Euro 55 thousand and the short-term reclassification of certain portions of the financing with a nominal value of Euro 365 million, 80% of which is backed by SACE's Garanzia Italia (Italy Guarantee).

In 2023, capital portions of Euro 91.2 million of the loan of a nominal Euro 365 million, backed for 80% by SACE's Italy Decree, drawn down in 2020, were repaid.

At December 31, 2023, financial debt net of the current portion was composed as follows:

- Euro 136,759 thousand from the loan backed for 80% by SACE's "Italy Guarantee", net of related ancillary charges, with an initial nominal value of Euro 365 million (the long-term portion totaled Euro 228,501 thousand at December 31, 2022).

  On July 8, 2020, Maire Tecnimont S.p.A. signed a loan agreement for Euro 365 million, 80% of which was backed by SACE's "Garanzia Italia" (Italy Guarantee), and disbursed by a syndicate of leading Italian financial institutions comprising Banco BPM, Cassa Depositi e Prestiti, Intesa Sanpaolo and Unicredit. The loan mainly supported the working capital needs of the parent company Maire Tecnimont and its main operating companies in Italy, in line with the provisions of the Liquidity Decree of April 9, 2020 and has a total duration of 6 years, of which 2 years grace period and a rate of 1.7% per annum, plus the cost of SACE's Italy Guarantee The financing, with extremely flexible features, as it can be repaid in whole or in part at any time without additional cost, will contribute to strengthening the group's financial structure to cope with the volatility of the markets caused by Covid 19.

  The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

- Euro 150,189 thousand from the new loan backed for 80% by SACE's "Italy Guarantee", net of related ancillary charges, with an initial nominal value of Euro 150 million.

  On March 13, 2023, Maire Tecnimont S.p.A. signed a new Euro 150 million loan, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Maire Tecnimont Group's financial structure. This loan was issued by a syndicate of leading Italian banks, comprising Banco BPM, MPS Capital Services and Intesa Sanpaolo (IMI Corporate & Investment Banking Division). This latter shall act also as the "SACE Agent" and Agent Bank for the transaction. In accordance with Legislative Decree No. 50 of May 17, 2022, the loan shall mainly support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the MAIRE Group's main operating company headquartered in Italy. The new loan shall have 6-year duration, of which 3 years grace period, a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

  The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

- Euro 39,932 thousand from the new loan backed for 80% by SACE's "Italy Guarantee", net of related ancillary charges, with an initial nominal value of Euro 40 million.

  On May 25, 2023, MAIRE S.p.A. signed a new Euro 40 million loan with BPER Corporate & Investment Banking, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Group's financial structure. In accordance with Decree-Law No. 50 of May 17, 2022, the loan is mainly to support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the Group's main operating company headquartered in Italy. The loan matures in December 2028 and has a three-year grace period. It provides for a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

  The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

Maire Tecnimont is currently not aware of any default situations regarding the above-mentioned covenants. The bond covenants, which regard the maintenance of a ratio between the net financial position and net equity, as well as between the net financial position and EBITDA, on a half-yearly basis, to be next measured on the figures at December 31, 2023, have all been complied with according to the results currently available.

42.17. Provisions for charges - beyond 12 months

(in Euro thousands)	2022	Changes in year	2023
Provisions for risks and charges - beyond 12 months	2,014	2,295	4,309
Total	**2,014**	**2,295**	**4,309**

The balance of provisions for charges beyond 12 months increased on the previous year by Euro 2,295 thousand.

The main increases concern the likely expenses related to employment policies for the current year, primarily for short and medium-term monetary incentive plans (MBO), including the deferred component beyond 12 months.

Further decreases refer to the provision for certain personnel disputes.

The following table indicates the movements in provisions in 2023:

(in Euro thousands)	Balance at December 31, 2022	Provisions	Utilizations	Reclassifications/Releases	Balance at December 31, 2023
Provision for personnel charges	2,014	2,415	(120)	(0)	4,309
Total	**2,014**	**2,415**	**(120)**	**(0)**	**4,309**

42.18. Post-employment & other employee benefits

Euro thousands	2022	Change in the year	2023
Post-employment & other employee benefits	502	137	639
Total	**502**	**137**	**639**

The company has a liability to all employees of the Italian companies of the statutory TFR (Post-employment benefit) provision, similar to defined benefit plans.

In accordance with IAS 19 (Employee benefits), the company estimated, with the support of an actuary, the liability for defined benefit plans at December 31, 2023.

The changes in this liability in 2023 are shown below:

(in Euro thousands)	POST-EMPLOYMENT BENEFIT PROVISION
Balance at December 31, 2022	**502**
+ costs relating to current employee services	-
+ net actuarial losses/(profits)	27
+ financial charges on obligations undertaken	15
+ other changes	131
- Utilizations	(36)
Balance at December 31, 2023	**639**

Financial expenses on obligations assumed are recognized in the Income Statement under financial expenses - other charges. Actuarial gains and losses and recognized in a specific valuation reserve under Equity. The changes primarily relate to departures of employees.

The methods used are the same as those of the previous year, and the assumptions made in measuring post-employment benefits concern:

- With reference to the inflationary parameter, the general economic environment outlined in the most recent Economy and Finance Document and Update Note with respect to the date of intervention was examined, assuming a rate of 3.0% for 2024, and 2.5% from 2025 onward;
- Salary increases: with reference to the salary increases, in line with that for the demographic technical bases, new salary line accounts were created for the companies which do not deposit the Employee Leaving Indemnity Provision with the INPS Treasury Fund; a salary growth rate of 3% annually was assumed for all employees, including inflation;
- Discount rate: determined with reference to bond market rates of primary companies at the valuation date. Specifically, the “Composite” interest rate curve of corporate issuers with “Investment Grade” AA ratings in the Eurozone was utilized (source: Bloomberg) at 29.12.2023, equal to 2.995%;

- Workforce reference: for the internal workforce subject to analysis of Maire Tecnimont S.p.A., the average age and length of service were considered (Post-employment benefit base) and an estimate of staff turnover.

Sensitivity analysis was also undertaken based on the changes in the following parameters: a) discount rate, b) inflation rate, c) salary increase, d) probability of departure and advances on Post-employment benefit provision; on the basis of these analyses, the range of values of the liabilities for defined benefit plans was established which did not highlight any significant impacts.

42.19. Other non-current financial liabilities

(in Euro thousands)	2022	Changes in year	2023
Ordinary bonds within one year	164,440	32,973	197,413
Total	**164,440**	**32,973**	**197,413**

Other non-current financial liabilities amounted at December 31, 2023, to Euro 197,413 thousand, increasing Euro 32,973 thousand on December 31, 2022, as a result of the new issue of a bond loan with a nominal value of Euro 200 million and the redemption ahead of April 30, 2024, of the non-convertible bond loan for a total of Euro 165 million.

Other non-current financial liabilities therefore includes Euro 197,413 thousand in relation to the new non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, for a nominal value of Euro 200 million, net of accessory charges, issued in Q4 2023.

In this regard, we report the following:

On September 28, 2023, the public offering in Luxembourg and Italy of the Maire Tecnimont S.p.A. "Senior Unsecured Sustainability Linked Notes due 5 October 2028" Bonds was concluded in advance, with a total nominal value of Bonds subscribed of Euro 200 million, at an issue price of 100% of their nominal value, represented by 200,000 Bonds with a nominal value of Euro 1,000 each. The gross proceeds from the Offering amounted to Euro 200 million.

The interest rate of the Bonds, corresponding to the yield at issuance, is 6.50% per annum gross. It should also be noted that there is a maximum interest rate increase of 0.50% overall where the specific CO2 emission reduction targets are not met.

In fact, the new Bond stipulates an interest rate increase if specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO2 emissions (“Scope 1 and Scope 2”) by 35% compared to the 2018 level, and reduce the CO2 emissions of its suppliers by 9%, particularly through the “Scope 3” emission intensity related to purchased technology-content goods and services, measured as tons of CO2 relative to value added, compared to the 2022 level.

These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN’s SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

Consequently, 200,000 Bonds were issued on October 5, 2023. On the same date, the Bonds began accruing interest, which shall be settled, in arrears, on April 5 and October 5 of each year beginning April 5, 2024; the Bond provides the option of voluntary early redemption from the third year.

The trading commencement date of the Bonds on the MOT set by Borsa Italiana S.p.A., pursuant to Article 2.4.3 of its Regulation, was October 5, 2023. On the same date, the Bonds were also admitted to listing on the official list of the Regulated Market of the Luxembourg Stock Exchange, with the commencement of trading.

The Company continues to integrate its sustainability goals into its financial management, as it did in 2019 with the ESG-linked Schuldschein Loan.

In fact, the new Bond takes into account the Sustainability-Linked Financing Framework approved by the Board of Directors. The Framework, drafted in line with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles, has been certified by Sustainalitycs as a Second-Party Opinion Provider, and is available along with the certification on the Company's website (www.mairetecnimont.com), in the "Investors" - "Investors and Sustainability" section. The transaction further strengthens MAIRE's commitment to the energy transition, as already represented in the 2023-2032 strategic plan.

The new Bond also includes an incurrence covenant, non-compliance with which would result in debt restrictions and default events in line with the Group's existing medium to long-term debt; specifically, the bond financial covenants require a maximum debt level and the maintenance of a stated net financial position/EBITDA ratio. The measurement of this financial covenant is on an annual basis, whose next measurement will take place with reference to final figures at December 31, 2023.

Maire Tecnimont is currently not aware of any default situations of the above-mentioned covenants, which have been complied with to date.

Finally, in Q4 2023, after issuing the non-convertible senior unsecured sustainability-linked bond loan due on October 5, 2028, Maire redeemed ahead of the original maturity date (of April 30, 2024) the non-convertible bond loan for a total of Euro 165 million, which at December 31, 2022, was classified among other non-current financial assets in the amount of Euro 164,440 thousand.

42.20. Financial liabilities - Leasing

(in Euro thousands)	2022	Increases	Disposals	Interest	Payments	2023
Financial liabilities - Leasing	6,744	1,181	(145)	274	(1,120)	6,934
Total	**6,744**	**1,181**	**(145)**	**274**	**(1,120)**	**6,934**
of which:						
Non-current financial liabilities - Leasing	*6,060*					*6,173*
Current financial liabilities - Leasing	*684*					*761*
Total	***6,744***					***6,934***

The value of current and non-current financial leasing liabilities related to Right-of-Use at December 31, 2023 was Euro 6,934 thousand, of which Euro 761 thousand short term and Euro 6,173 thousand beyond 12 months.

The lease liabilities are valued on recognition, discounting all future payments due for leases utilizing the implied lease rate, where this may easily be determined or alternatively utilizing the lessee’s incremental borrowing rate. The lessee’s incremental financing rate is based on the Company’s incremental financing rate, i.e. the rate that the Company would have to pay to borrow the funds needed to purchase an asset of similar value in a similar financial context and with similar terms and conditions.

In 2023, the changes mainly relate to the payment of scheduled installments, interest accrued and new contracts entered into during the year net of early closure of contracts.

The account was recognized following the application of IFRS 16 and mainly concerns the financial liabilities related to the usage rights for the Company's office buildings, some key assets, and also motor vehicles.

The following table analyses the breakdown and maturities of lease liabilities carried as at December 31, 2023 presented according to future cash flows, inclusive of interest:

(in Euro thousands)	2023
Current financial liabilities - Leasing	973
Non-current financial liabilities - Leasing	7,489
Total	**8,462**

(in Euro thousands)	Due within 1 year	Due between 1 & 5 years	Due beyond 5 years	Total
Financial liabilities - Leasing	973	3,341	4,148	8,462
Total	**973**	**3,341**	**4,148**	**8,462**
Of which Capital portion				*6,934*

42.21. Short-term financial payables

Euro thousands	2022	Changes in year	2023
Bank payables	93,290	77,043	170,333
Total	**93,290**	**77,043**	**170,333**

Short-term financial payables amounted to Euro 170,333 thousand, increasing on December 31, 2022, mainly following the reclassification to current of the "ESG Linked Schuldschein Loan" for a nominal Euro 55 million and the utilization of certain credit lines granted.

At December 31, 2023, short-term bank payables mainly refer to the current portion of non-current debt:

- for Euro 91,903 thousand the current capital portion of the loan backed by a SACE Italy Guarantee for 80% of the amount with an initial nominal value of Euro 365 million granted to Maire Tecnimont S.p.A., of which a nominal approx. Euro 22.8 million repayable in each quarter until December 31, 2024;

The other short-term bank borrowings mainly refer to:

- For Euro 54,892 thousand of the ESG-linked Schuldschein loan attributable to Maire Tecnimont, net of the related additional charges, with an initial nominal value of Euro 62.5 million (the long-term portion was reclassified and totaled Euro 54,784 thousand at December 31, 2022).

  In 2019, Maire Tecnimont made a further commitment to its Green Acceleration project, launched in 2018, by taking out a loan to support Group investments in green technologies. The instrument originally was divided in two tranches (Euro 7.5 million repaid in 2022 and Euro 55 million maturing in 2024) with an average duration of approx. 5 years, total repayment at maturity, and an average rate of approximately 6.15%. The cost of the instrument may also vary – including downwards – in relation to the achievement of the Group's CO2 emission reduction targets.

The bonds are supported by covenants in line with market practice; specifically, the bond covenants regard the maintenance of a ratio between the net financial position and EBITDA on a yearly basis, with the next measurement based on the figures at December 31, 2023.

- for Euro 19,953 thousand current account overdrafts for the utilization of credit lines granted.

Interest due on loans, bonds and bank overdrafts matured and not yet paid amount to Euro 3,584 thousand.

The breakdown by maturity of the gross financial debt is reported in the financial risks section.

The following table reports the company's net financial debt at December 31, 2023 and December 31, 2022, in line with Consob communication No. DEM/6064293/2006 of July 28, 2006:

NET FINANCIAL DEBT MAIRE TECNIMONT			
	In Euro thousands	**31.12.2023**	**31.12.2022**
A.	Cash and cash equivalents	(133,307)	(56,997)
B.	Other liquidity	-	-
C.	Other current financial assets	(295,978)	(252,393)
D.	**Liquidity (A+B+C)**	**(429,285)**	**(309,390)**
E.	Current financial debt (including debt instruments but excluding the current portion of non-current financial debt)	430,823	321,565
F.	Current portion of non-current bank payables	91,903	92,315
G.	**Current financial debt (E+F)**	**522,726**	**413,880**
H.	**Net current financial debt (G-D)**	**93,441**	**104,490**
I	Non-current financial debt (excluding current portion and debt instruments)	333,054	289,345
J.	Debt instruments	197,413	164,440
K.	Trade payables and other non-current payables	-	-
L.	**Non-current financial debt (I+J+K)**	**530,467**	**453,784**
M.	**Total financial debt (H+L)**	**623,908**	**558,274**

The following table presents the reconciliation between the net financial debt and the net financial position of the company at December 31, 2023 and December 31, 2023:

RECONCILIATION NFD & NFP			
	In Euro thousands	**31.12.2023**	**31.12.2022**
M.	**Total financial debt**	**623,908**	**558,274**
	Other non-current financial assets	(265,858)	(201,786)
	Derivative financial instruments	(3,789)	(7,886)
	Finance lease payables IFRS 16	(6,935)	(6,744)
Adjusted Net Financial Position		**347,325**	**356,251**

The "adjusted net financial position" in management's view includes the value of the financial receivables from subsidiaries due beyond 12 months and the mark to market of the interest rate hedges and excludes the IFRS 16 finance lease payables, which have only been recognized due to application of the accounting standard IFRS 16.

42.22. Provisions for charges within 12 months

(in Euro thousands)	2022	Changes in year	2023
Provisions for charges - within 12 months	6,266	1,216	7,482
Total	**6,266**	**1,216**	**7,482**

The provision for charges with 12 months amounts to Euro 7,482 thousand, an increase of Euro 1,216 thousand compared to December 31, 2022.

The provision for charges within 12 months concerns the estimated costs for remuneration and incentive policies due within 12 months, essentially referring to the flexible benefits plans ("Maire4You"), the participation bonus pertaining to 2023 and the short and medium term MBO plans for the portion due within 12 months.

The increase for the year is essentially the result of the payment of the employee plans, and specifically the flexible-benefit plans (Maire4You), the attendance bonus for 2022, and of the short and medium-term monetary incentive plans (MBO) for 2022, net of new allocations for short-term plans for 2023, which was higher than utilizations for the year, in line with the overall expansion of the Company workforce, and with an increase also of the beneficiaries of the variable remuneration policies as a form of retention.

The following table indicates the movements in provisions in 2023:

(in Euro thousands)	Balance at December 31, 2022	Provisions	Utilizations	Reclassifications/Releases	Balance at December 31, 2023
Provision for personnel charges	6,266	10,503	(9,651)	364	7,482
Total	**6,266**	**10,503**	**(9,651)**	364	**7,482**

42.23. Tax payables

(in Euro thousands)	2022	Changes in year	2023
Tax payables	578	8,927	9,505
Total	**578**	**8,927**	**9,505**

Tax payables amount to Euro 9,505 thousand and concern:

- For Euro 8,296 thousand the corporate income taxes (IRES) payable for the Group's tax consolidation in relation to Maire Tecnimont S.p.A., which, at December 31, 2022, presented a receivable balance of Euro 5,593 thousand classified among current tax assets following higher payments on account made in 2022 compared to the estimate of the tax charge for the year.

- for Euro 1,209 thousand the employee IRPEF for December 2023, settled in January 2024.

42.24. Financial instruments - Derivatives (Current liabilities)

(in Euro thousands)	2022	Change in the year	2023
Derivative financial instruments - TRES	2,966	(2,966)	0
Total	**2,966**	**(2,966)**	**0**

The reduction in cash-settled Total Return Equity Swap (TRES) derivatives is due to the favorable performance and recovery of the Maire Tecnimont share price in 2023, following the market uncertainties of the previous year related to the international tensions; the share value was also driven by the Group's strong industrial performance. The mark-to-market of these instruments at December 31, 2023, was all positive and classified as current assets among "Derivative financial instruments".

For further information and analysis of the Fair Value Hierarchy, reference should be made to the "FINANCIAL RISKS" section.

42.25. Other current financial liabilities

(in Euro thousands)	2022	Change in the year	2023
Other current financial liabilities	202,440	(70,867)	131,573
Payable to subsidiaries	112,000	86,460	198,460
Other current financial liabilities - Euro Commercial Paper (ECP)	2,500	19,100	21,600
Total	**316,940**	**34,693**	**351,633**

Other current financial liabilities at December 31, 2023 amount to Euro 351,633 thousand, an increase of Euro 34,693 thousand compared to December 31, 2022.

“Other current financial liabilities” may be broken down as follows:

- for Euro 131,573 thousand concerning payables to subsidiaries for current accounts, while in 2018, the company adopted the cash pooling system to streamline the management of Group cash flows, avoiding the dispersion of liquidity and minimizing financial charges. The cash pooling account receivables are interest bearing, in accordance with market rates.
- for Euro 198,460 thousand to payables to subsidiary companies for intercompany loans and relating to payables to Stamicarbon B.V of Euro 15,000 thousand, payables to KT S.p.A. of Euro 69,000 thousand, payables to Tecnimont S.p.A. for Euro 101,000 and for Euro 13,500 to Conser S.p.A..

  These loans were principally received in order to grant loans to other Group companies requiring liquidity for ordinary operating activities, as well as for the working capital management of Maire Tecnimont S.p.A.. All loans are interest-bearing at market rates and maturity is scheduled within the subsequent year.
- For Euro 21,600 thousand the payable related to the Euro Commercial Paper Program. In this regard we note that in 2022 Maire Tecnimont S.p.A. launched its first Euro Commercial Paper Program for the issue of one or more non-convertible notes placed with selected institutional investors, unrated and with a duration of three-years. The maximum aggregate amount of Notes issued and not redeemed under the ECP shall not exceed, at any time, Euro 150 million. The Notes are not listed on any regulated market. The ECP Program will allow the Company to diversify its short-term financing instruments, obtain a wider choice of funding and optimize its debt management in terms of maturity and pricing profile. The ECP Program is not guaranteed by any company belonging to the Maire Tecnimont Group or a third party. Subject to compliance with all applicable legal and regulatory provisions, the Notes may be denominated in Euro, USD, GBP, CHF or any other currency and the maturity of individual Notes may not be less than one day or more than 364 days from the date of issuance inclusive, to and excluding the maturity date. On December 19, 2022, the Board of Directors of Maire Tecnimont S.p.A. met and resolved to update the Program's pricing to better reflect changed market conditions, subject to the other terms and conditions of the Program. Specifically, the notes may have fixed or floating rate coupons. The cost of each individual note will be determined at the time of note issuance and in any case may not exceed 6% p.a. Notes may be issued at a discount or premium and may not be less than 94% or more than 106% of the face value of the note.

  At December 31, 2023, the Euro Commercial Paper program had in fact been utilized for Euro 21.6 million, increasing Euro 19.1 million on December 31, 2022. The maturities of the notes are: Euro 1 million at January 2024, Euro 3.7 million at February 2024, Euro 6.9 million at March 2024, Euro 2 million at July 2024 and Euro 8 million at December 2024. The average weighted interest rate on outstanding financial liabilities was approx. 5.229%; in 2023, notes totaling Euro 124.4 million were issued, with reimbursements of Euro 105.3 million, with an average weighted interest rate on all financial liabilities which was approx. 4.395%.

42.26. Trade payables

(in Euro thousands)	2022	Changes in year	2023
Suppliers - within 12 months	5,024	(462)	4,562
Subsidiaries - within 12 months	3,790	6,380	10,170
Parent companies - within 12 months	249	(92)	157
Total	**9,063**	**5,826**	**14,889**

This account amounts to Euro 14,889 thousand and increased on the previous year Euro 5,826 thousand.

Payables to suppliers of Euro 4,562 thousand concern trade payables for ordinary operations.

Payables to subsidiaries amount to Euro 10,170 thousand, increasing on the previous year and relate to interest expense on loans received from subsidiaries, in particular, Tecnimont S.p.A and KT - Kinetics Technology S.p.A and other services received; in particular Maire Tecnimont structurally benefitted from services provided, including the availability of office spaces, in addition to the provision of other related services (general services, facilities, security, equipment) and other AFC services and personnel management.

Payables to parent companies for Euro 157 thousand relate to the payable to G.L.V. Capital S.p.A., mainly relating to property leases to the Maire Tecnimont Group.

42.27. Other current liabilities

(in Euro thousands)	2022	Changes in year	2023
Payables due to social security institutions	1,182	333	1,515
Matured by personnel, not yet settled	399	169	568
Other liabilities	42,362	13,898	56,260
Total	43,944	14,399	58,343

Other current liabilities at December 31, 2023 amount to Euro 58,343 thousand, increasing Euro 14,399 thousand on December 31, 2022.

The payables to social security institutions mainly refer to payables to the INPS and other social security provisions related to December 2023, paid in January 2024, with the remainder comprising the estimated contributions accrued by personnel and unpaid (Vacation and 14th month).

The matured by personnel and not yet settled account of Euro 568 thousand all refer to payables for vacations accrued and untaken and the 14th month pay.

At December 31, 2023, there were no overdue social security positions or overdue salary payables.

Other payables in the amount of Euro 56,260 thousand concern amounts payable to subsidiaries for group VAT. This is an increase of Euro 14,399 thousand from the previous year and mainly concerns the VAT payable to the subsidiary Tecnimont S.p.A.

Again in 2023 a number of Group companies renewed the tax consolidation, transferring their VAT settlement credit balances to the consolidating Maire Tecnimont S.p.A..

Public grants in accordance with Law No. 124/2017

With regards to the rules on the transparency of public grants as per Article 1, paragraphs 125-129 of Law No. 124/2017, as subsequently amended by Article 35 of Decree-Law No. 34/2019 (“Growth Decree”), published in Italy’s Official Journal no. 100 of April 30, 2019, Maire Tecnimont analyzed its situation and decided to present in this paragraph the amounts received in 2023 in the form of contributions and grants:

- As part of funded training plans, Euro 65 thousand was received from Fondimpresa and Euro 80 thousand from Anpal.

See the National register of State Aid for the de minimis state aid included for Maire Tecnimont Group companies.

43. Commitments and contingent liabilities

Maire Tecnimont S.p.A financial guarantees at December 31, 2023 and December 2022 were as follows:

FINANCIAL GUARANTEES ***(in Euro thousands)***	2023	2022
Guarantees granted in the interest of the Company		
Sureties issued by third parties in favor of third parties	169,360	171,968
Total Guarantees	**169,360**	**171,968**

Sureties issued in favor of third parties concern those in favor of the Polytechnic of Milan for a 15-year agreement and the Lazio/Lombardy Regional Tax Agency and Provincial Section II of the Rome/Milan Large Contributions Office for Repayments and Offsets for the Group VAT.

The account also includes Advance, Performance and Warranty Bonds issued on behalf of a number of Group subsidiaries, such as Metnewen Mexico S.A., M.s.t. S.p.A., MT Russia, NextChem Tech S.p.A., Tecnimont Planung Industrieanlagenbau GmbH, Tecnimont S.p.A. and Transfima Geie in relation to initiatives in progress or now completed, although with the final closing still under discussion with the client.

Commitments

The Company assumed commitments to clients and/or other beneficiaries to fulfil obligations, contractually undertaken by the company and/or subsidiaries awarded tenders as part of their core operations and therefore in the execution of orders, in the case of non-fulfilment of such and for the reimbursement for any damage from such non-fulfilment.

These commitments, which involve the undertaking of an obligation to complete, guarantee contracts whose total value amounts to Euro 27,472 million, including works already executed and the residual backlog at December 31, 2023. This represents an increase due to the two new Amiral projects in Saudi Arabia and the Hail and Ghasha project in Abu Dhabi.

Both the sureties issued by third parties on Maire lines in favor of third parties in the interest of certain Group subsidiaries and the commitments assumed by Maire to clients and/or other beneficiaries to fulfil obligations, contractually undertaken by the company and/or subsidiaries awarded tenders as part of their core operations and therefore in the execution of orders, in the case of non-fulfilment of such and for the reimbursement for any damage from such non-fulfilment, would fall under performance bond contracts, as such are covered by the definition of an insurance contract under IFRS 17.

It should be noted, however, that performance bond contracts issued to subsidiaries, in addition to the financial guarantees, contain full recourse clauses between the parties (Maire to its subsidiaries) and therefore do not fall within the scope of IFRS 17.

44. Related party transactions

In view of the transactions carried out by Maire Tecnimont in 2023, related parties principally concern:

- from group and associated companies (Tecnimont S.p.A., KT-Kinetics Technology S.p.A., MST S.p.A., Stamicarbon B.V., Met Development S.p.A., Met Dev 1 S.r.l., Nextchem S.p.A., Nextchem Tech S.p.A., Cefalù 20 S.c.a.r.l.; TCM do Brasil, OOO MT Russia, TPI, TCM-KT JV S.r.l, Met T&S Limited, Tecnimont USA Inc., Tecnimont Philippines, Tecnimont Arabia Ltd);
- from the parent company G.L.V Capital S.p.A. and from the consolidation scope of Maire Investments S.p.A., a company directly held by the majority shareholder G.L.V. Capital S.p.A.;
- from the Maire Tecnimont Foundation;
- from Luigi Alfieri, Director of Maire Tecnimont S.p.A.

In particular, payable contracts refer to the lease of office buildings from Group companies, the use of the “Maire” trademark and other minor recharges from the parent G.L.V. Capital S.p.A. and from transactions with the Maire Investments Group, a company owned by the majority shareholder of Maire Tecnimont S.p.A. mainly for the purchase of administrative and other general services.

The relationship with Luigi Alfieri, Non Independent Director of Maire Tecnimont S.p.A., refers to an annual contract for assistance and consulting services in the financial field.

Maire Tecnimont structurally benefitted from services provided by Tecnimont S.p.A, specifically the availability of office spaces, in addition to the provision of other related services (general services, facilities, security, equipment) and other AFC services from the subsidiary KT.

Financial contract payables refer to payables for financing received (Tecnimont S.p.A., Stamicarbon B.V., KT-Kinetics Technology S.p.A. and Conser S.p.A.). The loans are interest-bearing at market rates.

Financial contract receivables concern the loans granted to the subsidiaries (Tecnimont S.p.A., KT-Kinetics Technology S.p.A., Met Development S.p.A. Met Dev 1 S.r.l., MST S.p.A., TCM Filippine, MET T&S Limited, Nextchem S.p.A., Nextchem Tech S.p.A) for the management of their operating activities. All loans are interest-bearing at market rates.

The balances of bank current accounts payable and receivable arise from the cash pooling contract adopted by Maire Tecnimont S.p.A to which several Group companies have subscribed; interest accrues on the balances at market rates.

Commercial contract receivables principally concern services provided by Maire Tecnimont S.p.A. in favor of the subsidiaries the administrative, tax and legal service and the recharge of a number of costs incurred on behalf of the subsidiaries.

The residual balances are payables arising under the tax consolidation agreement (Tecnimont S.p.A., KT-Kinetics Technology S.p.A., MST S.p.A., Met Development S.p.A. Met Dev 1 S.r.l. TCM-KT JV S.r.l.) and payables and receivables arising following the VAT consolidation (MST S.p.A., Tecnimont S.p.A., Met Development S.p.A., TCM-KT JV S.r.l., Cefalù 20 S.c.a r.l, Nextchem Tech S.p.A., MyRechemical S.r.l.).

The Maire Tecnimont Foundation is a non-profit organization founded in 2021 by the Group to organize initiatives aimed at promoting culture, research, training and corporate social responsibility, with the purpose of enhancing and improving knowledge of Maire Tecnimont Group's historical identity, technological skills and cultural heritage. At December 31, 2023, Maire Tecnimont had paid contributions amounting to Euro 114 thousand and rendered various services to the Foundation for a total value of approximately Euro 217 thousand.

With reference to the related party transactions reported, such were concluded in the interest of Maire Tecnimont S.p.A..

The Company’s receivables/payables and cost/revenue transactions with related parties for 2023 are presented in the tables below:

(in Euro thousands) **31/12/2023**	Trade Receivables	Trade Payables	Financial Receivables	Financial Payables	Receivables (Payables) for VAT	Receivables (Payables) for tax consolidation	Receivables for IRES excess cede	Receivables (Payables) for cash pooling	Revenues	Costs	Financial Income	Financial Charges
Tecnimont S.p.A.	21,174	(6,505)	302,865	(100,960)	(46,171)	10224.000	2,000	(80,349)	38,663	(4,180)	28,026	(6,487)
KT S.p.A.	12,292	(463)	44,161	(69,000)		7,413	2,000	50,827	6,443	(382)	5,208	(3,047)
Stamicarbon B.V.	103	(475)		(15.000)				(25,468)	231		10	(865)
G.L.V Capital S.p.A.		(158)								(1,160)		
MST S.r.l.	2,374	(53)	59,413		(1,741)	(924)		6,964	490	(5)	2,332	(123)
Met Development S.p.A.	147	(11)	14,000		287	(174)		1,859		(120)	531	(14)
Met Dev 1 S.r.l.	54		1,834			395		3,029	20		129	
TPI	85	(152)							20			
TCM France	56	(678)							10			
MET T&S LIMITED	609	(3)	9,000					(811)	20		350	(3)
Cefalù S.c.a.r.l.	31				(139)				10		6	
Corace S.c.a.r.l.	10								10			
Tecnimont Private Limited	2,833	(125)							24	(113)	116	
Tecnimont México	1								5			
Tecnimont USA Inc.	26	(263)						(20,603)	20			(263)
Tecnimont Arabia Ltd	179								20		112	
MyReplast Industries Srl	44								20			
MyRechemical	23	(24)			1,438			(2,959)	20	(42)	4	(21)
MDG Reale Estate	10								10			
Birillo 2007 S.c.a.r.l.	10								10			
Met Newen Mexico S.A. de C.V.	993								215		15	
Biolevano S.r.l.	12								12			
Cosorzio Turbigo 800												
Nextchem Tech S.p.A.	489	(963)	13,816		(6,802)		2,000	1,669	252	(965)	646	(94)
Nextchem S.p.A	370		22,062						10		360	
Conser S.p.A.	10	(367)		(13,500)					10			(367)
TCM Nigeria	156								156			
TCM Philippines	383		10,860						20	(7)	308	
TCM-KT JV S.r.l.	189	(117)			(1,279)	76		1,139	20		733	(157)
TCM-KT JV Azerbaijan	20								20			
KT india	1											
MYREPLAST S.R.L.	5								5			
Esperia										(30)		
U-COAT S.p.A.	5								5			
TECNIMONT E&I (M) SDN. BHD.	10								10			
Stamicarbon USA	2											
KT Arabia	26										16	
Transfima Geie	8											
Tecnimont Do Brasil	5								5			
Tecnimont Chile	31								20		11	
OOO MT Russia	239								127		353	
MyRemono S.R.L.	10								10			
Fondazione Maire Tecnimont	252								217	(114)		
TPLIB							2.000					
SE.MA. Global Facilities SRL	52								10	(1)		
Luigi Alfieri		(63)								(338)		
Total	**43,327**	**(10,422)**	**478,010**	**(198.460)**	**(54,407)**	**17,010**	**8,000**	**(64,704)**	**47,169**	**(7,456)**	**39,266**	**(11,441)**

Remuneration of Directors, Statutory Auditors and Senior Executives is outlined below:

31/12/2023 *(in Euro thousands)*	**Fees**
Directors	5,323
Statutory Auditors	200
Total	**5,523**

The remuneration concerns emoluments and all other payments, pension-related or social security deriving from the role of Director or Statutory Auditor in Maire Tecnimont S.p.A..

The remuneration of Directors and Statutory Auditors and Senior Executives, appears in the 2023 Corporate Governance and Ownership Structure Report and the 2024 Remuneration Report, both available on the company website at www.mairetecnimont.it in the “Governance” section.

45. Financial risk management

For more complete disclosure on financial risks, reference should be made to the “FINANCIAL RISKS” section of the Explanatory Notes of the Consolidated Financial Statements of the Maire Tecnimont Group. Maire Tecnimont S.p.A`s ordinary operations are exposed to financial risks. Specifically:

- Credit risk, both in relation to normal commercial transactions with clients and financial activities;
- Liquidity risk, concerning difficulties in liquidating positions held within necessary timeframes or in sourcing operating funding;
- Market risk, relating to fluctuations in interest rates for financial instruments which generate interest;
- Default and debt covenant risk regarding the possibility that loan contracts include clauses permitting the lending Banks to request immediate repayment on the occurrence of certain events, resulting therefore in a liquidity risk.

Maire Tecnimont S.p.A constantly controls financial risks, anticipating potential negative impacts and undertaking appropriate corrective actions.

The following section provides qualitative and quantitative information on the impact of these risks on Maire Tecnimont S.p.A.. The following quantitative data may not be used for forecasting purposes. Market risks may not reflect the complexity and the related market reactions from any change in assumptions.

IFRS 7 requires that the classification of financial instruments measured at fair value is determined based on the quality of the input sources used in the measurement of the fair value (level 1, 2 and 3); the financial statements of Maire Tecnimont S.p.A. includes financial instruments measured at fair value.

45.1. Credit risk

Maire Tecnimont credit risk represents the exposure to potential losses following the non-fulfilment of obligations by counterparties. Credit risk stems from normal operations and is monitored by the operating and financial departments on the basis of set procedures, which establish the methods for quantifying and controlling client risk.

They are managed according to procedures, including credit recovery and dispute management. The maximum theoretical exposure to the credit risk for the Company at December 31, 2023 is the carrying value of the financial assets recorded in the accounts, and the nominal value of the guarantees given on debts and commitments to third parties.

At December 31, 2023, Trade receivables within and beyond 12 months respectively were Euro 51,358 thousand and Euro 319 thousand, and essentially concern inter-company transactions. A summary of the trade receivables and the relative doubtful debt provisions is reported below:

(Euro thousands)	Overdue at 31/12/2023				
	Not overdue	Up to 365 days	From 366 to 731 days	Over 731 days	Total
TRADE RECEIVABLES	53,185	12,759	1,155	1,270	68,369
OTHER NON-CURRENT ASSETS	319	0	0	0	319
Total Trade Receivables	53,504	12,759	1,155	1,270	68,688
Of which:					
Within 12 months (Note 42.9)					68,369
Beyond 12 months (Note 42.7)					319

For comparative purposes, the prior year amounts are presented below:

(Euro thousands)	Overdue at 31/12/2022				
	Not overdue	Up to 365 days	From 366 to 731 days	Over 731 days	Total
TRADE RECEIVABLES	33,380	8,947	671	618	43,616
OTHER NON-CURRENT ASSETS	456	0	0	0	456
Total Trade Receivables	33,836	8,947	671	618	44,072
Of which:					
Within 12 months (Note 42.9)					43,616
Beyond 12 months (Note 42.7)					456

The trade receivables are all from subsidiaries and therefore are considered without significant credit risk.

For IFRS 9, the impairment requirements are based on an expected credit loss (ECL) model utilizing supporting information, available without unreasonable charges or effort, which includes historic, current and projected figures. The credit risk of the subsidiary counterparties was however assessed and found to be immaterial.

45.2. Liquidity risk

This risk concerns the difficulty in sourcing new funding or access to liquid assets, resulting in the enterprise's failure to satisfy payment commitments, being forced to incur additional funding costs or, in extreme instances, being faced with potential insolvency which may put its going concern at risk.

At the present moment, Maire Tecnimont considers that the good levels of liquidity held and prudent and functional management of the credit lines available are important elements for stability and sufficient to guarantee the resources necessary for operating continuity. The management of liquidity risk is based above all on the strategy of containing debt and maintaining financial equilibrium.

The following tables shows the lines of credit and other credit facilities available to the Company as of December 31, 2023, broken down by type, distinguishing between amounts granted and used:

Credit lines granted to and used by the Group at December 31, 2023			
Description	Amt. Granted (€)	Amt. Used (€)	Amt. available
Overdraft facilities, revolving facilities and lines of credit	92,484,396	19,944,901	72,539,494
M/L loans - Bonds	633,125,000	633,125,000	-
Total	725,609,396	653,069,901	72,539,494

The Euro Commercial Paper (ECP) Program will also allow the Company to diversify its short-term financing instruments, obtain a wider choice of funding and optimize its debt management in terms of maturity and pricing profile. The amounts used and the total granted are set out below:

Credit lines approved and used by the Group at December 31, 2023			
Description	Amt. Granted (€)	Amt. Used (€)	Amt. available
Euro Commercial Paper	150,000,000	21,600,000	128,400,000
Total	150,000,000	21,600,000	128,400,000

The following table analyses the breakdown and maturities of financial liabilities according to non-discounted future cash flows:

31/12/2023 *(In Euro thousands)*	Due within 1 year	Due between 1 & 5 years	Due beyond 5 years	Total
Financial debt - non-current portion	0	369,321	0	369,321
Other non-current financial liabilities	13,000	252,000	0	265,000
Short-term debt	186,746	0	0	186,746
Other current financial liabilities Intercompany	339,603	0	0	339,603
Other current financial liabilities	21,600	0	0	21,600
Finance lease Liabilities - current and non-current	973	3,341	4,148	8,462
Total financial liabilities (current and non-current)	561,922	624,662	4,148	1,190,732

Future interest is estimated on the basis of existing market conditions at the preparation date of the financial statements.

The other inter-companies financial liabilities concern the payables to subsidiaries for loans and the payables to subsidiaries for current accounts; the Company adopted the cash pooling system to streamline the management of Group cash flows, avoiding the dispersion of liquidity and minimizing financial charges. The maturity dates and the interest estimates are based on the residual contractual duration or the earliest date when payment may be demanded.

The portion of leasing financial liabilities “Beyond 5 years” is the value of the financial liability relating to the right-of-use assets recognized, primarily attributable to the properties in which the Company’s offices are located.

The repayment of Maire Tecnimont S.p.A.'s short-term financial liabilities is guaranteed by cash and cash equivalents amounting to Euro 133,307 at December 31, 2023, by other current financial assets of Euro 295,978 that essentially represent the Intercompany assets under the centralized cash pooling system and by the forecasts for 2023 related to operations, essentially connected to the collection of dividends from subsidiaries.

45.3. Market risks

CURRENCY RISK

The Company is theoretically exposed to risks deriving from changes in the exchange rate although the amount of financial assets and liabilities in currencies other than the Euro which may impact the income statement or value of the net equity are minimal.

INTEREST RATE RISK

Interest rate risk within the Company essentially concerns the variable medium/long-term loans. Variable rate debt interest rate risk not hedged through derivative instruments is however partly mitigated by liquidity remunerated at rates indexed to the same debt parameter (euribor). Any consequent interest rate fluctuations may create similar effects upon cash flows generated from inventories, although in an opposing manner than those produced on cash flows related to debt positions.

The Group also has Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE’s Garanzia Italia (Italy Guarantee).

The risk on the variable rate debt is partially mitigated by the fact that Group cash deposits are remunerated at interest rates indexed to the same debt parameter (Euribor).

In 2013, Maire S.p.A. issued a non-convertible Euro 200 million Senior Unsecured Sustainability-Linked bond, stipulating an interest rate increase where specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO2 emissions (“Scope 1 and Scope 2”) by 35% compared to the 2018 level, and reduce the CO2 emissions of its suppliers by 9%, particularly through the “Scope 3” emission intensity related to purchased technology-content goods and services, measured as tons of CO2 relative to value added, compared to the 2022 level. These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN’s SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

At present, there is no indication of the risk of such a rate increase as the Group to date has recorded an approx. 26% reduction in CO2 emissions (Scope 1 + Scope 2) to 2023 compared to the 2018 baseline, and an approx. 4.5% reduction in Scope 3 intensity (by specific goods and services clusters) on value added compared to the 2022 baseline.

45.4. Default and debt covenant risk

This concerns the possibility that loan contracts include clauses permitting the lending Banks and other lenders to request immediate repayment on the occurrence of certain events, resulting therefore in a liquidity risk. The main positions to which the Company is potentially exposed are outlined below.

In 2023, the Company issued a new bond for a nominal value of Euro 200 million and, at the same time, redeemed ahead of April 30, 2024, the non-convertible bond loan for a total of Euro 165 million.

In this regard, we report the following:

On September 28, 2023, the public offering in Luxembourg and Italy of the Maire Tecnimont S.p.A. "Senior Unsecured Sustainability Linked Notes due 5 October 2028" Bonds was concluded in advance, with a total nominal value of Bonds subscribed of Euro 200 million, at an issue price of 100% of their nominal value, represented by 200,000 Bonds with a nominal value of Euro 1,000 each. The gross proceeds from the Offering amounted to Euro 200 million.

The interest rate of the Bonds, corresponding to the yield at issuance, is 6.50% per annum gross. It should also be noted that there is a maximum interest rate increase of 0.50% overall where the specific CO2 emission reduction targets are not met.

In fact, the new Bond stipulates an interest rate increase if specific decarbonization targets are not met by December 31, 2025. In particular, MAIRE is committed to: reduce its own direct and indirect CO2 emissions (“Scope 1 and Scope 2”) by 35% compared to the 2018 level, and reduce the CO2 emissions of its suppliers by 9%, particularly through the “Scope 3” emission intensity related to purchased technology-content goods and services, measured as tons of CO2 relative to value added, compared to the 2022 level.

These targets, in line with the decarbonization plan set out in the MAIRE Group's sustainability strategy (carbon neutrality Scope 1 and 2 to 2030 and Scope 3 to 2050), contribute to the achievement of the UN’s SDG 7 and SDG 9 sustainable development goals.

The interest rate increase will be 0.25% for each missed target (i.e. maximum increase of 0.50%) from the year following the year of recording (FY 2025). Achievement of the targets will be verified by an independent audit firm appointed for this purpose.

Consequently, 200,000 Bonds were issued on October 5, 2023. On the same date, the Bonds began accruing interest, which shall be settled, in arrears, on April 5 and October 5 of each year beginning April 5, 2024; the Bond provides the option of voluntary early redemption from the third year.

The trading commencement date of the Bonds on the MOT set by Borsa Italiana S.p.A., pursuant to Article 2.4.3 of its Regulation, was October 5, 2023. On the same date, the Bonds were also admitted to listing on the official list of the Regulated Market of the Luxembourg Stock Exchange, with the commencement of trading.

The Company continues to integrate its sustainability goals into its financial management, as it did in 2019 with the ESG-linked Schuldschein Loan.

In fact, the new Bond will take into account the Sustainability-Linked Financing Framework approved by the Board of Directors. The Framework, drafted in line with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles, has been certified by Sustainalitycs as a Second-Party Opinion Provider, and is available along with the certification on the Company's website (www.mairetecnimont.com), in the "Investors" - "Investors and Sustainability" section. The transaction further strengthens MAIRE's commitment to the energy transition, as already represented in the 2023-2032 strategic plan.

The new Bond also includes an incurrence covenant, non-compliance with which would result in debt restrictions and default events in line with the Group's existing medium to long-term debt; specifically, the bond financial covenants require a maximum debt level and the maintenance of a stated net financial position/EBITDA ratio. The measurement of this financial covenant is on an annual basis, whose next measurement will take place with reference to final figures at December 31, 2023.

On July 8, 2020, Maire Tecnimont S.p.A. signed a loan agreement for Euro 365 million, 80% of which was backed by SACE's “Garanzia Italia” (Italy Guarantee), and disbursed by a syndicate of leading Italian financial institutions comprising Banco BPM, Cassa Depositi e Prestiti, Intesa Sanpaolo and Unicredit. The loan mainly supported the working capital needs of the parent company Maire Tecnimont and its main operating companies in Italy, in line with the provisions of the Liquidity Decree of April 9, 2020 and has a total duration of 6 years, of which 2 years grace period and a rate of 1.7% per annum, plus the cost of SACE's Italy Guarantee The financing, with extremely flexible features, as it can be repaid in whole or in part at any time without additional cost, will contribute to strengthening the group's financial structure to cope with the volatility of the markets caused by Covid 19.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

On March 13, 2023, Maire Tecnimont S.p.A. signed a new Euro 150 million loan, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Maire Tecnimont Group's financial structure. This loan was issued by a syndicate of leading Italian banks, comprising Banco BPM, MPS Capital Services and Intesa Sanpaolo (IMI Corporate & Investment Banking Division). This latter shall act also as the "SACE Agent" and Agent Bank for the transaction. In accordance with Legislative Decree No. 50 of May 17, 2022, the loan shall mainly support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the MAIRE Group's main operating company headquartered in Italy. The new loan shall have 6-year duration, of which 3 years grace period, a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

On May 25, 2023, MAIRE S.p.A. signed a new Euro 40 million loan with BPER Corporate & Investment Banking, backed for 80% by SACE S.p.A.'s guarantee and further strengthening the Group's financial structure. In accordance with Decree-Law No. 50 of May 17, 2022, the loan is mainly to support the funding (including R&D spend) and working capital needs of the parent company MAIRE and of Tecnimont S.p.A., the Group's main operating company headquartered in Italy. The loan matures in December 2028 and has a three-year grace period. It provides for a Euribor 3-month +1.7% margin annual rate, in addition to the cost of the SACE S.p.A. guarantee, and may be fully or partly settled at any time without penalties.

The loan includes covenants in line with normal business practice for such operations; specifically, the loan's financial covenants concern the ratio between the net financial position and net equity, as well as between the net financial position and EBITDA on a half-yearly basis, with next measurement on the FY 2023 figures.

In 2019, Maire Tecnimont made a further commitment to its Green Acceleration project, launched in 2018, by taking out a "ESG Linked Schuldschein Loan" to support Group investments in green technologies. The instrument originally was divided in two tranches (Euro 7.5 million repaid in 2022 and Euro 55 million maturing in 2024) with an average duration of approx. 5 years, total repayment at maturity, and an average rate of approximately 6.15%. The cost of the instrument may also vary – including downwards – in relation to the achievement of the Group's CO_2 emission reduction targets.

The bonds are supported by covenants in line with market practice; specifically, the bond covenants regard the maintenance of a ratio between the net financial position and EBITDA on a yearly basis, with the next measurement based on the figures at December 31, 2023.

Maire Tecnimont is currently not aware of any default situations regarding the above-mentioned covenants. The bond covenants, which regard the maintenance of a ratio between the net financial position and net equity, as well as between the net financial position and EBITDA to be next measured based on FY 2023 figures, have been complied with according to the results currently available.

45.5. Forward operations and derivative instruments

The accounting of the hedging instruments differs depending on the objective of the hedge: cash flow hedges or fair value hedges.

Maire Tecnimont S.p.A. has Interest Rate Swap (IRS) derivatives to hedge the exposure to the risk of variable interest rates on a portion of the loan signed by Maire Tecnimont S.p.A. for Euro 365 million, 80% of which is backed by SACE's Garanzia Italia (Italy Guarantee).

For cash flow hedges, the matured result, where realized, is included in the financial management result for interest rate swaps, while the fair value change is recognized to shareholders' equity for the effective portion and to the income statement for the ineffective portion.

The changes in the fair value of the derivative instruments designated, and which are efficient, to hedge future cash flows relating to the Group contractual commitments are directly recorded under Shareholders' Equity, while the non-efficient portion are immediately recorded in the Income Statement.

The company in addition utilizes derivative instruments to hedge against movements in the Maire Tecnimont share price, in view of the implementation of a buy-back program to satisfy the "Equity Settled" employee plans, as the Group has assigned its capital instruments as additional remuneration for services received (employment).

Maire Tecnimont S.p.A therefore subscribed cash-settled Total Return Equity Swap (TRES) derivative instruments, undertaken to hedge against movements in the Maire Tecnimont share price. For accounting purposes, the TRES derivative instruments cannot be designated as a hedging derivative instrument and are valued, in accordance with IFRS 9 at fair value, with the related changes in financial income and expense recorded in the income statement.

Currency derivatives are undertaken with leading Italian and overseas banks in order to hedge operations and also for accounting purposes.

Fair value calculation

The fair value of financial instruments is represented by the current market price or, in their absence the application of appropriate financial valuation models which take into consideration all the factors adopted by market operators and the prices obtained in a real market transaction.

In particular, the fair value of the TRES instruments and of the interest rate swaps is measured discounting the expected cash flows, calculated on the basis of the market interest rate at the reference date and in the case of the TRES also the price of the underlying listed shares.

Derivative instruments at December 31, 2023

The table below shows the outstanding amounts of derivatives in place at the reporting date, analyzed by maturity:

(Euro thousands)	Book value at 31/12/2023	Notional			
	MTM	Projected cash flows	Within 1 year	Between 1 and 5 years	Over 5 years
Interest Rate Swap (*)	3,789	121,875	37,500	84,375	
Tres (*)	16,872	35,033	35,033		

(*) "Level 2" of Fair-Value

The Company has the following forward interest rate contracts:

Description	IRS	Interest Rate	Notional in Euro	Fair value at 31.12.2023
IRS 1	Maire Tecnimont	-0.23%	49,218,749	1,529,864
IRS 2	Maire Tecnimont	-0.23%	49,218,749	1,531,886
IRS 3	Maire Tecnimont	-0.23%	23,437,500	727,698
Total commitments			**121,874,998**	**3,789,447**

The Company has the following Total Return Equity Swap (TRES) contracts on the share price:

Description	Shares	Number	Notional in Euro	Fair value at 31.12.2023
TRES 3	Maire Tecnimont	2,067,800	8,687,351	1,230,203
TRES 6	Maire Tecnimont	2,000,000	5,553,200	4,185,602
TRES 7	Maire Tecnimont	5,000,000	15,728,000	9,223,640
TRES 9	Maire Tecnimont	1,500,000	5,064,750	2,232,760
Total commitments			**35,033,301**	**16,872,205**

45.6. Classification of the financial instruments

IFRS 7 requires that the classification of financial instruments valued at fair value is determined based on the quality of the input sources used in the valuation of the fair value. The IFRS 7 classification implies the following hierarchy:

- Level 1: fair value calculation according to active market prices. Company instruments do not fall within this category;
- Level 2: fair value measurement according to market prices or similar assets or through measurement techniques for which all significant factors are directly or indirectly based on observable market data. Company instruments fall within this category.
- Level 3: fair value measurement according to valuation models whose input is not based on observable market data ("unobservable inputs"). Instruments whose value is based on models with inputs not directly based on observable market data are currently in place.

For all derivative instruments used by the Company, the fair value is calculated according to measurement techniques based on observable market parameters ("Level 2"); no transfers were made between Level 1 and Level 2 and vice versa.

As required, we report the type of financial instruments present in the financial statements, with indication of the accounting policies applied. The book value of financial assets and liabilities substantially coincide with their fair value.

At 31/12/2023 (in Euro thousands)	Loans and Receivables - Amortized Cost	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Capital instruments - Fair Value OCI (**)	Total
Non-current financial receivables	265,858				265,858
Other non-current assets	0				0
Trade receivables	51,358				51,358
Financial instruments – Derivatives		19,731			19,731
Other financial assets	279,106				279,106
Other current assets	2,438				2,438
Cash and cash equivalents	133,307				133,307
Total	**732,067**	**19,731**	**0**	**0**	**751,798**

(*) "Level 2" of the Fair-Value
(**) "Level 3" of Fair-Value

At 31/12/2022 (in Euro thousands)	Loans and Receivables - Amortized Cost	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Capital instruments - Fair Value OCI (**)	Total
Non-current financial receivables	201,786				201,786
Other non-current assets	0				0
Trade receivables	25,507				25,507
Financial instruments – Derivatives		4,491			4,491
Other financial assets	251,797				251,797
Other current assets	2,306				2,306
Cash and cash equivalents	56,997				56,997
Total	538,393	4,491	0	0	542,884

(*) "Level 2" of the Fair-Value
(**) "Level 3" of Fair-Value

At 31/12/2023 (in Euro thousands)	Financial Liabilities - Amortized Cost	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Total
Financial debt - non-current portion	326,881			326,881
Other non-current financial liabilities	197,413			197,413
Current loans and borrowings	3,584			3,584
Finance lease Liabilities - current and non-current	6,934			6,934
Current and non-current financial instruments-derivatives		0		0
Other current financial liabilities	351,633			351,633
Trade payables	14,889			14,889
Other current liabilities	58,339			58,339
Total	959,673	0	0	959,673

(*) "Level 2" of the Fair-Value

At 31/12/2022 (in Euro thousands)	Financial Liabilities - Amortized Cost	Derivative Instruments - Fair value (*)	Derivative Instruments - Hedge Accounting - Fair Value (*)	Total
Financial debt - non-current portion	283,285			283,285
Other non-current financial liabilities	164,440			164,440
Current loans and borrowings	975			975
Finance lease Liabilities - current and non-current	6,744			6,744
Current and non-current financial instruments-derivatives		2,966		2,966
Other current financial liabilities	316,940			316,940
Trade payables	9,036			9,036
Other current liabilities	43,944			43,944
Total	**825,364**	**2,966**	**0**	**828,330**

(*) “Level 2” of the Fair-Value

The book value of financial assets and liabilities substantially coincide with their fair value.

46. Independent Audit Firm fees

The following table, prepared pursuant to Article 149 of the Consob Issuers’ Regulations, reports the payments made in 2023 for services carried out by the audit firm.

Type of service *(in Euro thousands)*	Provider	Company	2023 Fees
Audit	PricewaterhouseCoopers S.p.A.	Maire Tecnimont S.p.A.	323
Certification services (*)	PricewaterhouseCoopers S.p.A.	Maire Tecnimont S.p.A.	4
Other services **	Pricewaterhousecoopers Network	Maire Tecnimont S.p.A.	166
	PricewaterhouseCoopers S.p.A.	Maire Tecnimont S.p.A.	163

The fees do not include VAT, expenses and any Consob oversight contribution repayments

(*) Certification services include the signing of tax declarations.

(**) The other services include the audit fee for the Sustainability Report - containing the Non-Financial Statement as per Legislative Decree 254/2016 and the fee for support with development of the in-country value method, the fee for the issuance of comfort letter in connection with the issuance of Maire's new Euro 200 million Sustainability-Linked Bond, the assignment for the audit of the Scope 2 Market Based emissions reporting methodology and in relation to the Scope 3 Category 1 Hybrid Methodology, and an activity to analyze the reporting of certain ESG parameters required by Maire Tecnimont's ESG Linked Schuldschein Loan.

47. Significant non-recurring events and operations

In 2023, the company did not execute any significant non-recurring operations in accordance with Consob Communication No. DEM/6064293 of July 28, 2006.

48. Transactions relating to atypical or unusual operations

In accordance with Consob Communication of July 28, 2006 No. DEM/6064293, the Company did not undertake any atypical and/or unusual operations, as defined in the communication.

49. Subsequent events after December 31, 2023

For significant events following year-end, reference should be made to the accompanying Directors' Report.

50. Statement on the financial statements as per Article 154-bis, paragraph 5 of Legislative Decree No. 58/98 and subsequent amendments and supplements

1. The undersigned Alessandro Bernini, as “Chief Executive Officer” and Fabio Fritelli, as “Executive Officer for Financial Reporting” of MAIRE TECNIMONT S.p.A. declare, in consideration of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:
    - the consistency in relation to the characteristics of the company.
    - the effective application of the administrative and accounting procedures for the compilation of the financial statements at December 31, 2023.
2. In addition, we certify that the financial statements:
    - are drawn up in conformity with the applicable international accounting standards recognized by the European Union in accordance with Regulation (CE) No. 1606/2002 of the European Parliament and the Commission of July 19, 2002;
    - correspond to the underlying accounting documents and records;
    - provide a true and correct representation of the balance sheet, financial situation and result for the year of the Issuer.
3. The Directors’ Report includes a reliable analysis on the performance and operating result, as well as the situation of the issuer, together with a description of the principal risks and uncertainties to which it is exposed.

This statement is provided also in accordance with Article 154-*bis*, paragraph 2 of Legislative Decree No. 58 of February 24, 1998.

Milan, March 5, 2024

The Chief Executive Officer

Alessandro Bernini

The Executive Officer
for Financial Reporting

Fabio Fritelli

51. Board of Directors proposal

Dear Shareholders,

we consider that the financial statements of the company have been exhaustively outlined and we trust in your approval of the presentation and policies adopted for the 2023 financial statements, which report net income of Euro 34,880,399.88.

We therefore invite you to approve the Separate Financial Statements of Maire Tecnimont S.p.A. at December 31, 2023, which presents net income of Euro 34,880,399.88, comprising the income statement, the comprehensive income statement, the balance sheet, the statement of changes in shareholders' equity, the cash flow statement and the explanatory notes, presented in its entirety, with the individual entries and the proposed allocations.

As the legal reserve has reached one-fifth of the share capital in accordance with Article 2430 of the Civil Code, we invite you to approve the proposal to allocate the net income of Euro 34,880,399.88 to shareholders as dividend.

In addition, taking into account that the financial statements include "Retained earnings" for a total amount of Euro 11,838,174.84, to be fully considered attributable to the retained earnings recognized at December 31, 2021 and the "Extraordinary Reserve" for a total amount of Euro 117,682,064.95,

we propose the distribution of a unitary dividend of Euro 0.197, gross of legal withholdings, for each of the 328,517,346 ordinary shares in circulation, and therefore for a total Euro 64,717,917.16[10], to be attributable for Euro 11,838,174.84 from "Retained earnings", for the amount of Euro 17,999,342.44 from the "Extraordinary Reserve" and for Euro 34,880,399.88 from the 2023 net income.

It is also proposed to settle the above dividend from April 24, 2024 ("payment date"), with dividend coupon of April 22, 2024 ("ex date"). Pursuant to Article 83-terdecies of Legislative Decree No. 58 of February 24, 1998, the entitlement to payment of the dividend is based on the records in the intermediary's accounts referred to in Article 83-quater, paragraph 3, of the same Legislative Decree No. 58/98, at the end of the accounting day of April 23, 2024 ("record date").

We invite you to authorize, in the event that before the coupon date indicated above the company undertakes transactions regarding the purchase and sale of treasury shares, the Chief Executive Officer may allocate to and/or withdraw from the proposed retained earnings the amount of the dividend to which such shares are entitled.

Milan, March 5, 2024

For the Board of Directors

The Chairperson

[10] The total proposed dividend amounts to Euro 0.197 for each share, taking into account the 123,086 treasury shares held in portfolio by Maire Tecnimont at March 5, 2024, date of approval of the proposal by the Board of Directors of the Company as per the illustrative report. In this regard, it should be noted that, subject to the amount of the unitary dividend, the total dividend amount may change depending on the number of treasury shares held in portfolio by the company at the ex-coupon date, consequently increasing or decreasing the amount to be utilized from the "Extraordinary Reserve".

52. Board of Statutory Auditors' Report

Report of the Board of Statutory Auditors to the Shareholders' Meeting called for the approval of the 2023 Annual Accounts (Article 153, Legislative Decree No. 58/98 and Article 2429, paragraph 2, Civil Code)

Dear Shareholders,

The Board of Statutory Auditors of Maire Tecnimont S.p.A. (hereafter also "**MAIRE**" or the "**Company**") in accordance with Article 153 of Legislative Decree No. 58/1998, Consolidated Finance Act ("**CFA**") and Article 2429, paragraph 2 of the Civil Code, is required to report to the Shareholders' Meeting on the results for the financial year and on the activities carried out in fulfilment of its duties, as well as report observations and proposals regarding the financial statements and their approval and on the matters within its scope.

In 2023, the Board of Statutory Auditors carried out its supervisory duties in accordance with applicable regulations, taking account also of the conduct principles of the Italian Accounting Profession (*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*), the Consob provisions concerning corporate controls and Boards of Statutory Auditors' activities, and the principles and recommendations of the Corporate Governance Code adopted by the Company.

For such purposes, the Board of Statutory Auditors:

- attended the meetings of the Board of Directors, of the Internal Board Committees and of the Independent Directors of the Company;
- undertook the ongoing exchange of information with the Executive Officer for Financial Reporting, Administrative and Finance Managers, Group Fiscal Affairs, Group Internal Audit, the Group General Counsel, Group Corporate Affairs, Governance & Compliance, Group Risk Management, Special Initiatives and Regions Coordination, Group Risk and Insurance Management, Sustainability Reporting, Performance and Disclosure, Group Sustainability and Corporate Advocacy and Group Human Resources, ICT, Organization of the Company;
- undertook the periodic exchange of information with the Boards of Statutory Auditors of the main subsidiaries, with the Supervisory Board ("**SB**" or "**Supervisory Board**") tasked with overseeing the efficacy, compliance and updating of the Organization, Management and Control Model for the purposes of Legislative Decree No. 231/01 of the Company and those of the main Italian subsidiaries;

- undertook ongoing meetings with PricewaterhouseCoopers S.p.A. ("**PWC**"), the legally-appointed auditor of the company, for the Legal Audit and, as the Designated Auditor, to verify compliance regarding the Non-Financial Statement as per Legislative Decree No. 254/2016 (the "**Non-Financial Statement**" or "**NFS**") and the issue of the relative report (limited assurance engagement).

Appointment of the Board of Statutory Auditors

The Board of Statutory Auditors in office at the date of this report was appointed by the Shareholders' Meeting of April 8, 2022, and comprises:

- Mr. Francesco Fallacara (Chairperson);
- Mr. Andrea Bonelli (Statutory Auditor);
- Ms. Marilena Cederna (Statutory Auditor).

Mr. Massimiliano Leoni, Ms. Mavie Cardi and Mr. Andrea Lorenzatti are Alternate Auditors.

The mandate of the Board of Statutory Auditors concludes at the Shareholders' Meeting called to approve the 2024 Annual Accounts.

The main offices held by the members of the Board of Statutory Auditors are also indicated in the "*2023 Corporate Governance and Ownership Structure Report*" of the Company, drawn up as per Article 123-*bis* of the CFA, made available to the public in accordance with law on the website www.mairetecnimont.com and according to the other means set out by the applicable regulation (the ***2023 Corporate Governance and Ownership Structure Report***").

The Board of Statutory Auditors reports that all of its members comply with Consob's regulations concerning the cumulative number of appointments permitted.

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We report that the draft financial statements of the Company and the consolidated financial statements at December 31, 2023, approved by the Board of Directors of the Company on March 5, 2024, were drawn up in accordance with IAS/IFRS International Accounting Standards issued by the International Accounting Standards Board(IASB) and endorsed by the European Union, in force at December 31, 2023, in addition to the provisions issued in enactment of Article 9 of Legislative Decree 38/2005.

We further report that these financial statements were prepared in compliance with the specifications required by Regulation (EU) No. 2019/815 ("**ESEF Regulation**") and, therefore, in the XHTML electronic format and presents, with specific reference to the consolidated financial statements of MAIRE at December 31, 2023, the Inline XBRL markings of the information according to the taxonomy indicated in the aforementioned ESEF Regulation.

The separate financial statements and the consolidated financial statements at December 31, 2023, of MAIRE include the statements of the Chief Executive Officer and the Executive Officer for financial reporting.

Inter-company and related party transactions

In accordance with Article 2391-*bis* of the Civil Code and Consob motion No. 17221 of March 12, 2010 and subsequent integrations, enacting the related party transactions regulation (the "**RPT Regulation**"), the Board of Directors, on November 12, 2010, approved the "Related parties transactions policy" (the "**RPT Policy**"). Once approved, the RPT Policy has been regularly verified to ensure its relevance and has been updated as necessary by the Board of Directors.

It should also be noted that the RPT Policy adopted by the Company and updated on June 24, 2021, *(i)* is consistent with the principles contained in the most recent version of the RPT Regulation and *(ii)* is available on the Company's website (www.mairetecnimont.com).

We attended the meetings of the Related Parties Committee, during which we reviewed the related party transactions undertaken in 2023, including for the purpose of issuing opinions in accordance with the RPT Policy.

More specifically, the Related Parties Committee was provided, semi-annually, with detailed information on the related party transactions carried out during the period under review and qualified as "exempt" in accordance with the RPT Policy. This information included the inter-company transactions and those with the Maire Tecnimont Foundation and with the parent or with companies of the majority shareholder, all of which were of an ordinary nature. These transactions related essentially to the provision of administrative services related to property management, which were categorized as exempt from the RPT Policy as either "inter-company" or "minor" transactions. Furthermore, all of the above transactions, in addition to being of an ordinary nature, were carried out at arm's length.

With regard to transactions for which the exemptions of the RPT Policy did not apply, it should be noted that all transactions analyzed, with the exception of that *infra* indicated, were categorized as "Minor" transactions in accordance with the RPT Policy. Having assessed the Company's interests in each transaction and the substantial fairness and the benefit of the conditions applied, the Related Parties Committee issued a non-binding, reasoned opinion in favor of such transactions.

The Board of Directors of Maire Tecnimont, in its meeting of March 1, 2023, resolved - subject to the reasoned binding favorable opinion of the Related Parties Committee - to approve a "Significant Transaction", pursuant to the RPT Policy, as specifically illustrated in the Disclosure Document, prepared pursuant to Article 5 of the RPT Regulation, and in accordance with Annex 4 of the same regulation, made available to the public, in the manner required by current regulations, on March 7, 2023 and to which reference is made. We have therefore supervised, with specific reference to this Transaction, the correct compliance with the provisions of the RPT Regulations and the RPT Policy regarding the approval of "Significant Transactions" by the Company, the Related Parties Committee and the Board of Directors, each to the extent of their remit.

The Related Party transactions are indicated in the notes to the Financial Statements and to the Consolidated Financial Statements of the company, in which the income and equity effects are also reported.

We verified compliance with the RPT Policy and the correctness of the process followed by the Board of Directors and the Related Parties Committee charged with qualifying related parties and we have no matters to report.

Atypical or unusual transactions

The company did not undertake any atypical or unusual transactions as defined by Consob communication DEM/6064293 of July 28, 2006.

Impairment Test Procedure

In line with the Bank of Italy/Consob/ISVAP joint document of March 3, 2010, the Board of Directors on February 29, 2024, approved, independently and ahead of approval of the financial statements for the year ended December 31, 2023, the consistency of the impairment test procedure with international accounting standard IAS 36.

The Company carried out the impairment tests on the goodwill allocated to the "**Integrated E&C Solutions**" (**IE&CS**) and the "**Sustainable Technology Solutions**" (**STS**) cash generating units (**CGUs**) in the Annual Financial Report of the MAIRE Group at December 31, 2023 and on the carrying amounts of the investments recognized to the statutory financial statements at December 31, 2023. In this regard, it should be noted that the impairment tests were carried out considering the scope of the CGU's at December 31, 2023, and in substantial continuity with the test carried out with regards to the previous fiscal year, taking account of the changes in the Group organization in 2023.

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The Explanatory Notes to the Financial Statements at December 31, 2023, report information on and the outcomes of the assessment process carried out with the support of an expert.
The Board of Statutory Auditors considers that the impairment test policy adopted by the company is adequate.

Board of Statutory Auditors' activities in 2023

In executing our activities:

- we have supervised compliance with the law and the deed of incorporation; in this regard, we specify that, to the extent of our remit, we have also supervised: *i)* for the preparation of the financial statements at December 31, 2023 the compliance with the provisions set out in the ESEF Regulation, also verifying the consistency of the disclosures set out in these financial statements with the requirements of EU Directive No. 2523 of December 14, 2022, transposed in Italy with Legislative Decree No. 209 of December 27, 2023 and in force since January 1, 2024, and *ii)* for the purposes of the drawing up of the NFS, contained in the 2023 Group Sustainability Report, compliance with Regulation (EC) No. 2020/852 of June 18, 2020 and the relative Delegated Regulations ("**Taxonomy Regulation**"), also taking into account the regulatory changes in 2023 and, in particular, Delegated Regulation 2023/2486, Delegated Regulation 2023/2485, and the Commission's FAQs, as per Communications 2023/C 211, 2023/C 305 and 267. In carrying out these supervisory activities, we have also taken into account the contents of the Public Statement published by ESMA on October 25, 2023 on Common European Supervisory Priorities with reference to annual financial reports covering the year 2023, as recalled by CONSOB;
- we verified compliance with the principles of correct administration;
- we obtained from the Directors periodic information, at least on a quarterly basis, on the general operating performance, on the outlook and on the major operating, financial and equity transactions carried out by MAIRE and the Group companies, verifying that the decisions undertaken and executed were not manifestly imprudent, risky, in potential conflict of interest, conflicting with the motions adopted by the Shareholders' Meetings or such as to compromise the integrity of the company's assets;
- we supervised the adequacy of the organization through direct observations and the collation of information from Department Managers and attendance at Committee

meetings. In this regard, the Board of Statutory Auditors considers the organizational structure of the company to be adequate to its needs and suitable to ensure respect for the principles of correct administration;

- we supervised the adequacy and the functioning of the internal control and risk management system, undertaking our activities also in the role as Internal Control and Audit Committee, through: *i)* attending the meetings of the Control, Risks and Sustainability Committee, *ii)* meetings with Group Management and Executives (among which: Group Risk Management, Special Initiatives and Regions Coordination; *Group Risk and Insurance Management*, Group Corporate Affairs, Governance & Compliance; Group General Counsel; Sustainability Reporting; *Performance and Disclosure;* Group Sustainability and Corporate Advocacy, Group HSE&SA and Project Quality, Group Fiscal Affairs, *Group Internal Audit*), obtaining the requested information, and *iii)* obtaining information from the Chief Executive Officer ("CEO"), who is responsible for establishing and maintaining the Internal Control and Risk Management System, from the Executive officer for financial reporting, from PWC Representatives (both as Appointed Auditor and Designated Auditor), and from the Supervisory Board;
- we also held periodic meetings with the Internal Audit Group Manager of the Company, at which we obtained reports and information on the state of implementation of the Audit Plan for the year 2023, on the results of the audits carried out and on the resolution measures implemented or planned, in addition to the relative follow-up activities and on the assessments of the efficacy of the internal control system;
- we oversaw the adequacy of the administrative-accounting system through periodic meetings with the Group Chief Financial Officer and the Executive Officer for Financial Reporting of the company and with the independent audit firm PWC, also for the purposes of exchanging data and information. In this regard, during specifically arranged meetings, we received from PWC specific information concerning their audits of the recognition of claims, changes of order, and back-charges by the Company. No information needing to be reported emerged from these meetings;
- we supervised on the adequacy of the organizational, administrative and accounting structures and the Internal Control and Risk Management System, including with respect to the purposes of the Corporate Crisis and Insolvency Code set forth in Legislative Decree No. 14/2019, which came into force on July 15, 2022 following the

enactment of Legislative Decree No. 83/2022, implementing EU Directive 2019/1023 ("**CCII**") and, in particular, on the adequacy of organizational structures also with respect to the timely detection of crisis under Article 3 of the CCII;

- we verified the means for implementation of the Corporate Governance rules adopted by the company, also in compliance with the recommendations and principles of the Corporate Governance Code. Specifically:
    - we verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members;
    - we verified the independence of PWC;
    - we confirmed our independence;
- we verified the adequacy of the instructions issued to subsidiaries in accordance with Article 114, paragraph 2 of the CFA. These instructions also permitted these latter to provide in a timely manner the company with the information necessary to fulfill its communication obligations under applicable legal provisions;
- we verified the transactions with related parties and inter-company transactions; in this regard, we consider the information provided as adequate;
- we oversaw the correct implementation of the measures required to be taken by the company under the Market Abuse Regulation, including those relating to internal dealing, as well as with regard to both the protection of savings and corporate disclosures;
- we verified – in accordance with Article 15 of Consob Markets Regulation adopted with motion No. 20249 of December 28, 2018 (the "**Consob Markets Regulation**") – that the organization and the procedures adopted permit MAIRE to verify that the companies controlled and incorporated and regulated under laws of States not belonging to the European Union of relevance, have an appropriate administrative-accounting system to permit management and the independent auditor of the Company to receive regularly the necessary financial statements for the preparation of the consolidated financial statements. At December 31, 2023, the subsidiaries incorporated and governed under the laws of State not belonging to the European Union of relevance in accordance with Article 15 of the Consob Markets Regulation are: Tecnimont Private Ltd (India), OOO MT Russia (Russian Federation) and Tecnimont Arabia Ltd (Saudi Arabia);
- we have not received petitions or complaints as per Article 2408 of the Civil Code.

During the controls described above, no significant matters arose that would require reporting to the oversight and control Authority Body or specific mention in this report.

The Group Internal Audit Department, the Group Risk Management, Special Initiatives and Regions Coordination Department, the Group Corporate Affairs, Governance & Compliance Department, the Group General Counsel, the Sustainability Reporting, Performance and Disclosure Department, the Group Sustainability and Corporate Advocacy Department, the Group HSE&SA and Project Quality Department, the Group Fiscal Affairs Department, and the Supervisory Board, which we met with periodically, did not report any particular critical issues within their respective areas of responsibility.

The 2023 Corporate Governance Report did not reveal any issues to be brought to your attention.

During the meetings of the Board of Statutory Auditors with the corresponding boards of the main subsidiaries and with their Supervisory Boards pursuant to Legislative Decree 231/01, no significant matters arose that warranted bringing them to your attention.

Supervisory activities on the financial disclosure process

We verified the existence of adequate rules and processes to oversee the process for the collation, formation and circulation of financial disclosure, including as specified in the ESEF Regulation.

We, in addition, noted that the Executive Officer for financial reporting confirmed:

i) the adequacy and appropriateness of the powers and the means assigned to him by the Board of Directors;

ii) to have had direct access to all information necessary for the production of the accounting data, without the need for authorizations;

iii) to have been involved in internal information flows for accounting purposes and to have approved all of the relative company procedures.

Therefore, the Board of Statutory Auditors expresses an opinion of adequacy in terms of the process for the formation of the financial disclosure and do not raise any issues to be submitted to the Shareholders' Meeting.

Oversight of the non-financial disclosure process

We oversaw compliance with the provisions of Legislative Decree 254/2016, verifying the existence of adequate rules and processes to oversee the process for its collation, formation and presentation. With regard to the latter of these aspects, we also oversaw observance of the Taxonomy Regulation.

The Board of Statutory Auditors expresses, therefore, an assessment upon the adequacy of the process for the drafting of the non-financial disclosure, on the basis of the socio-environmental strategic objectives of the MAIRE Group, and does not raise any issues to be submitted to the Shareholders' Meeting.

In drawing up the Non-Financial Disclosure, the company did not avail of the option to omit information concerning imminent developments and transactions under negotiation, as per Article 3, paragraph 8 of Legislative Decree 254/2016.

Opinions on the remuneration of the directors, general manager, senior executives, and Group Internal Audit manager and further opinions requested of the Board of Statutory Auditors

The Board of Statutory Auditors in 2023 expressed its opinion as required by Article 2389, paragraph 3, of the Civil Code concerning the proposals for the remuneration of senior executives, as well as further opinions in accordance with current regulations.

In particular, on February 28, 2023, the Board expressed favorable opinions regarding:

- the proposed final figures for 2022 for the compensation plans for the Chief Executive Officer and General Manager of the Company;
- the proposal to adopt the "*2023-2025 Long-Term Incentive Plan for the Maire Tecnimont Group*" (Second Cycle) defined within the scope of the "*Long-Term Incentive Plan in 3-year cycles (2022-2024, 2023-2025, 2024-2026*") ("**Three-Year LTI Plan**") established, *inter alia*, for the Chief Executive Officer and General Manager. This proposal, made pursuant to Article 114-*bis* of the CFA, was approved by the MAIRE Shareholders' Meeting held on April 19, 2023, and
- the proposal to adopt the "*2023-2025 General Share Plan*" for Maire Tecnimont Group employees, intended for, among others, the Chairperson of the Board of Directors and the Chief Executive Officer and General Manager. This proposal, made pursuant to Article 114-*bis* of the CFA, was approved by the MAIRE Shareholders' Meeting held on April 19, 2023.

On May 23, 2023, the Board of Statutory Auditors expressed favorable opinions regarding:

- the proposal to assign to the Chief Executive Officer and General Manager, Mr. Alessandro Bernini, the objectives for the year 2023 ("**MBO 2023**"), as part of the MBO Plan defined for the three-year period 2022-2024;

- the proposal to allocate to the Chairperson of the Board of Directors and the Chief Executive Officer and General Manager of the Company, as Directors with "special offices", the shares related to the Second Cycle (2022) of the "*2020-2022 General Share Plan for the Maire Tecnimont Group*" ("**2020-2022 SOP**").

On July 24, 2023, the Board of Statutory Auditors expressed favorable opinions regarding:

- the proposal to implement the *2023-2025 Maire Tecnimont Group Long-Term Incentive Plan*, as it is intended for, among others, the Chief Executive Officer and General Manager Mr. Alessandro Bernini, and in particular on the proposal to assign Rights to the Chief Executive Officer and General Manager and related payout opportunity, and
- the proposal to adopt the "*2023-2025 General Share Plan*" for Maire Tecnimont Group employees, intended for, among others, the Chairperson of the Board of Directors and the Chief Executive Officer and General Manager.

On December 15, 2023, the Board of Statutory Auditors expressed favorable opinions regarding:

- the proposal to award an extraordinary, one-off bonus to the Chief Executive Officer and General Manager of the Company, Mr. Alessandro Bernini.

During 2023, the Board of Statutory Auditors also expressed the following additional opinions, to the extent of its remit:

- on March 9, 2023, the Board of Statutory Auditors approved, in accordance with Legislative Decree No. 39/2010 Regulation (EU) No. 537/2014, the reasoned proposal to change the economic terms of PWC's audit engagement, attached to the report pursuant to Article 125-*ter* of the CFA, which was submitted to the Shareholders' Meeting of MAIRE on April 19, 2023, for approval and consequent resolutions;
- in the Board of Directors' meeting of May 24, 2023, the Board of Statutory Auditors approved, pursuant to and in accordance with Article 2386, paragraph 1 of the Civil Code, the proposed appointment of Ms. Isabella Nova as a new Director of MAIRE, and until the next Shareholders' Meeting of the Company, to replace the Director Ms. Francesca Isgrò, who resigned from the positions held in the Company on the same date.

Declarations of the Board of Statutory Auditors

On September 12, 2023, the Company authorized the issuance of a non-convertible Senior Unsecured Sustainability-Linked¸fixed-rate, unrated bond with a countervalue of between a minimum of Euro 120 million and a maximum of Euro 200 million to be offered for subscription to the general public (retail and/or qualified investors) in Luxembourg and Italy and/or qualifying investors abroad, as well as to be listed on the regulated markets of the Luxembourg Stock Exchange and on Borsa Italiana's "Mercato Telematico delle Obbligazioni" (MOT) (the "**Bond**").

On September 11, 2023, the Board of Statutory Auditors, although exemption is permitted in accordance with the fifth paragraph of Article 2412 of the Civil Code, has certified - on a voluntary basis - compliance with the limits set forth in the first paragraph of the same Article 2412 of the Civil Code, for the issuance of the Bond.

Oversight in accordance with Legislative Decree 39/2010 - verification of the independence of the Independent Audit Firm

We also oversaw the audit of the Annual Accounts and of the Consolidated Annual Accounts, the independence of the independent audit firm, with particular regards to any non-audit services provided and on the outcome of the audit.

With regards to the independence of the Independent Audit Firm, PWC, the Board of Statutory Auditors was informed in a timely manner on the other services assigned.

In 2023, the independent audit firm carried out the following activities on behalf of the Group:

Type of service	Provider	Company	2023 Fees (in Euro thousands)
Audit	PricewaterhouseCoopers S.p.A.	Parent Company MAIRE	323
Audit	PricewaterhouseCoopers S.p.A.	MAIRE Group	1,952
Audit	PricewaterhouseCoopers S.p.A. Network	MAIRE Group	378
Certification services (*)	PricewaterhouseCoopers S.p.A.	Parent Company MAIRE	4

Certification services (*)	PricewaterhouseCoopers S.p.A.	MAIRE Group	58
Other services (**)	PricewaterhouseCoopers S.p.A.	Parent Company MAIRE	163
Other services (**)	PricewaterhouseCoopers S.p.A.	MAIRE Group	125
Other services (**)	PricewaterhouseCoopers network	Parent Company MAIRE	166

The fees do not include VAT, expenses and any Consob oversight contribution repayments.

(*) Certification services include the signing of tax declarations.

(**) The other services of the Parent Company MAIRE include the fee for the limited audit of the Sustainability Report - containing the Non-Financial Statement as per Legislative Decree 254/2016, the fee for the development of the in-country value method, the fee for the issuance of comfort letter in connection with the issuance of MAIRE's new Euro 200 million Sustainability-Linked Bond, the assignment for the audit of the Scope 2 Market Based emissions reporting methodology and in relation to the "Scope 3 Category 1" Hybrid Methodology, and an analyze of the reporting of certain ESG parameters required by MAIRE's ESG Linked Schuldschein Loan.

Other services for the Group include audit work in connection with the tax credit for the research and development expenses for some Italian subsidiaries and an activity to assess the reporting of costs of a Branch.

The Board of Statutory Auditors reports to have previously evaluated and authorized the fees in the table and that the other services assigned do not affect its independence and are in accordance with current regulations.
It should also be noted that, since PWC, the company appointed to carry out the statutory audit of MAIRE, provided services other than the statutory audit to the Company and the Group during the three financial years prior to the financial year 2020, as from January 1, 2020, the Company's Board of Statutory Auditors, as Internal Control and Audit Committee, is required - pursuant to the European Union Regulation No. 537/2014 of April 16, 2014 - to monitor the non-audit appointments assigned to the Independent Audit Firm not only for the issue of the prior authorizations for which it is responsible, but also in order to verify that the fees paid for this purpose do not exceed for the financial year 2023 the so-called "70% limit", to be calculated on the average fees paid in the financial years 2020, 2021 and 2022 for the statutory audit activity performed. In order to allow the Board of Statutory Auditors to carry out the checks for which it is responsible, the Company has implemented monitoring of the above fees, in line with the relevant regulations.
PWC on March 26, 2024, issued:

- as **Appointed Auditor**, the reports as per Article 14 of Legislative Decree 39/2010 and 10 of Regulation EC 537/2014, prepared as per the provisions contained in the stated decree, as amended by Legislative Decree 135/2016; the reports contain an opinion without raising any issues with regards to the separate and consolidated financial statements at December 31, 2023 and they provide a true and fair view of the financial statements of the company and of the Group at December 31, 2023, of the net result and of the cash flows, in compliance with the applicable accounting standards, and an opinion without raising any issues concerning the fact the financial statements included in the annual report for 2023 comply with the requirements defined in the ESEF Regulation; and
- the Additional Report as per Article 11 of Regulation EC 537/2014, which did not indicate any significant deficiencies within the internal control and risk management system with regards to the financial disclosure process, with the statement as per Article 6 of Regulation EC 537/2014 annexed, which did not indicate any situations which may compromise its independence;
- as **Designated Auditor**, the report (limited assurance engagement) on the Consolidated Non-Financial Disclosure Statement included in the *"2023 Sustainability Report"*; in this statement the Designated Auditor concludes that no elements came

to its attention which may indicate that the Group's Consolidated Non-Financial Disclosure, contained within the 2023 Sustainability Report, concerning the year ended December 31, 2023, was not prepared, from all significant aspects, in compliance with that required by Legislative Decree No. 254/2016 and by the GRI Standards.

In addition, with the approval of the 2024 Annual Accounts the appointment of the Independent Audit Firm granted by the Shareholders' Meeting of MAIRE on December 15, 2015 for the 2016-2024 period to PricewaterhouseCoopers S.p.A. will conclude.

Taking into account the size and complexity of MAIRE and its subsidiaries ("**MAIRE Group**"), following the now consolidated practice by major listed companies and in accordance with the "Guidelines for the Selection and Appointment of the Independent Audit Firm of MAIRE S.p.A." adopted by the Company ("**MAIRE Guidelines**"), MAIRE, in agreement with the Board of Statutory Auditors, deemed it appropriate to commence the process for the selection of the new independent audit firm for the financial years 2025-2033, in order to submit the proposal for the new appointment to the Shareholders' Meeting called for the approval of the financial statements at December 31, 2023.

According to current regulations (Legislative Decree No. 39/2010 and Regulation (EU) No. 537/2014), the new statutory audit engagement will be for a nine-year term and will be awarded by the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023, upon the reasoned proposal of the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee pursuant to Article 19 Legislative Decree No. 39/2010, following the execution of a special selection procedure carried out in accordance with the criteria and procedures set forth in Article 16 of Regulation (EU) No. 537/2014 and the MAIRE Guidelines (the "**Selection Procedure**").

The Selection Procedure, which commenced on November 3, 2023, was carried out by the relevant organizational structures of the Company, under the regular supervision of the Board of Statutory Auditors and in full compliance with Regulation (EU) No. 537/2014 and the MAIRE Guidelines.

The Board of Statutory Auditors, at the conclusion of the Selection Procedure, approved its reasoned proposal containing two possible alternatives for the appointment, expressly stating a preference for one of the two, which was also duly justified.

This reasoned proposal is part of the disclosure documents prepared for the Shareholders' Meeting called to approve the financial statements as of December 31, 2023 and is available on the Company's website www.mairetecnimont.com ("Governance Section").

In accordance with the recommendations and indications of CONSOB, the Board of Statutory Auditors notes that:

- the consolidated financial statements at December 31, 2023 report revenues of Euro 4,259,511 thousand, EBITDA of Euro 274,407 thousand and net income of Euro 129,508 thousand;
- the MAIRE Group Adjusted Net Financial Position at December 31, 2023, was a cash position of Euro 337,870 thousand;
- The parent company MAIRE reports net income of Euro 34,880,399.88.

Board of Statutory Auditors' annual self-assessment

In accordance with the "*Conduct rules for Boards of Statutory Auditors of listed companies*" of the Italian Accounting Profession (*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*), which established that Boards of Statutory Auditors are required to carry out, following appointment and subsequently on an annual basis, an assessment of its functioning with regards to the overall planning of its activities, the suitability of its members, the adequate composition of the Board in terms of the requirements of professionalism, competence, good-standing and independence, as well as on the adequacy of the time and resources available with respect to the complexity of the assignment (the "**Self-Assessment**"), we inform that the Board of Statutory Auditors carried out the Self-Assessment for 2023, the result of which is outlined in the 2023 Corporate Governance Report as per Article 123-*bis* of the CFA of the company, made available to the public in accordance with law on the Maire Tecnimont website (www.mairetecnimont.com), and according to the means required by the applicable regulation.

Meetings of the Board of Statutory Auditors, of the Board of Directors and of the Board Committees

During 2023:

- 25 meetings of the Board of Statutory Auditors were held (of which 5 were held jointly with the Control, Risks and Sustainability Committee regarding items of common discussion);
- - the Board of Statutory Auditors held meetings and exchanged information with the representatives of PWC, both as Appointed Auditor and Designated Auditor;
- the Board of Directors held 15 meetings,

- in addition, the Control, Risks and Sustainability Committee met 12 times, the Remuneration Committee met 8 times and the Related Parties Transactions Committee met 14 times.

The Board of Statutory Auditors attended all meetings of the Board of Directors and of the Internal Committees.

Finally, the Board of Statutory Auditors reports to have attended the ordinary Shareholders' Meeting of April 19, 2023, and overseen its proper execution in accordance with Article 106 of the "Health Care Decree".

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The Board of Statutory Auditors highlights that, during 2023, it continued to monitor the development of the relevant regulatory framework, measures and recommendations issued by the relevant authorities.

In particular, in carrying out its supervisory activities, the Board of Statutory Auditors has: *i)* taken into account that indicated in the Public Statement published by ESMA on October 25, 2023, as recalled by CONSOB, and *ii)* continued its monitoring activities with regard to the assessments and any actions taken by the Company and the Group concerning the current geo-political environment.

With reference to the financial and non-financial disclosure process, the Board of Statutory Auditors has, in addition, began the monitoring activities on the actions implemented or planned by the Company within its remit in order to align its rules and business processes with the requirements of European Directive No. 2022/2464 "Corporate Sustainability Reporting Directive" (**"CSRD")**. These activities will continue in FY2024.

No issues have emerged in this regard that require reporting to the Company's Shareholders.

Significant events subsequent to year-end are presented in the Directors' Report.

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The Chief Executive Officer and the Executive Officer for Financial Reporting issued on March 5, 2024, the declarations as per Article 154-*bis* of the CFA, declaring the adequacy and effective application of the accounting and administrative procedures for the drawing up of the financial statements and the consolidated financial statements and that the separate and consolidated financial statements for the year ended December 31, 2023, were prepared in compliance with the international accounting standards applicable and recognized by the European Union in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and Council of July 19, 2002, correspond to the accounting records and provide a true and fair view of the equity, earnings and financial situation of the Company and of the Group.

The Board of Statutory Auditors considers the information provided by the Board of Directors in its reports as complete and adequate, also with regards to the risks, uncertainties and disputes to which the company and the Group are exposed.

The Board of Statutory Auditors, to the extent of its remit, has examined these events, with a particular emphasis on their impact on the Group's operations and its financial performance and standing. At present, and based on the documentation available, no material factors or critical issues have emerged that require reporting by the Board of Statutory Auditors.

The Board of Statutory Auditors expresses a favorable opinion on the approval of the Financial Statements at December 31, 2023, and agrees with the proposals presented by the Board of Directors concerning:

- to allocate the net profit for the year of Euro 34,880,399.88 to shareholders as a dividend;
- taking into account the presence in the financial statements of "Retained earnings" for a total amount of Euro 11,838,174.84, fully attributable to the retained earnings recognized at December 31, 2021, and the "Extraordinary Reserve" for a total amount of Euro 117,682,064.95, the distribution of a unitary dividend of Euro 0.197, gross of legal withholdings, for each of the 328,517,346 ordinary shares in circulation at the date of approval of the Board of Directors proposal, and therefore for a total Euro 64,717,917.16, to be attributable for Euro 11,838,174.84 from "Retained earnings", for the amount of Euro 17,999,342.44 from the "Extraordinary Reserve" and for Euro 34,880,399.88 from the 2023 net income.

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Milan, March 26, 2024

Mr. Francesco Fallacara (Chairperson)

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Mr. Andrea Bonelli

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Ms. Marilena Cederna

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53. Auditors' Report on the Consolidated Financial Statements

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Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the shareholders of Maire Tecnimont SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Maire Tecnimont Group (the Group), which comprise the consolidated statement of financial position as of 31 December 2023, the consolidated income statement, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2023, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

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 Consolidated Financial Statements* section of this report. We are independent of Maire Tecnimont SpA pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were

PricewaterhouseCoopers SpA

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addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Measurement of revenues and contractual assets and liabilities *Note 26 to the consolidated financial statements "Explanatory notes as of 31 December 2023" (paragraphs "Contractual assets and liabilities" and "Use of estimates"), note 27.1 to the consolidated financial statements "Revenues", note 28.11 to the consolidated financial statements "Contractual assets", note 28.32 to the consolidated financial statements "Contractual liabilities" and note 2 of the Director's report "Key Events in the year"*	
Revenues of Maire Tecnimont Group are generated from engineering and construction services in the following fields: - Integrated E&C Solutions - Sustainable Technology Solutions Revenues generated during 2023 totalled Euro 4.260 million and refer for 93,9 per cent to the Integrated E&C Solutions business and for the remainder to the Sustainable Technology Solutions business. The caption "Contract Assets", amounting to Euro 2.542 million, is the net positive amount, by individual order, resulting from the difference between progressive production or the amount of works-in-progress recorded according to the percentage of completion and invoicing on account relating to the advancement of works. The projects based in the Russian Federation represent approx. the 10.2% of the captions "Contractual assets" and the "Trade receivables", these items are offset by payables exposure, which mainly relates to the subcontractors and vendors involved in these projects.	We understood and evaluated the internal control relevant to this financial statements area, paying special attention to the process of identification of loss-making contracts and the recognition of additional payments relating to changes to contracts, and we analysed the design and the effectiveness of certain manual and automated relevant controls. We selected a sample of construction contracts based on quantitative and qualitative elements that include: - significant revenues accounted for in the reporting period; - loss-making contracts; - suspended contacts; - contracts suspended or terminated due to the Russia – Ukraine crisis; - existence of claims for additional payments and significant changes to contracts.

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Recognition of contract revenues takes place over the length of each project based on the fulfilment of the performance obligation determined based on the percentage of completion. The percentage of completion of each project is measured on the basis of the contract costs incurred to the reporting date as a percentage of the total costs incurred or to be incurred to complete the project. Contractual payments, in additional to the base consideration agreed in the contract, include additional payments related to claims for additional costs incurred and/or to be incurred for unforeseeable reasons or events attributable to the client, changes to contracts following additional works performed and/or to be performed or changes to works not formalised in additional documents. The determination of the additional payments is subject by nature to a degree of uncertainty in terms of both the amounts that will be agreed to by clients and of the timing of collection, which usually depend on the outcome of negotiations between the parties or on decisions by courts or arbitrators. Once the enforceable right has been identified, in order to recognise claims and amounts of additional payments, to adjust the transaction price as a result of the additional payments, it is necessary to define whether it is considered highly probable that the related revenues will not be reversed in future. For the purpose of the above assessment the Group considers all relevant aspects and circumstances, including the terms of the underlying contract, commercial and negotiation practice in the industry and other supporting evidence, including technical/legal evaluations, also considering the documents generated by third parties (board of arbitrators, dispute adjudication board, etc.).	For the sample of contracts selected we carried out the following main auditing procedures: - reconciliation of revenues to the contractual agreements with the counterparty; - reconciliation of costs resulting from the management accounts to the amounts resulting from the general ledger; - verification, on test basis, of the actual costs of a contract for the period by obtaining documentary evidence from third parties (invoices, contracts, transport documents); - recalculation of the percentage of completion of the contract using the cost-to-cost method; - submission of inquiries to the law firms that assisted the Company in the existing litigations in order to verify the valuation of any claims to counterparties for additional payments and/or for the recoverability of assets related to projects under termination. For the examination of total contract costs and additional payments recognised in relation to claims for changes to contracts we used also the support of technical-engineering experts belonging to the PwC network. For the sample of contracts selected, they supported us in: - analyses of total contract costs, on a test basis, by meeting the project managers to assess the reasonableness of the amount booked; - investigation of the key variances from the total costs included in the previous budget for the same contract;

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
We paid special attention to this financial statements area because of aspects that can make the measurement process difficult, such as the technical complexity of projects, the scope and duration of construction work, the existence of additional payments, changes to contracts and price revisions.	- carrying out analysis of reasonableness and adherence to company procedures, as well as in checking the documentation supporting the assessments made by the Group regarding the additional compensation not yet formally approved accounted for in the financial statements; - verify the enforceable rights to pretend additional payments on the basis of contracts prescriptions; - performing site visit of the construction site development for a sample of projects. We verified the completeness and accuracy of disclosures in the notes to the consolidated financial statements.
Assessment of the recoverability of the carrying amount of goodwill	
Note 26 to the consolidated financial statements "Explanatory notes as of 31 December 2023" (paragraphs "Goodwill" and "Use of estimates") and note 28.2 to the consolidated financial statements "Goodwill". The consolidated financial statements of Maire Tecnimont Group as of 31 December 2023 include goodwill for Euro 327.2 million. In the fourth quarter of 2022, the Group launched an industrial reorganization against the backdrop of the broader social and industrial transformation underway globally, which has led to a reshaping of its long-term strategies. This led to, following the Board of Directors' approval on March 1, 2023, the Group's industrial reorganization into two business units ("BU's"), which relate to the two new "CGUs" and specifically: i) "Integrated E&C Solutions", covering executive general contractor operations, so as to achieve economies of scope and synergies	We understood the methodology adopted by the Company in the preparation of the impairment test, which was approved by the Company's Board of Directors on 29 February 2024. We carried out auditing procedures, on a test basis, on the amounts included in the budget 2024 and the business plan for the period 2024-2033 in order to verify the reasonableness of the inputs with particular reference to estimated future revenues and cash flows. In detail, our activities involved obtaining adequate information to understand the make-up of estimated future revenues included in the plan. With reference to Russian projects, we have verified that the residual value of the same has been removed from the order portfolio and that there are no future opportunities in the Russian market within the plan period.

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
on projects with integrated technologies and processes, in addition to greater operational efficiency and reduced overheads; and ii) "Sustainable Technology Solutions", covering all of the Group's sustainable technology solutions/operations, in addition to the high value-added/innovative services primarily focused on the energy transition and the "green acceleration". The CGUs have been determined using similar criteria to the previous year and in line with the representation of the operating segments. However, during the year, following the reorganization, the two CGUs of Hydrocarbons and Infrastructures were assigned to the new Integrated E&C Solutions CGU, while the two CGUs of Licensing and Green Energy were assigned to the new Sustainable Technology Solutions CGU. The recoverability of goodwill is verified at least once a year even if impairment indicators are not present based on IAS 36 "Impairment of Assets". The recoverable amounts of the CGUs to which goodwill amounts have been allocated is verified through the calculation of value in use, which is the present value of the estimated future cash flows determined using a discount rate that reflects the risks specific to each CGU at the measurement date. The analysis of the recoverability of the goodwill and the other tangible and intangible fixed assets was undertaken in conjunction with an independent expert, utilizing the cash flows based on the 2024 Budget and the 2024-2033 Business Plan approved by the Board of Directors on March 5, 2024. For the calculation of the recoverable value, the income streams refer to the business planning period, as well as a Terminal Value; specifically, for the Sustainable Technology Solutions CGU with greater engagement in the activities related	In order to assess the reliability of the forecasts we also performed a comparison of the actual revenues reported for the year 2023 with the forecast for the same year included in the previous business plan (2023-2032). We verified the criteria for identifying new CGUs in line with the Group's structure and the convergence of data relating to the four CGUs in the new structure after the reorganization approved by the Board of Directors on March 1, 2023. We conducted a consistency analysis of the flows used for the evaluation with the data contained in the 2024-2033 industrial and financial plan and verified the reasonableness of the methodology used for the determination of the Terminal Value. We also verified the mathematical accuracy of the key figures included in the impairment test, the adequacy of the discount and growth rates used and their consistency with the methodology approved by the Company's Board of Directors. Finally, we verified the sensitivity analysis performed by the Group. We finally analyzed the reasonableness of the impairment test performed by the Company according to the prior to the according to the scope before the corporate reorganization. Those activities were performed also with the help of experts in valuation models belonging to the PwC network. We verified the completeness and accuracy of disclosures in the notes to the consolidated financial statements.

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
to the energy transition, the explicit period of 10 years was considered, while for the Integrated E&C Solutions CGU the explicit period of 5 years was considered. Relating to the estimate of the Terminal Value, the last year of the cash flows was not taken as an expression of the "normalized" cash flow, but rather the average margin of the Plan future cash flows of the explicit 5-year plan for the Integrated E&C Solutions CGU's and of the last 5 years for the 10-year plan of the Sustainable Technology Solutions CGUs were considered. For all CGU's, the recoverable value as presented above is higher than the net carrying amount of the Net Capital Employed of the CGU's. It was also verified that conducting the impairment test according to the scope before the corporate reorganization (i.e., based on the four CGUs) did not present different results, without any impairment. The Group also performed a sensitivity analysis based on changes to the discount rate, growth rate and EBITDA for each explicit years of the plan and on the Terminal Value. The results of these sensitivity analyses did not highlight any impacts on the values recorded by the CGU's. The valuation of goodwill was considered a key audit matter because of both the magnitude of the balance and the complexity of the process of estimating the recoverable amount of goodwill, this being based on assumptions affected by economic and market conditions that are subject to uncertainties, referred in particular to the calculation of prospective cash flows and of the discount rate.	

6 of 10

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

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Maire Tecnimont SpA or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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;
- We obtained 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 Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' 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 Group'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 consolidated 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 Group to cease to continue as a going concern;

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No. 537/2014

On 15 December 2015, the shareholders of Maire Tecnimont SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2016 to 31 December 2024.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

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Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Maire Tecnimont SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2023, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) No. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2023 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Due to certain technical limitations, some information included in the explanatory notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10 and Article 123-bis, paragraph 4, of Legislative Decree No. 58/98

The directors of Maire Tecnimont SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the Maire Tecnimont Group as of 31 December 2023, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98, with the consolidated financial statements of the Maire Tecnimont Group as of 31 December 2023 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the consolidated financial statements of Maire Tecnimont Group as of 31 December 2023 and are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Statement in accordance with article 4 of Consob's Regulation implementing Legislative Decree No. 254 of 30 December 2016

The directors of Maire Tecnimont SpA are responsible for the preparation of the non-financial statement pursuant to Legislative Decree No. 254 of 30 December 2016.
We have verified that the directors approved the non-financial statement.

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016, the non-financial statement is the subject of a separate statement of compliance issued by ourselves.

Milano, 26 March 2024

PricewaterhouseCoopers SpA

Signed by

Andrea Brivio
(Partner)

As disclosed by the Directors on page 1, the accompanying consolidated financial statements of Maire Tecnimont S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

54. Independent Auditors' Report on the Separate Financial Statements

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Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the shareholders of Maire Tecnimont SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Maire Tecnimont SpA (the Company), which comprise the statement of financial position as of 31 December 2023, the income statement, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2023, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

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 this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Assessment of the recoverability of the carrying amounts of investments *Note 40 to the financial statements of "Explanatory notes as of 31 December 2023 - Accounting policies" (paragraphs "Investments" and "Use of estimates") and note 42.4 to the financial statements "Investments in subsidiaries".*	
The financial statements of Maire Tecnimont SpA as of 31 December 2023 include five investments in subsidiaries for a total carrying amount of Euro (Tecnimont SpA, MST SpA, KT SpA, Met Development SpA e Nextchem SpA) corresponding to 48 per cent of Total Assets. Investments in subsidiaries are measured at purchase cost including of direct accessory costs. Where indicators of impairment are present, the recoverability of the carrying amounts of investment is tested by comparing the carrying amount with the recoverable amount. For the investment held in Tecnimont SpA, the Company has identified possible impairment indicators, as the book value of the investments was significantly higher than the pro-quota net equity at December 31, 2023, therefore an impairment test has been performed. With regard to the investments in MST S.p.A. and Nextchem S.p.A., an impairment test was carried out as MST S.p.A. was still restructuring its industrial and commercial activities in the year and also identifying its facility management activities as being held-for-sale, while for Nextchem S.p.A. - as focused on a business still in a start-up phase - it was deemed necessary to monitor the performance of the cash flows assumed in the 2024 - 2033 business and financial plan.	We understood the methodology adopted by the Company in the preparation of the impairment test, which was approved by the Company's Board of Directors on 29 February 2024. With reference to those investments for which impairment indicators were identified (Tecnimont SpA, MST SpA e Nextchem SpA) we carried out auditing procedures, on a test basis, on the amounts included in the budget 2024 and business plan for the period 2024-2033 in order to verify the reasonableness of the inputs with particular reference to estimated future revenues and cash flows. In detail, our activities involved obtaining adequate information to understand the make-up of estimated future revenues included in the plan. In order to assess the reliability of the forecasts we also performed a comparison of the actual revenues reported for the year 2023 with the forecast for the same year included in the previous business plan (2023-2032). In order to verify the recoverability of the carrying amounts of the above-mentioned investments we analysed the consistency of the cash flows used in the valuation against the amounts included in the business plan for the period 2024-2033 and the reasonableness

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
The value configuration used by the Company to determine the recoverable amount of the investments indicated above is value in use, which was obtained considering the operating value (OV), determined by discounting the estimated future cash flows, the value of the net financial position (NFP) and the value of accessory assets (ACC). That value in use was determined with the help of an independent expert, using cash flows based on the projections set out in the 2024 budget and in the business plan for the period 2024-2033 approved by the Board of Directors on 5 March 2024. For the calculation of the recoverable value, the income streams refer to the business planning period, as well as a Terminal Value; specifically, for the investment in Nextchem S.p.A., engaged in the activities related to the energy transition, the explicit period of 10 years was considered, while for the other investments the explicit period of 5 years was considered. Relating to the estimate of the Terminal Value, the last year of the cash flows was not taken as an expression of the "normalized" cash flow, but rather the average margin of the Plan future cash flows of the explicit 5-year plan for all the investments with the exception of the investment in Nextchem S.p.A. which utilized the last 5 years of the 10-year plan. The analyses carried out by the Company through the determination of the value in use did not indicate an impairment loss. The Company also performed a sensitivity analysis based on changes to the discount rate and growth rate and EBITDA, for each explicit years of the plan and on the Terminal Value. The sensitivity analysis did not indicate impacts for the equity investments. The valuation of investments was considered a key audit matter because of both the magnitude of the balance and the complexity of the process of	of the methodology used for the determination of the terminal value. We also verified the mathematical accuracy of the key figures included in the impairment test, the adequacy of the discount and growth rates used and their consistency with the methodology approved by the Company's Board of Directors. Finally, we verified the sensitivity analysis performed by the Company. Those activities were performed also with the help of experts in valuation models belonging to the PwC network. We verified the completeness and accuracy of disclosures in the notes to the financial statements.

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
estimating the recoverable amount of investments, this being based on assumptions affected by economic and market conditions that are subject to uncertainties, referred in particular to the calculation of prospective cash flows and of the discount rate.	

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 International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed 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 the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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;
- We obtained 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;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' 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;
- We evaluated 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 communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No 537/2014

On 16 December 2016, the shareholders of Maire Tecnimont SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2016 to 31 December 2024.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Maire Tecnimont SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the financial statements as of 31 December 2023, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) No. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2023 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10 and Article 123-bis, paragraph 4, of Legislative Decree No. 58/98

The directors of Maire Tecnimont SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Maire Tecnimont SpA as of 31 December 2023, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98, with the financial statements of Maire Tecnimont SpA as of 31 December 2023 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the financial statements of Maire Tecnimont SpA as of 31 December 2023 and are prepared in compliance with the law.

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With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Milano, 26 March 2024

PricewaterhouseCoopers SpA

Signed by

Andrea Brivio
(Partner)

As disclosed by the Directors on page 1, the accompanying financial statements of MAIRE TECNIMONT S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.