ROSETTI MARINO

Half-year Consolidated Financial Statements as at 30/06/2024

CONTENTS

BOARD OF DIRECTORS' REPORT ON OPERATIONS

ACCOMPANYING THE

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2024

The consolidated financial statements of the Group for the period ended 30 June 2024, which we hereby submit for your approval, closed with a profit of Euro 7,868 thousand after allocating Euro 1,801 thousand to amortisation/depreciation of fixed assets, Euro 593 thousand to write-downs of current assets and Euro 267 thousand to provisions for risks.
The following is a presentation of the summary of the previous year's business management and the foreseeable course of business development.

OPERATING PERFORMANCE

The half-year under review, which saw EBIT almost double compared to the already very satisfactory figure for the first half of the previous year (Euro 13.4 million compared to Euro 7.2 million in the first half of 2023), was marked by a number of particularly significant internal and external events.
Overall, it can be seen that in the first half of 2024, the Group was able to maintain the significant growth recorded in 2023, despite the fact that a number of issues remain unresolved, which adversely affected a result that, in any case, can finally be considered satisfactory. The most important aspects of the first half of 2024 were as follows:
- production value growth, which is expected to be followed by a further disproportionate increase in the second half of 2024;
- an increase in the value of the order book, confirming the expected evolution of the energy installation market;
- a slight decrease in the volume of business in the traditional Oil & Gas sector, in contrast to the decisive growth of the new Renewable Energy & Carbon Neutrality sector, whose weight will increase significantly in the near future;
- the ability to strengthen and reinforce the corporate structure of the Group companies in order to better cope with the growing workload;
- the continued poor performance of certain Italian subsidiaries, which necessitated a number of major organisational measures promoted and initiated by the Parent Company during the period.

The most important external element that marked the period was the confirmation of the strong recovery of the energy installation market, in line with most of the strategic goals that the Group's management had identified and decided to pursue in previous years and that were

described in detail in the 2024-2028 Strategic Business Plan (SBP). This trend, which has already led to a significant increase in the order book, is also confirmed for the second half of the year in both of the Group's energy sectors. Workload growth is therefore expected to continue at a faster pace in the second half of the year and the following year.
As a result of the market recovery, there are two particularly positive aspects for the Group's companies: an increased level of project margins and the willingness of clients to allow positive or at least neutral order cash flows. These two aspects are contributing to a significant improvement in the Group's consolidated financial position.
The most important internal element, on the other hand, has been the Parent Company's ability to strengthen its organisational structure and regain considerable attractiveness to human capital, partners, suppliers and subcontractors. This has enabled Rosetti Marino S.p.A. to handle the already growing (and still growing) volume of work and to provide the necessary commercial and operational support to the other companies in the Group, which are themselves subject to high demand from their clients.
From a commercial point of view, the period under review was marked for the Parent Company by the negotiation of two major projects in the Oil & Gas sector (both of which have already been acquired) and by the provision of support to the subsidiaries Fores Engineering S.r.l. and Kazakhstan Caspian Offshore Industries Llp in the preparation of bids and the subsequent negotiation of the first two major contracts in the Renewable Energy & Carbon Neutrality sector for these companies (both of which have subsequently been acquired in the second half of 2024).
On the other hand, from an operational point of view, all Group companies were heavily involved in the execution of the projects, which were characterised by particularly challenging schedules, in particular due to major variations introduced by additional client requests during construction. These variations, which, due to energy security requirements, did not allow for an adequate postponement of delivery times, have already required - and will require in the second half of the year - complex and costly efforts to reduce lead times, which are currently the subject of economic negotiations with clients and which will allow for an overall improvement in margins on the related lifetime orders.
The half-year under review was also marked by an increased commitment, mainly by the Parent Company, to technological research

and development activities. This commitment was also reflected in the approval of a number of projects with subsidised funding and the consolidation of collaborative relationships with universities, research institutes and specialist consultants.
Thanks to the significant order intake in 2023, which laid the foundations for the 2024 financial year, half-year GDP was significantly higher than in the previous comparative period, rising from Euro 169 million to Euro 197 million (+16%).
With regard to the consolidated net profit, it should be noted that the result was adversely affected by the negative performance of some of the Group's Italian subsidiaries. Once again, the subsidiary Fores Engineering S.r.l. was the worst performer in this half, posting a very substantial loss in absolute terms. It should be noted, however, that during the half-year under review, the Parent Company promoted and subsequently adopted a number of major organisational and governance measures aimed at returning the company to breakeven as from next year and enabling it to regain a competitive position in the market as soon as possible.
It should also be noted that the results of these consolidated financial statements were adversely affected by certain tax components, in particular those of the Parent Company, which were significantly higher than in the comparative periods, also in terms of the tax rate, which amounted to approximately 45% of the pre-tax profit.

The following is a selection of the earnings ratios deemed most significant:

	30.06.24	30.06.23
G.D.P. (in thousands of euros) (A1+A2+A3 of the income statement)	196,588	168,763
Ebitda (in thousands of euros) (A+B-10-12-13 of the income statement)	16,092	14,691
Ebitda / GDP	8.19%	8.71%
Ebit (in thousands of euros) (A+B of the income statement)	13,431	7,179
Ebit / GDP	6.83%	4.25%
Gross profit (in thousands of euros) (item 22 of the income statement)	14,392	6,729

Gross profit / GDP	7.32%	3.99%
Net profit (in thousands of euros) (item 23 of the income statement)	7,868	6,377
Net profit / GDP	4.00%	3.78%
R.O.E. (Net profit / opening shareholders' equity attributable to the Group)	6.34%	5.14%

It should be noted that the intermediate results presented in the table, in particular EBITDA and EBIT, are not identified as an accounting measure under Italian accounting standards and, therefore, the criteria for determining the intermediate results applied by the Group may not be consistent with those adopted by other companies and/or groups in the sector and, consequently, may not be comparable.

The following is a discussion of the various business segments in which the Group operates. For further numerical data, the reader is referred to the Explanatory notes.

Oil&Gas

The activity of building installations for the Oil&Gas sector is that which, with a value of production of approximately Euro 145 million (Euro 157 million in the first half of 2023), remained the Group's primary sector.

Production activities were carried out in the Oil & Gas Platforms sector for Euro 71 million, in the Brown Field sector for Euro 55 million, and in the Technical Services sector for Euro 19 million.

Production effort was mainly devoted to the construction of the Ravenna regasification plant (FSRU), also to meet the significant additional work requests received from the client during the period under review and to be completed during the current year.

However, the half-year also benefited from the positive recognition of significant economic variations granted by the clients of the projects completed in Qatar and Argentina for activities that were mainly carried out in 2023.

As already mentioned, the first half of 2024 was also marked by the significant volume of work carried out in technical services, which, it should be remembered, are characterised by the absence of material purchases and therefore generate work volumes that are always very small compared to EPC projects, while guaranteeing good margins and

involving risks and guarantee requirements that are in fact negligible or nil.
Finally, the period was characterised by good production values in the main foreign companies (subsidiary Kazakhstan Caspian Offshore Industries Llp and associated company Rosetti Pivot Llp), while the Italian subsidiary Fores Engineering S.r.l. saw a significant drop in GDP as a result of poor business and operational decisions made in the previous year.
In conclusion, it should be noted that the production volume of the Italian subsidiary Tecon S.r.l. also increased during the period.

Renewable Energy and Carbon Neutrality sector

Renewable Energy and Carbon Neutrality plant construction activities contributed to a production volume of around Euro 50 million (Euro 2 million in the first half of 2023), a huge increase compared to the previous half-year, demonstrating the growing importance of this sector within the Group's product portfolio.
In confirmation of this positive market trend and of management's efforts to consolidate the diversification strategy towards this sector, it should be noted that during the period under review, the following were in the final stages of negotiation:

- negotiations that will hopefully lead to the Parent Company being awarded a major contract for a CCUS project in the North Sea by the end of the year;
- negotiations that recently resulted in the Kazakh subsidiary, Kazakhstan Caspian Offshore Industries Llp, being awarded a major contract to build a large part of the country's first "renewables/gas" hybrid power plant;
- negotiations that recently resulted in the first contract for the construction of an offshore electrolysis package for the production of green hydrogen being awarded to the subsidiary Fores Engineering S.r.l.

In the half-year under review, the Parent Company's production activities in this sector focused on the construction of the platform for storing electricity from an offshore wind farm (green hydrogen and batteries) for the Netherlands, and on the construction of the green tyre production plant for Ravenna, a project that has been delayed due to some changes requested by the client at the end of 2023.
Contributions from the de-flaring project in Libya and the two jackets

project for electrical substations (offshore wind) in the German North Sea were still small but expected to grow rapidly.
The half-year also saw a reduction in the production value of the Italian subsidiary GM Green Methane S.r.l. as a result of the decline in acquisitions, mainly due to the new and unfavourable decree on biomethane incentives recently adopted in Italy. Although much smaller than that of the other Italian subsidiary, Fores Engineering S.r.l., the half-year loss recorded by GM Green Methane S.r.l. also contributed to the overall result of these consolidated financial statements.
Overall, however, a further significant increase in the volume of work in the Renewable Energy & Carbon Neutrality sector is expected as of the second half of the current financial year as a result of contract acquisitions in 2023.

Shipbuilding Business Unit
The shipbuilding business experienced a decrease in work volume, reporting a value of production of Euro 1 million (compared to Euro 10 million in the first half of 2023).
At present, the Group does not intend to pursue any further shipbuilding activities, in line with the decisions already taken.

INVESTMENTS

During the period, a total amount of Euro 1,331 thousand was invested, of which Euro 31 thousand in intangible fixed assets and Euro 1,300 thousand in tangible fixed assets.
The investments made during the period, which were mainly related to the Parent Company and the subsidiary Kazakhstan Caspian Offshore Industries Llp, were mainly maintenance investments.

FINANCIAL SITUATION

For a more in-depth analysis of cash flows during the period, refer to the cash flow statement.
At this point, it is worth mentioning the fixed-asset coverage ratio (well financed by equity) and, above all, the sharp increase in the short-term net financial position, which rose from Euro 70 million as at 31

December 2023 to Euro 127 million in the period under review. This increase (+81%) is undoubtedly due to the ability demonstrated by the Group in 2023 to acquire a significant number of contracts with positive cash flow.
In addition to the above, please note the importance the Group places on identifying reliable and creditworthy customers. The significant increase in trade receivables as at 30 June 2024 compared to the previous period (and the consequent increase in average collection days from 91 days as at 31 December 2023 to 228 days as at 30 June 2024) is mainly due to invoices issued by the Parent Company in relation to a major project for Libya close to the end of the reporting period, thus affecting this indicator. With regard to this project, it should be noted that the Parent Company also received a significant contractual advance from the client during the period under review.

The following is a selection of the financial and equity ratios deemed most significant:

	30.06.24	31/12/2023
Short-term net financial position (in thousands of euros)	126,840	69,897
(CIII + CIV on assets side – D4 short-term on liabilities side)		
Asset coverage margin (in thousands of euros)	128,243	124,565
(M/L-term liabilities + total equity - fixed assets)		
Fixed-asset coverage ratio	2.70	2.64
(M/L-term liabilities + total equity / fixed assets)		
Financial independence index	29.40%	35.67%
(Total equity / total assets)		
Ratio of income (expenses) to GDP	0.54%	(1.02)%
(Financial income and expenses / GDP)		

It should be noted that "short-term net financial position" and "net financial position" are not identified as accounting measures under Italian accounting standards and, therefore, the criteria used by the Company to determine them may not be the same as those used by other companies and/or groups in the sector and, consequently, these data may not be comparable.

In connection to financial risk on trade receivables we inform you that the Group mainly works with clients with a high retention degree, especially oil companies or their investees.
Given the long-standing relationships with clients and their financial solidity, no particular guarantees are required on the related receivables. It should nonetheless be noted that receivables are highly concentrated with a few entities, since the Company's orders are few in number and large in amount. Given this fact, it is common practice before acquiring an order to conduct a thorough assessment of the financial impact of that order and a prior evaluation of the client's financial capacity. During the performance of the work, careful monitoring of the outstanding receivables also continued.
The Group is exposed to exchange rate risk due to its operations on international markets. To protect itself against that risk, as in previous periods, the Group undertook exchange-rate risk hedging transactions when it acquired significant orders from clients in foreign currencies and issued significant orders to suppliers in foreign currencies.
It is nonetheless specified that, when one operates in countries with a local currency difficult to trade and subject to sharp exchange rate fluctuations (see Kazakhstan, Russia and Nigeria), hedging of the exchange rate risk cannot be effectively implemented. In these cases, the Group's main tool is the commercial negotiation of contracts in hard currency (euros or dollars) rather than in local currency.

STAFF

In all Group companies – as in the Parent Company – people's skills and professionalism are considered a very important intangible asset.
The staff headcount stood at 1,151 employees as at 30 June 2024, which represents an increase of 100 employees compared to 31 December 2023.
In further detail, it should be noted that the number of executives and white-collar workers increased respectively by 7 and 106, whereas blue-collar workers decreased by (15).
The change in headcount may be broken down among the various Group companies as follows:

	Personnel	Change

Parent company	465	32
GM Green Methane S.r.l.	14	0
Rosetti Superyachts S.p.A.	1	0
Rosetti Kazakhstan Llp	6	2
Kazakhstan Caspian Offshore Industries Llp	424	81
Rosetti Pivot Ltd	57	(27)
Rosetti Marino Project ooo	2	0
Fores Engineering S.r.l.	153	16
Fores Engineering Algèrie Eurl	2	(2)
Tecon S.r.l.	27	(2)
Total	**1,151**	**100**

Due to the type of business conducted, the risk of accidents, including potentially fatal accidents, is high. For that reason the Group has always kept particular care to safety aspects, adopting internal procedures and by doing training in order to prevent these events.

All of the proprietary production sites are certified in accordance with the BS-OHSAS18001 standard.

It is emphasised that we are continuing to promote initiatives aimed at spreading a culture of safety even further among all internal and external workers who operate within our Italian and international production sites.

OTHER INFORMATION ON OPERATIONS

With regard to the disclosure expressly required by Article 2428 of the Italian Civil Code, we report the following, while referring the reader to the Explanatory notes for the specifically numerical part:

Information on business risks

The physiological risks deriving from the businesses conducted by Group companies are those typical of enterprises that operate in the plant engineering and shipbuilding segments.

The responsibilities deriving from designing and constructing our products and the risks associated with normal operating activities are reviewed in advance by devoting adequate attention to such aspects when developing processes and implementing adequate organizational procedures, as well as by acquiring adequate insurance coverage on a

precautionary basis.
The potential risks pertaining to financial, environmental and workplace safety issues and an analysis of the uncertainties relating to the particular economic situation have been reviewed in advance and the appropriate measures implemented accordingly, as described in the respective paragraphs "Financial situation", "Information on the environment," "Staff" and "Business outlook."

Activities relating to Italian Legislative Decree No. 231/01 on administrative liability

During the period under review, the Supervisory Body appointed by the Parent Company regularly sent us the Interim Reports on the activities carried out, which the Board of Directors duly noted without findings, due to the absence of events or critical aspects worthy of note.

Information on the environment and risks and opportunities related to climate change

The Group creates large metallic constructions and the associated productive activities present a low impact on environment mainly limited on painting phases and sand-blasting phases.
Such risks, though reduced, are thoroughly assessed by the responsible unit.
The focus on environmental issues is borne out by the fact that the Parent Company has been certified compliant with the international standard ISO14001 for many years.
The Group has devoted considerable efforts to the development and dissemination of the Culture of Sustainability with particular attention to the following objectives:

- minimising environmental impact by reducing energy and water consumption, atmospheric emissions, and the production of waste;
- steadily improving the systems we use to identify and assess risks and environmental impacts and implementing the necessary prevention and mitigation measures related to them;
- monitoring our sustainability performance against well-defined environmental, social and governance (ESG) indicators linked to the Sustainable Development Goals, in order to identify related areas and actions for improvement.

Environmental protection and sustainability principles and objectives

are defined in the Parent Company's HSE and Sustainability Policies and are included in the Company's Sustainability Report, which is published annually and on the Company's website.
It should also be noted that the Group has been repositioning its business model for a number of years in order to be a player in the energy transition brought about by climate change, to make its own contribution to it and at the same time to take advantage of the growing business opportunities. The positive results achieved so far in this process are confirmed by the size of the orders acquired in the Renewable Energy and Carbon Neutrality sector, as mentioned above.

Research and development activities

Research and development activities were mainly carried out by the appointed Business Development unit of the Parent Company and by the subsidiary company Fores Engineering S.r.l.
It is hoped that a positive outcome of these initiatives will generate good results with positive effects on the future results of the Group.

Treasury share transactions

There were no treasury share transactions during the period under review. Accordingly, the number of treasury shares held by the Parent Company remained unchanged at 200,000 (nominal value of Euro 1.00 each), representing 5.0% of the share capital.

BUSINESS OUTLOOK

The order backlog as at 30 June 2024 amounted to approximately Euro 1,116 million (Euro 818 million as at 31 December 2023), which is significantly higher than at 31 December 2023 (+36%).
It should be noted that the order book to date has increased by approximately Euro 243 million compared to the above, as a result of further major acquisitions made after the end of the first half of the year, and is therefore already in line not only with the budget and Strategic Business Plan targets for the current financial year, but also with those envisaged for 2025.
As a result, current commercial activities are mainly focused on ensuring the consolidation of work volumes and margins for the coming years.

In this respect, it should be noted that the last two significant contracts aimed at by the Parent Company in the medium to short term are expected to be awarded by the end of October 2024. If awarded, these contracts could also have a considerable impact on the subsidiaries Fores Engineering S.r.l. and Tecon S.r.l.
However, it should be noted that Group companies continue to be invited by clients to participate in major tenders in both the Oil & Gas and the Renewable Energy and Carbon Neutrality sectors. These tenders are of particular interest to the Group as they provide for project execution times that are not immediate and certainly compatible with the current workload.
With regard to market trends and the main commercial and operational guidelines of the various sectors in which the Group operates, the following should be noted:

Oil&Gas
The order book amounted to approximately Euro 662 million (Euro 341 million at 31 December 2023), representing the largest increase over the previous period (+94%).
Commercial activities in the second half of the year will focus on the acquisition of an onshore project in the Ravenna area, for which the Parent Company has been awarded the contract, as well as the follow-up for the competitive feed award of an HP/HT gas platform in Denmark.
In particular, the subsidiary Fores Engineering S.r.l. will focus its efforts on achieving an order backolog that guarantees a volume of work in line with the company's potential and the margins required to break even in 2025 and return to satisfactory profitability in subsequent years.
On the other hand, operations will be dedicated to the execution of the major projects acquired in this sector in 2023-2024. For the Parent Company, the objective is to complete the Ravenna FSRU project in early 2025 and to start the engineering, procurement and initial construction phases of the large gas platform for Libya, acquired in the first half of 2024, on schedule.
Also during this period, the Parent Company is expected to significantly increase its technical service activities, mainly offshore Côte d'Ivoire, but also in Norway and China.
In Kazakhstan and Nigeria, the local companies are expected to proceed

with the completion of the projects acquired in 2023, as well as to undertake challenging commercial activities related to new significant developments in the Brownfield and Operation & Maintenance areas.

Renewable Energy and Carbon Neutrality sector

The order book amounted to approximately Euro 454 million (Euro 477 million at 31 December 2023), broadly in line with the previous year.

The Parent Company's commercial activities in the second half of the year will focus on the acquisition of a major CCUS offshore project in the UK. It should be noted that the award of this contract would also represent a very important achievement for the strategic positioning of the Rosetti Marino Group in the North Sea CCUS market.

At the same time, work will begin on new important tenders, expected shortly, also in the CCUS field, both for the North Sea and for the area off the coast of Ravenna.

Operations, again for the Parent Company, will focus on the start of the construction of the jackets for the substations in the German North Sea and the construction of the large de-flaring module to be installed in Libya in 2026.

The subsidiary Kazakhstan Caspian Offshore Industries Llp will, on the other hand, be involved in particular in the start-up of the EPC activities for the construction of the hybrid power plant in the Mangystau Oblast in Kazakhstan. This is the first major project acquired by the Group's Kazakh company in the Renewable Energy & Carbon Neutrality sector and will require significant technical, managerial and organisational support from the Parent Company.

Shipbuilding Business Unit

The Shipbuilding business unit's order book is empty and no developments are expected in the short term, in line with past decisions.

Ravenna, 30/09/2024

On behalf of the Board of Directors
The CEO
Oscar Guerra

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2024:

- ***Balance sheet***
- ***Income statement***
- ***Cash flow statement***
- ***Explanatory notes***

BALANCE SHEET (AMOUNTS IN THOUSANDS OF EUROS)

ASSETS		*30/06/2024*	*31/12/2023*	*30/06/2023*
A)	**SUBSCRIBED CAPITAL UNPAID**	**0**	**0**	**0**
B)	**FIXED ASSETS:**			
	I Intangible fixed assets:			
	2) development costs	788	960	1,132
	3) industrial patent rights	129	150	77
	4) concessions, licenses, trademarks and similar rights	326	332	338
	6) assets under construction and payments on account	60	50	12
	7) other intangible fixed assets	502	561	624
	8) goodwill	182	242	1,033
	TOTAL INTANGIBLE FIXED ASSETS	1,987	2,295	3,216
	II Tangible fixed assets:			
	1) land and buildings	64,904	65,538	66,426
	2) plant and machinery	1,441	1,274	1,143
	3) industrial and commercial equipment	2,816	2,719	3,028
	4) other assets	1,042	1,147	3,882
	5) assets under construction and payments on account	702	380	507
	TOTAL TANGIBLE FIXED ASSETS	70,905	71,058	74,986
	III Long-term financial assets:			
	1) equity investments:			
	b) in associated companies	1,077	1,077	1,077
	d-bis) in other companies	175	166	166
	2) receivables:			
	b) due from associated companies	214	323	986
	d-bis) due from third parties	1,115	1,219	1,115
	TOTAL LONG-TERM FINANCIAL ASSETS	2,581	2,785	3,344
	TOTAL FIXED ASSETS	**75,473**	**76,138**	**81,546**
C)	**CURRENT ASSETS:**			
	I Inventories:			
	1) raw materials, ancillary materials, and consumables	9,398	7,668	3,043
	2) work in progress and semi-finished products	13,101	13,009	0
	3) contract work in progress	57,324	72,334	53,141
	5) payments on account	20,993	5,946	7,326
	5) raw materials, ancillary materials, and consumables TOTAL INVENTORIES	100,816	98,957	63,510
	III Receivables:			
	1) trade receivables	122,047	88,487	100,375
	3) due from associated companies	795	963	1,910
	4) due from parent company	0	12	0
	5-bis) tax receivables	11,273	8,546	9,048
	5-ter) prepaid taxes	24,168	27,508	30,832
	5-quater) due from third parties			
	- due within 12 months	5,094	1,027	955
	- due beyond 12 months	356	347	304
	TOTAL RECEIVABLES	163,733	126,890	143,424
	III Short-term financial assets:			
	1) derivative financial instruments	5,438	1,133	3,473
	2) other securities	17,814	15,874	12,793
	TOTAL SHORT-TERM FINANCIAL ASSETS	23,252	17,007	16,266
	IV Cash at bank and in hand:			
	1) bank and post office deposits	119,232	72,365	64,345
	2) cash and cash equivalents	50	62	69
	TOTAL CASH AT BANK AND IN HAND	119,282	72,427	64,414
	TOTAL CURRENT ASSETS	**407,083**	**315,281**	**287,614**
D)	**ACCRUED INCOME AND PREPAYMENTS:**	**1,352**	**1,415**	**1,598**
	TOTAL ASSETS	**483,908**	**392,834**	**370,758**

LIABILITIES	*30/06/2024*	*31/12/2023*	*30/06/2023*
A) SHAREHOLDERS' EQUITY			
I Share capital	4,000	4,000	4,000
III Revaluation reserve	0	0	1,385
IV Legal reserve	1,000	1,000	1,000
VI Other reserves	123,497	124,196	129,926
VII Cash flow hedge reserve	332	902	3,380
VIII Profits (losses) carried forward	3,810	(132)	(5,862)
IX Profit (loss) for the period	7,868	7,043	6,377
X Negative reserve for treasury shares	(5,100)	(5,100)	(5,100)
XI Consolidation reserve	23	23	23
XII Translation reserve	(8,978)	(7,788)	(8,204)
TOTAL GROUP SHAREHOLDERS' EQUITY	**126,452**	**124,144**	**126,925**
Minority interests in capital and reserves	15,799	15,987	17,069
TOTAL GROUP SHAREHOLDERS' EQUITY AND MINORITY INTERESTS	**142,251**	**140,131**	**143,994**
B) PROVISIONS FOR LIABILITIES AND CHARGES:			
1) Pensions and similar commitments	804	555	180
2) Provisions for taxes	5,471	5,369	9,589
3) Derivative financial instruments	103	230	0
4) Others	6,332	6,191	4,407
TOTAL PROVISIONS FOR LIABILITIES AND CHARGES	**12,710**	**12,345**	**14,176**
C) EMPLOYEES' SEVERANCE INDEMNITY PROVISION:	**3,743**	**3,928**	**3,977**
D) PAYABLES:			
3) due to shareholders for loans	2,345	2,737	3,816
4) due to banks			
- due within 12 months	15,694	19,537	32,161
- due beyond 12 months	45,012	44,299	44,745
6) payments on account	162,348	71,733	45,136
7) trade payables	77,863	83,245	64,305
10) due to associated companies	21	21	282
12) tax payables	10,861	5,990	7,589
13) due to social security and welfare institutions	2,808	2,685	2,572
13) other payables	8,053	6,007	7,232
TOTAL PAYABLES	**325,005**	**236,254**	**207,838**
E) ACCRUED INCOME AND PREPAYMENTS:	**199**	**176**	**773**
TOTAL LIABILITIES	**483,908**	**392,834**	**370,758**

INCOME STATEMENT		*H1 24*	*31/12/2023*	*H1 23*
A)	**VALUE OF PRODUCTION**			
	1) Revenues from sales and services	210,302	335,850	174,850
	2) Change in inventories of work in progress, semi-finished and finished products	92	3,453	0
	3) Changes in contract work in progress	(13,806)	19,826	(6,087)
	4) Increase in own work capitalised	45	104	59
	5) Other income and revenues:			
	a) operating grants	40	455	362
	b) other	2,147	10,351	8,922
	TOTAL VALUE OF PRODUCTION	**198,820**	**370,039**	**178,106**
B)	**COSTS AND EXPENSES**			
	6) Raw, ancillary, consumables and goods for resale	(39,165)	(94,027)	(46,226)
	7) Services	(104,273)	(175,575)	(74,546)
	8) Leases and rentals	(5,432)	(22,245)	(13,073)
	9) Staff and related costs			
	a) wages and salaries	(25,834)	(45,290)	(22,067)
	b) social security contributions	(5,765)	(10,204)	(5,112)
	c) employees' severance indemnity provision	(1,182)	(2,252)	(1,087)
	d) pensions and similar commitments	(419)	(700)	(148)
	e) other personnel costs	(2,010)	(1,222)	(284)
	Total staff and related costs	(35,210)	(59,668)	(28,698)
	10) Amortisation, depreciation and write-downs			
	a) amortisation of intangible fixed assets	(338)	(2,130)	(1,051)
	b) depreciation of tangible fixed assets	(1,463)	(3,246)	(1,839)
	c) other write-downs of fixed assets	0	(1,639)	0
	d) write-downs of current receivables and of cash at bank and in hand	(593)	(2,679)	(2,622)
	Total amortisation, depreciation and write-downs	(2,394)	(9,694)	(5,512)
	11) Change in inventories of raw materials, ancillary materials, consumables and goods for resale	1,730	4,676	(221)
	12) Provisions for risks	(267)	(205)	(2,000)
	14) Other operating expenses	(378)	(1,259)	(651)
	TOTAL COSTS AND EXPENSES	**(185,389)**	**(357,997)**	**(170,927)**
	DIFFERENCE BETWEEN VALUE OF PRODUCTION AND COSTS AND EXPENSES (A-B)	**13,431**	**12,042**	**7,179**
C)	**FINANCIAL INCOME AND EXPENSES:**			
	15) Income from equity investments:			
	d) dividends and other income from other companies	0	1	0
	16) Other financial income:			
	c) from current securities not representing equity investments	178	209	154
	d) income other than the above			
	- interest and fees from associated companies	14	89	46
	- interest and fees from third parties and sundry income	1,770	2,066	838
	17) Interest and other financial expenses:			
	d) other	(2,190)	(5,826)	(2,376)
	17-bis) Exchange gains and losses	1,283	(196)	883
	TOTAL FINANCIAL INCOME AND EXPENSES:	**1,055**	**(3,657)**	**(455)**
D)	**VALUE ADJUSTMENTS ON FINANCIAL ASSETS AND LIABILITIES:**			
	18) Revaluations:			
	A) of equity investments	9	3	3
	c) of current securities	8	9	0
	d) of derivative financial instruments	3	0	2
	19) Write-downs:			
	c) of current securities	(114)	0	0
	TOTAL ADJUSTMENTS ON FINANCIAL ASSETS AND LIABILITIES	**(94)**	**12**	**5**
	RESULT BEFORE TAXATION (A+B+C+D)	**14,392**	**8,397**	**6,729**
	20) Income taxes for the year	(6,448)	(1,448)	(277)
	PROFIT (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	**7,944**	**6,949**	**6,452**
	Minority-interest net (profit) loss	(76)	94	(75)
	GROUP PROFIT (LOSS)	**7,868**	**7,043**	**6,377**

CASH FLOW STATEMENT (THOUSANDS OF EUROS)	**H1 24**	**H2 2023**
OPENING BALANCE OF CASH AT BANK AND IN HAND	**72,427**	**64,414**
A. CASH FLOWS DERIVING FROM OPERATING ACTIVITIES		
Profit (loss) for the period	7,868	666
Income taxes	6,448	0
1. Profit (loss) for the period before income taxes	14,316	666
Adjustments for non-monetary items which have no matching balance in the net working capital		
Accruals to provisions	2,670	690
Amortisation/depreciation of fixed assets	1,801	2,486
Value adjustments on financial assets and liabilities of derivative financial instruments that do not involve monetary transactions	(570)	(2,478)
Other adjustments for non-monetary elements	0	(1,385)
2. Cash flow before changes in net working capital	18,217	(21)
Changes in net working capital		
(increase) decrease in inventories	(1,837)	(36,137)
(increase) decrease in current receivables due within 12 months	(36,932)	16,518
Increase (decrease) in trade payables and other payables	87,402	44,164
(increase) decrease in accrued income and prepayments	63	183
Increase (decrease) in accrued liabilities and deferred income	23	(597)
(increase) decrease in other working capital items	(197)	(1,125)
3. Cash flow after changes in net working capital	66,739	22,985
Other adjustments		
(Income taxes paid)	(1,577)	(1,599)
(Use of provisions)	(2,414)	(1,821)
CASH FLOW FROM OPERATING ACTIVITIES (A)	**62,748**	**19,565**
B. CASH FLOWS DERIVING FROM INVESTMENT ACTIVITIES		
Net changes in:		
Intangible fixed assets	(30)	(158)
Tangible fixed assets	(1,310)	(2,521)
Long-term financial assets	204	559
Short-term financial assets	(6,245)	(741)
CASH FLOW FROM INVESTMENT ACTIVITIES (B)	**(7,381)**	**2,181**
C. CASH FLOWS DERIVING FROM FINANCING ACTIVITIES		
Loan capital		
Loans taken out	35,609	8,577
Repayment of loans	(39,131)	(22,726)
Shareholders' equity		
Dividends (and interim payments) paid	(3,800)	0
Translation reserve	(1,190)	416
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(8,512)**	**(13,733)**
INCREASE (DECREASE) IN CASH AT BANK AND IN HAND (A+B+C)	**46,855**	**8,013**
CLOSING BALANCE OF CASH AT BANK AND IN HAND	**119,282**	**72,427**

Note: the interest recorded is essentially equal to that collected/paid; the divestments are not significant and therefore not analysed; the investments were more or less paid for as at the date the financial statements were drawn up.

EXPLANATORY NOTES

STRUCTURE AND CONTENT OF THE FINANCIAL STATEMENTS

These consolidated financial statements have been drawn up in compliance with the provisions of the Italian Civil Code and comprise the balance sheet, the income statement, the cash flow statement (prepared in compliance with the formats respectively as per Articles 2424, 2424 bis of the Italian Civil Code, Articles 2425 and 2425 bis of the Italian Civil Code and Article 2425 ter of said Code) and these notes.
The purpose of the explanatory notes is to illustrate, analyse and in some cases supplement the financial statement data and contain the information required by Articles 2427 and 2427 bis of the Italian Civil Code, by other provisions of the Civil Code concerning financial statements and by other previous laws. In addition, even if not required by specific legal provisions, all the supplementary information deemed necessary for providing a true and fair view is also provided.
Where necessary, the legal provisions have been supplemented by the accounting standards recommended by the Accounting Standards Committee of the Italian Accounting Profession, as amended and supplemented by the OIC (the Italian Accounting Standards Setter), as well as those of the International Accounting Standards Board (IASB), within the limits that the latter are compatible with Italian legal provisions.
These financial statements have been prepared on a going concern basis, as there are no significant uncertainties in this regard.
The measurement of the financial statement items was carried out aspiring to the general criteria of prudence and accruals, with a view to the business as a going-concern and taking into account the criteria of relevance.
The application of the prudent approach led to the individual measurement of the elements making up the individual items or captions of the assets or liabilities, in order to avoid offsetting between losses which had to be recognised and profits not to be recognised since they have not been realised.
In observance of the accruals principle, the effects of the transactions and other events have been recognised in the accounts and assigned to

the period to which said operations and events refer, and not to that in which the related financial transactions (collections and payments) will take place. For the purpose of the accounting measurements, priority is given to the economic essence of the underlying transactions rather than their legal form.
These consolidated financial statements have been prepared by using the financial statements of the individual companies included within the scope of consolidation, drawn from the related half-year financial statements and consolidated reporting packages specifically prepared by company bodies. Those financial statements have been appropriately modified, where necessary, to bring them into compliance with the following policies.

REFERENCE DATE OF THE CONSOLIDATED FINANCIAL STATEMENTS

All the companies included in the consolidated financial statements align their date of closure of the financial statements with that of the consolidated financial statements.

CONSOLIDATION PRINCIPLES

These consolidated financial statements have been drawn up on the basis of the financial statements approved by the shareholders' meetings or management bodies of the consolidated companies, adjusted – where necessary – for the purpose of aligning them with the Group accounting standards, or on the basis of the financial information forwarded by the consolidated companies and drawn up in compliance with the instructions of the Parent Company.
The accounting standards adopted for the preparation of the consolidated financial statements are those adopted by the Parent Company for the drafting of the annual financial statements or those adopted by the majority of the consolidated companies, notwithstanding the standard for the measurement of the equity investments in associated companies using the equity method or the proportional method instead of the cost method and the accounting treatment of assets under financial lease, as illustrated further on in these

explanatory notes.

A) Consolidation method

Subsidiaries are consolidated according to the line-by-line method. The following are the criteria mainly adopted for that method:

- the carrying amount of equity investments has been eliminated against the associated shareholders' equity; the difference between the acquisition cost and shareholders' equity of investees is allocated, where possible, to the asset and liability items of the companies within the scope of consolidation. Any residual amount, where negative, is recognized under a shareholders' equity item entitled "Consolidation reserve"; where positive, it is recognized under an asset item entitled "Goodwill" and amortised over five years, if that amount represents future income-generating capacity;
- significant transactions between consolidated companies and payables, receivables and unrealised profits deriving from transactions between Group companies, net of any tax effect, have been eliminated;
- the portions of shareholders' equity and the result for the interim period pertaining to minority interests are illustrated in the specific consolidated balance sheet and income statement items;
- companies acquired during the period have been consolidated as from the date on which a majority interest was obtained. If acquisition occurs during the final days of the period, the target company is consolidated as from the following period.

B) Translation into Euro of the financial statements of foreign companies

The separate financial statements for each Group company are drafted in the currency of the main economic environment in which each company operates (the operating currency). For consolidated financial reporting purposes, the financial statements of each foreign entity are prepared in Euro, which is the group's operating currency and the currency used in presenting its consolidated financial statements.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of foreign subsidiaries with operating currencies other than the Euro are translated at the exchange rates in force at the reporting date. Income and expenses are translated at the average exchange rates for the period. Foreign exchange differences deriving from the translation of opening shareholders' equity at the end-of-period exchange rates and the translation of the income statement at the average rates for the period are recognized in the shareholders' equity item "Translation reserve." Said reserve is recognised in the income statement as income or expense in the period when the relative subsidiary is sold.

SCOPE OF CONSOLIDATION

These consolidated financial statements include the financial statements of all companies directly and indirectly controlled by Rosetti Marino S.p.A. (the Parent Company) pursuant to Article 2359 of the Italian Civil Code.
Equity investments in associated companies have been presented according to the equity method, with the exception of the associated companies Basis Pivot Ltd and Broadshore Energy Ltd, since they are dormant. Equity investments in the associated companies RigRos S.r.l. in liquidation, Rosetti Ali & Sons Llc and Rosetti Pivot Ltd were consolidated using the proportionate method.

The following is a list of equity investments in subsidiaries and associated companies (in thousands of euros):

Name	Registered office	Share capital	Percent interest
Subsidiary companies			
FORES ENGINEERING S.r.l.	Forlì	1,000	100.0%
ROSETTI KAZAKHSTAN Llp (1)	Kazakhstan	198	100.0%
FORES ENG. ALGERIE Eurl (2)	Algeria	1,616	100.0%
ROSETTI MARINO UK Limited	United Kingdom	0	100.0%
ROSETTI MARINO SUPERYACHTS S.p.A.	Ravenna	1,500	100.0%
ROSETTI MARINO PROJECT OOO	Russia	250	100.0%
ROSETTI MARINO FOR TRADING Wll	Qatar	137	100.0%
ROSETTI LYBIA Jsc	Libya	622	65.0%
GM GREEN METHANE S.r.l.	Ravenna	100	60.0%

TECON S.r.l.	Milan	47	60.0%
K.C.O.I. Llp (3)	Kazakhstan	1,160	50.0%
Associated companies			
RIGROS S.r.l. in liquidazione	Ravenna	100	50.0%
ROSETTI PIVOT Ltd	Nigeria	2,818	49.0%
ROSETTI ALI & SONS Llc	Abu Dhabi	36	49.0%
BASIS PIVOT Ltd (*)	Nigeria	46	45.0%
BROADSHORE ENERGY Ltd (*)	Nigeria	85	26.32%

(1) Of which 10% held indirectly through Fores Engineering S.r.l.

(2) Held indirectly through Fores Engineering S.r.l.

(3) Of which 5% held indirectly through Rosetti Kazakhstan Llp.

(*) Not included in the scope of consolidation

During the half-year, the following changes occurred compared to 31/12/2023:

- payment by the parent company to the subsidiary Fores Engineering S.r.l. of Euro 11,000 thousand as capital contribution by waiving a financial claim for the same amount;
- on 14/02/2024, the associated company Rigros S.r.l. was put into liquidation.

The subsidiary and associated companies included in the scope of consolidation operate in the following segments:

- Tecon S.r.l.: multi-disciplinary design of oil and petrochemical facilities;
- Fores Engineering S.r.l and Fores Engineering Algèrie Eurl: design and construction of automation and control systems and related maintenance;
- Kazakhstan Caspian Offshore Industries Llp, Rosetti Lybia Jsc, Rosetti Marino UK Limited, Rosetti Marino Project ooo, Rosetti Pivot Ltd, Rosetti Ali & Sons Llc and Rosetti Marino for Trading Wll: construction of offshore and onshore oil installations;
- Rosetti Kazakhstan Llp: providing technical services;
- Rosetti Superyachts S.p.A.: construction of superyachts;
- GM Green Methane S.r.l.: construction of biomethane installations;
- Rigros S.r.l. in liquidazione: redevelopment of a yard area adjacent to the Parent Company’s headquarters.

RECONCILIATION OF THE PARENT COMPANY'S SHAREHOLDERS' EQUITY AND PROFIT/LOSS AND CORRESPONDING

CONSOLIDATED FIGURES

The following is the statement of reconciliation between the shareholders' equity and profit for the period presented in the Parent Company's financial statements and the corresponding consolidated figures as at 30 June 2024:

	Shareholders equity	Profit for the period
FIGURES PRESENTED IN THE FINANCIAL STATEMENTS OF ROSETTI MARINO SPA AS AT 30/06/2024	125,328	6,834
Consolidation adjustments:		
a. Difference between the carrying amounts of consolidated equity investments and the valuation of those equity investments according to the equity method	886	1,870
c. Reversal of unrealized gains deriving from transactions between Group companies	(134)	(133)
d. Reversal of unrealised profits deriving from the distribution of dividends between Group companies	372	(703)
FIGURES PRESENTED IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 30/06/2024	126,452	7,868

VALUATION PRINCIPLES

The most significant valuation principles adopted for the preparation of these financial statements in accordance with Article 2426 of the Italian Civil Code and the OIC accounting standards are set out below:

Intangible fixed assets

Intangible fixed assets are stated at purchase or production cost, inclusive of any related charges, and are amortised systematically over the period they are expected to be used in the future.

Intangible assets are written down if they become impaired, independently of the amount of previously recognized amortization charges. If the grounds for an impairment loss cease to apply in later years, the original amount is recovered, with the exception of the items “goodwill” and “deferred charges”.
Advertising and research and development costs are expensed in full during the period in which they are incurred.
The difference between the acquisition cost and shareholders' equity of investee companies is allocated, where possible, to the asset and liability items of the companies within the scope of consolidation. Any residual amount, where positive, is recognised under an asset item entitled "Goodwill" and amortised over five years, if that amount represents future income-generating capacity.

Tangible fixed assets

Tangible fixed assets are recognised at purchase or production cost, net of any capital grants, and as adjusted for certain assets in accordance with specific revaluation laws. The cost includes accessory charges and direct and indirect costs to the extent reasonably attributable to the asset.
Tangible fixed assets are systematically depreciated each year on a straight-line basis according to economic/technical rates determined in relation to the residual useful lives of the assets. The rates applied are presented in the section setting out comments on assets. Tangible fixed assets are written down when impaired, independently of previously recognised depreciation charges. If the grounds for an impairment loss cease to apply in later years, the original amount is recovered.
Ordinary maintenance costs are expensed in full to the income statement, whereas those that involve improvements are allocated to the assets to which they refer and are depreciated according to the residual useful life of the asset in question.

Equity investments

Equity investments in associated companies are valued using the equity method or the proportionate method where the ownership interest is equal. Equity investments in other companies are valued at cost, as are equity investments in dormant subsidiaries and associated companies. The book value is determined based on the purchase or subscription price. The cost is then written down for impairment when the investees incur losses and it is not expected that the income earned in the immediate future will be sufficient to offset those losses. The original amount is recovered in later years if the grounds for the impairment loss cease to apply.

Inventories

Raw materials, work in progress and semi-finished products:

Raw materials are measured at the average purchase or production cost, calculated according to the weighted average cost, and realisable value, whichever is the lower.

Contract work in progress and revenue recognition:

Contract work in progress spanning more than one year is measured at period-end according to the consideration accrued with reasonable certainty (the percent completion method). Consideration accrued is calculated by applying the percentage of completion determined according to the cost-to-cost method to the estimated total revenue.
The percentage is figured as the ratio of the costs incurred at the end of the period to estimated total costs.
The additional fees are included under contract revenues only when by the reporting date there has been formal acceptance by the client of these additional fees, or, despite the absence of formal acceptance, as of the reporting date it is highly probable that the request for additional fees is accepted on the basis of the most recent information and past experience.
Contract work in progress of a duration of less than one year is measured at specific production cost (completed contract method).
Payments on account received from clients while a project is ongoing, for work performed and normally agreed upon through "progress reports", are recorded under revenues, while payments on account from clients received at the start of work are recorded under the item "Payments on account" on the liabilities side of the balance sheet.
Contracts are considered completed when all the contractual costs have been incurred and the work has been accepted by the clients. Any losses on contracts, estimated with reasonable approximation, are booked in full to decrease the value of the contract work in progress, recorded under assets, during the period in which they became known. If this loss is higher than the value of the work in progress, the Company records a specific provision for liabilities and charges,

recorded under liabilities, equal to the excess.

Receivables

Receivables are reported in the financial statements in compliance with the amortised cost criterion, taking into account the time factor and the estimated realisable value. The amortised cost principle is not applied in cases in which its effects are irrelevant, i.e. when transaction costs, commissions paid between the parties and any other difference between the initial value and the value of the receivable when due are negligible or if the receivables are short-term (i.e. due within 12 months).
Trade receivables due beyond 12 months of their initial recognition that are not interest bearing or that attract interest at rates that are significantly different from market rates, and the related revenues, are initially recognised at the value determined by discounting the future cash flows at the market interest rate. The difference between the value of the receivable when initially recognised, calculated as indicated above, and its value when due, is reported in the income statement as a financial income over the term of the receivable using the effective interest rate criterion.
The value of receivables, as determined above, is adjusted, if necessary, by a specific allowance for doubtful accounts, booked to directly decrease the value of said receivables, so as to adjust them to their estimated realisable value. The estimate of the allowance for doubtful accounts includes the estimates of losses both due to the credit risk situations which have already manifested or are deemed probable and those for other non-recoverable amounts which have already manifested or have not yet manifested but are deemed probable.

Short-term financial assets

Short-term financial assets are recognised at purchase or subscription cost, including directly attributable accessory charges, or the realisable amount determined on the basis of market trends, whichever is the lower.
The original cost of such securities is reinstated when the reasons for previous adjustments cease to apply.

Cash at bank and in hand

These are recorded at their nominal value and include the interest accrued as at the period end date. Cash at bank and in hand in foreign currency are valued at the period end exchange rate.

Accruals, deferrals and prepayments

These items include portions of costs and revenues which are common to two or more accounting periods, recognised by means of a breakdown over time, to satisfy the accruals principle.

Provisions for liabilities and charges

Provisions for liabilities and charges are set aside to cover losses or payables the existence of which is certain or likely, but the amount and the date of occurrence of which cannot be determined at period-end. The provisions reflect the best possible estimate based on the information available. With regard to the recognition of liabilities and charges, account was also taken of the risks and losses whose existence was revealed also after the end of the period and up until the date these financial statements were prepared.

Risks for which the occurrence of a liability is merely possible are indicated in the notes on provisions, without setting aside a provision for liabilities and charges.

Derivative financial instruments

Derivative financial instruments are financial assets and liabilities reported at their fair value and are mainly used as hedging instruments in order to manage the risks deriving from fluctuations in exchange rates and interest rates.

Derivatives are classified as hedging instruments only when, at the beginning of the hedge, there is a close and documented correlation between the characteristics of the hedged item and those of the hedging instrument and this hedging relationship is formally documented and the effectiveness of the periodically checked hedging is high.

When derivatives hedge the risk of changes in the future cash flows of the instruments being hedged (cash flow hedges), the effective portion of the profits or losses on the derivative financial instrument is suspended in the shareholders' equity. The profits and losses associated with the ineffective portion of a hedge are recorded in the income statement. When the related transaction is carried out, the cumulative profits and losses, recorded up to that moment in the shareholders' equity, are transferred to the income statement when the relative transaction takes place (as an adjustment or supplement to the income statement items

impacted by the cash flow being hedged).
For the derivative financial instruments classified as “for trading”, since they do not satisfy the requirements for being treated under hedge accounting, the fair value changes are recognised in the balance sheet and are booked to the income statement.

Employees’ severance indemnity provision (TFR)
The employees’ severance indemnity provision covers the full liability to employees accrued under applicable legislation, collective labour agreements and supplementary company agreements. Such liabilities are subject to adjustment for inflation according to indices.
The amount of the Employees‘ Severance Indemnity reported in the financial statements is indicated net of the amounts paid to the INPS Treasury Fund, with the exception of the subsidiaries GM Green Methane S.r.l., Tecon S.r.l. and Rosetti Superyachts S.p.A., for which it continues to be set aside in the Employees’ severance indemnity provision and supplementary pension funds, as provided for by Italian Law No. 296 of 27 December 2006 ("2007 Finance Act") and subsequent implementing decrees and regulations.

Payables
Payables are recorded using the amortised cost criterion, taking into account the time factor. The amortised cost criterion is not applicable to payables if the effect is negligible. The effects are considered to be negligible for short-term payables (i.e. with a due date of less than 12 months). For the amortised cost criterion, please see what has been said about receivables.

Costs and revenues
These are recognised on a prudent and accruals basis as per Article 2423-bis of the Italian Civil Code, pursuant to Article 2425-bis of said Civil Code, with recording of the related accruals, deferrals and prepayments. Revenues include amounts invoiced for production carried out during the year, thus definitely due. Transactions with related parties were conducted at arm's-length conditions.

Capital and operating grants
Capital and operating grants are recognised in the year in which the right to receive them is established with certainty.

Dividends
Dividends are recognised during the period in which distribution is approved by the disbursing companies.

Income taxes for the period
Income taxes are recognised on the basis of estimated taxable income in accordance with the provisions in force, taking account of the applicable exemptions and tax credits due and in compliance with the matters indicated by the reference accounting standards regarding the recognition of income taxes for the period.
Deferred tax assets and liabilities are also provided on temporary differences between the result for the period and the positive or negative taxable amount, and are calculated on the basis of the rate which is expected to be applicable to the period in which the differences will reverse, in accordance with the liability method.
The deferred tax assets are recorded when there is the reasonable certainty that there will be taxable profits able to absorb said credit balance in the future.

Translation of foreign currency items
Foreign currency receivables and payables were originally recognised at the exchange rates in force when the transactions were recorded.
Exchange differences produced on the collection of receivables and payment of payables expressed in foreign currencies are recognised in the income statement.
Receivables and payables in foreign currencies for which exchange-rate risk hedging transactions have been undertaken are adjusted to the base exchange rate of the hedging transactions in question.
At period-end, receivables and payables in foreign currencies for which hedging transactions have not been undertaken are translated on the basis of the exchange rate in force at the reporting date. The profits and losses that arise from such conversion are credited and debited to the income statement as components of a financial nature.
When allocating net profit for the year, any net gain resulting from the comparison of potential gains and losses on foreign exchange is allocated to a specific reserve that may not be distributed until the gain is realised.

Departures pursuant to Article 2423.4 of the Italian Civil Code

No exceptions were applied in these financial statements as per Article 2423.4 of the Italian Civil Code.

Comparison and presentation of the balances

In the interest of greater clarity and intelligibility, all figures in the balance sheet, income statement, cash flow statement, explanatory notes and related annexes have been presented in thousands of euros.
In the explanatory notes, the balance sheet figures have been compared with the amounts as at 31 December 2023, whereas the income statement figures have been compared with the amounts as at 30 June 2023.

COMMENTS ON THE MAIN ASSET ITEMS

FIXED ASSETS

INTANGIBLE FIXED ASSETS

Development costs

The above item underwent the following changes during the period (in thousands of euros):

	Balance 31/12/2023	Incr.	Decr.	Balance 30/06/2024
Development costs	960	0	(172)	788

The above item consists entirely of investments in business development made by the subsidiary GM Green Methane S.r.l.
The decrease is entirely due to amortisation in the period.

Industrial patent rights

The above item underwent the following changes during the period (in thousands of euros):

	Balance 31/12/2023	Incr.	Decr.	Balance 30/06/2024
Patent rights	150	0	(21)	129

The item mainly includes the residual value of patent rights acquired by the subsidiary Tecon S.r.l.

Concessions, licences, trademarks and similar rights

The above item underwent the following changes during the period (in thousands of euros):

	Balance 31/12/2023	Incr.	Decr.	Exchange delta	Balance 30/06/2024
Licenses	10	0	0	0	10
Concessions of surface rights	318	0	(6)	0	312
Trademarks	4	0	0	0	4
Total	**332**	**0**	**(6)**	**0**	**326**

The foregoing items are amortised respectively over the term of user licence agreements, over the term of concessions of surface rights, and over 18 years for trademarks.

Intangible fixed assets in progress

The above item underwent the following changes during the period (in thousands of euros):

	Balance 31/12/2023	Incr.	Decr.	Exchange Delta	Balance 30/06/2024
Intangible fixed assets in progress	**50**	**12**	**0**	**(2)**	**60**

This item represents the value of the activities carried out until the end of the period, mainly by the subsidiary Fores Engineering S.r.l., and mainly related to obtaining a company certification in the field of cybersecurity.

Other intangible fixed assets

The above item may be broken down as follows (in thousands of euros):

	Balance 31/12/2023	Incr.	Decr.	Exchange Delta	Balance 30/06/2024
EDP programs	99	6	(29)	1	77
Leasehold improvements	462	13	(50)	0	425
Total	**561**	**19**	**(79)**	**1**	**502**

The decrease in this item is entirely due to amortisation, the criteria for which differ according to the different types of capitalised costs. In further detail:

- on a straight-line basis over three years for EDP programs, and;
- according to the duration of the surface rights and property lease

contracts for investments undertaken on such areas.

Goodwill

This item pertains to the positive differences between the cost paid by the Parent Company to acquire equity investments in Group companies and the corresponding portions of the shareholders' equity of those companies at the acquisition date.

In particular, this item consists entirely of the residual consolidation difference of Euro 182 thousand arising from the acquisition of 60% of GM Green Methane S.r.l., of which Euro 60 thousand was amortised during the period.

TANGIBLE FIXED ASSETS

The composition of this item, the changes during the period and depreciation rates are presented in the schedule at the end of the notes.

During the period, ordinary depreciation charges were recognized according to rates deemed representative of the residual useful lives of tangible assets.

LONG-TERM FINANCIAL ASSETS

Equity investments

The item may be broken down as follows (in thousands of euros):

	% holding	**Balance 31/12/23**	**Incr.**	**Decr.**	**Balance 30/06/24**
Associated companies:					
Broadshore Energy Ltd (*)	26.32%	1,056	0	0	1,056
Basis Pivot Ltd (*)	45%	21	0	0	21
Total		**1,077**	**0**	**0**	**1,077**
Other companies:					
Cassa Risparmio Ravenna		129	9	0	138
O.M.C.		20	0	0	20
SAPIR		3	0	0	3
CAAF Industrie		2	0	0	2
Consorzio Cura		1	0	0	1
Consorzio Destra Candiano		1	0	0	1
Other companies		10	0	0	10
Total		**166**	**9**		**0**

175

(*) Dormant companies

With regard to the investment in Cassa di Risparmio di Ravenna S.p.A., the relative value has been adjusted to the market value at the closing date of these financial statements, through a revaluation of the investment of Euro 9 thousand.

Amounts due from associated companies

The above item may be broken down as follows (in thousands of euros):

	Balance 31/12/23	**Incr.**	**Decr.**	**Balance 30/06/24**
Rigros Srl in liq.	115	0	(115)	0
Rosetti Pivot Ltd	208	6	0	214
Total	**323**	**6**	**(115)**	**214**

The receivable due from the associated company Rosetti Pivot Ltd consists of 51% of a loan totalling Euro 420 thousand granted to the associated company in order to allow it to meet its financial needs in the start-up phase before the start of operations. This loan bears interest at an arm's-length rate.

The receivable due from the associated company Rigros S.r.l. in liquidation has been fully collected.

Amounts due from third parties

This item, amounting to Euro 1,115 thousand (Euro 1,219 thousand as at 31 December 2023), consists mainly of two receivables. The first one, amounting to Euro 474 thousand, relates to a receivable for grants that will be collected by the Parent Company in future years from the Ministry of Infrastructure and Transport for the "ROSMANDITEN" project (an innovative process project in the shipbuilding sector started in previous years). The second receivable, amounting to Euro 426 thousand, relates to a long-term investment made by the subsidiary Tecon S.r.l.

CURRENT ASSETS

INVENTORIES

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	Balance 31/12/2023
Raw materials	12,084	10,376
Provision for obsolescence	(2,686)	(2,708)
	9,398	7,668
Work in progress and semi-finished products	13,101	13,009
Contract work in progress	57,324	72,334
Advances to suppliers	20,993	5,946
Total	**100,816**	**98,957**

The valuation of period-end inventories of raw materials at their average purchase cost does not result in appreciable differences compared to a valuation at current costs. A specific provision for obsolescence has been recorded to reduce this item to its estimated realisable value.

Contract work in progress spanning more than one year represents job orders measured according to the consideration accrued with reasonable certainty (percentage of completion method), net of payments on account received due to the progress of the work: for more details on the calculation method and the comparison with the previous year's figures, please refer to the comment section "value of production". The change compared to the previous year is related to the difference in the progress of contract work in progress, which reflects the size of the contracts recently acquired by the Parent Company, as indicated in the Directors' Report on Operations.

RECEIVABLES

Trade receivables

This item includes trade receivables resulting from normal transactions of a commercial nature.

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	Balance 31/12/2023
Amounts due from Italian clients	40,728	49,756
Amounts due from EEC clients	15,703	5,747
Amounts due from non-EEC clients	71,954	39,224
Allowances for doubtful accounts	(6,338)	(6,240)
Total	**122,047**	**88,487**

The change in the total value of receivables compared to the previous year is due to a change in the frequency of their collection in connection with the development of the above-mentioned contracts and the general expansion of working capital determined by the size of the orders recently acquired by the Parent Company, as already indicated in the Directors' Report on Operations.

Given the nature of the activities performed, the composition of the item is not very diversified. In fact, the top five clients by amount of balance cover approximately 52.36% (60.50% in the previous year) of total trade receivables.

The allowance for doubtful accounts, which slightly increased compared to the previous year, is deemed adequate to cover estimated losses on receivables and was determined on the basis of an overall assessment that takes into account insolvency risks mainly linked to specific factors. The allocation to this provision reflects a prudent assessment by the Directors of the risks associated with the failure to collect these receivables, also taking into account the size of the overdue amount and the agreements entered into.

Amounts due from associated companies

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024			Balance
	Trade	**Financ.**	**Total**	**31/12/2023**
Rosetti Pivot Ltd	327	82	409	576
Rigros S.r.l. in liq.	0	0	0	2
Rosetti Ali & Sons Llc	434	52	486	485
Allowance for doubtful accounts	(100)	0	(100)	(100)
Total	**661**	**134**	**795**	**963**

All trade and financial transactions with associated companies are undertaken at arm's-length conditions. Receivables from associated companies do not include any additional losses beyond those already stated in the financial statements.

Tax receivables

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	**Balance 31/12/2023**
VAT credit	7,300	5,567
Employee severance indemnity revaluation substitute tax credit	25	28
Other tax receivables	208	21
Foreign tax credit	3,370	2,608
Regional business tax (IRAP) credit	102	101
Company earnings' tax (IRES) credit	268	221
Total	**11,273**	**8,546**

The VAT credit consists of the total VAT credit accrued of Euro 6,845 thousand and a VAT credit of Euro 455 thousand for which a refund has been requested but not yet collected.

The regional business tax (IRAP) credit is due both to higher advances paid in previous years compared to the tax due and to credits accrued in 2017 on the basis of the provisions of Article 19.1(b) of Italian Law Decree no. 91/2014 (also known as the Competitiveness Decree). This decree envisaged the possibility of converting any surplus deriving from the A.C.E. (Economic Growth Aid), into an IRAP credit, which can be divided into five annual equal parts and the amount corresponds to the residual credit which can be used in the following accounting periods.

Prepaid taxes

Prepaid taxes, totalling Euro 24,168 thousand, of which Euro 20,043 thousand was recognised in the Parent Company's financial statements, have been provided on all positive temporary differences. It should be noted that the theoretical tax effects on temporary differences have been calculated according to current rates. Prepaid taxes for tax losses have been recognised as a reasonable certainty exists of obtaining taxable income in the future that may be able to absorb the losses carried forward, in consideration of the expected return of taxable income, as well as the existence of deferred tax liabilities amounting to Euro 1,837 thousand in the Parent Company's financial statements, as shown in the section "Provisions for Taxes" below.

The changes in this item are illustrated in the specific attached schedule included at the end of these Explanatory notes.

Amounts due from third parties

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	**Balance 31/12/2023**
Due within 12 months:		
Due from employees	309	100
Receivables for insurance compensation	1	3
Sundry	4,784	924
Total	**5,094**	**1,027**
Due beyond 12 months:		
Guarantee deposits	273	264
Sundry	83	83
Total	**356**	**347**

Amounts due from third parties are fully collectable. Accordingly, no value adjustments have been made.

Sundry receivables consist mainly of a receivable due from Kerry Project Logistics Italia S.p.A. (a partner of the Parent Company in an unincorporated consortium contract for a project with final destination in Libya), which relates to the payment of the Parent Company's portion due as an advance payment for the on-site registration of a new contract acquired in the first half of 2024 with the end client Mellitah Oil & Gas B.V. (Euro 4,110 thousand).

SHORT-TERM FINANCIAL ASSETS

The increase in short-term financial assets is mainly due to the temporary investments of liquidity in units of insurance policies, bank certificates, mutual investment funds, and other shares and bonds.

The changes in short-term financial assets are shown in the following table:

	Balance 31/12/2023	Ex. Delta	Balance as at 30/06/2024
Current receivable derivative financial instruments	1,133	4,305	5,438
Other current securities	15,874	1,940	17,814
Total	**17,007**	**6,245**	**23,252**

The item Current receivable derivative financial instruments consists entirely of the mark-to-market valuation of the following hedging instruments:

Type	Underlying contract	Bank	Notional amount	Maturity	MTM
Rosetti Marino S.p.A.					
IRS	Mortgage loan	Unicredit	838	31/07/2025	23
IRS	Mortgage loan	Credit Agricole	412	29/06/2025	9
IRS	Mortgage loan	Banco BPM	2,778	31/12/2026	115
IRS	Mortgage loan	Banco BPM	4,063	30/09/2027	209
COLLAR	Mortgage loan	Banco MPS	20,000	31/12/2029	5
Fores Engineering S.r.l.					
IRS	Mortgage loan	BPER Banca	1,107	19/01/2027	54
IRS	Mortgage loan	Banco BPM	786	11/09/2025	21

The item "Other current securities" consists entirely of temporary investments of liquidity, which can therefore be readily disposed of, mainly in insurance policies (Euro 1000), mutual investment fund units (Euro 5,205 thousand), and bonds (Euro 12,608 thousand): changes in fair value are recognised in the balance sheet and are booked to items D18c or D19c of the income statement.

CASH AT BANK AND IN HAND

Bank and post office deposits

The balance at the end of the period of Euro 119,232 thousand (Euro 72,365 thousand as at 31 December 2023) consisted entirely of bank deposits with positive balances. Of these deposits, 91.18% are held by Group companies based in Italy.

Cash and cash equivalents

The balance at the end of the period, mainly consisting of cash, amounted to Euro 50 thousand (Euro 62 thousand as at 31 December

2023).
For more information on the financial dynamics, please refer to the cash flow statement.

ACCRUED INCOME AND PREPAYMENTS

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	**Balance 31/12/2023**
Interest income accrued	5	14
Prepayments for rents	154	46
Prepayments on movable prop. leases	22	120
Other prepayments	1,171	1,235
Total	**1,352**	**1,415**

These represent income and expenses whose pertinence is advanced or deferred with respect to the cash and/or documental movements; these are irrespective of the date of payment or collection of the related expenses or income spanning two or more accounting periods which can be spread over time.

COMMENTS ON THE MAIN LIABILITY ITEMS

SHAREHOLDERS' EQUITY

The movements in the items comprising the Shareholders' Equity are presented in the annexed schedule.
The following is a commentary on the main items of which it is composed:

Share capital

The share capital consists of 4,000,000 ordinary shares with a nominal value of Euro 1.00 each and had been fully subscribed and paid-up at the end of the period.

Legal reserve

The above reserve consists of portions of profits set aside in previous years.

Other reserves
The above reserve consists of portions of profits set aside in previous years.

Cash flow hedge reserve
This reserve changes due to the recognition of the future cash flows deriving from derivative instruments which are considered to be “cash flow hedging instruments”.

Profits (losses) carried forward
This item refers to the profits and losses generated in the previous period by some subsidiaries, consolidated on a line-by-line basis.

Profit (loss) for the year
This item refers to the result for the year.

Negative reserve for treasury shares
This reserve includes the equivalent value of the treasury shares held by the company.

Translation reserve
This reserve is made up of the differences caused by converting financial statements into the foreign currencies of the non-resident companies included in the scope of consolidation owing to the differences between the period-end exchange rate used for translating balance sheet values and the average exchange rate of the period used for translating income statement values.

PROVISIONS FOR LIABILITIES AND CHARGES

Pensions and similar commitments
This item of 804 thousand euros (555 thousand euros at 31 December 2023) consists entirely of the provision for leaving indemnities due to the directors of the parent company and the subsidiary Tecon S.r.l.

Provisions for taxes
This item, totalling Euro 5,471 thousand, of which Euro 2,285

thousand was recognised in the Parent Company's financial statements, consisted of deferred tax liabilities calculated on all taxable temporary differences of Euro 5,023 thousand (Euro 5,173 thousand as at 31 December 2023) and a provision for taxes of Euro 448 thousand (Euro 196 thousand as at 31 December 2023).
It should be noted that the theoretical tax effects on temporary differences have been calculated according to current rates. The changes in this item are illustrated in the specific attached schedule included at the end of these Explanatory notes.

Provisions for derivative financial instrument liabilities

This item, amounting to Euro 103 thousand (Euro 230 thousand as at 31 December 2023) represents the matching balance of “cash flow hedge reserve” in shareholders’ equity. The characteristics of the derivative financial instruments are indicated in the following tables:

Type	Underlying contract	Bank	Notional amount	Maturity	MTM
Rosetti Marino S.p.A.					
IRC	Mortgage loan	Unicredit	5,000	31/10/2026	30
IRC	Mortgage loan	BPER Banca	6,750	31/12/2028	31
IRC	Mortgage loan	Banca Sella	2,831	15/03/2028	8
IRC	Mortgage loan	Banca Intesa	4,718	19/03/2028	15
Fores Engineering S.r.l.					
Forward	Mortgage loan	Banco BPM	1,000	16/09/2024	19

It should be noted that the main Italian companies of the Group have a system of powers and procedures that govern the signing of derivative finance agreements approved by their respective Boards of Directors.
In particular, with reference to derivative financial instruments to hedge against exchange-rate risk, the Board of Directors approves the level of credit to be used for the stipulation of derivative financial instruments and within this credit line the administrative management materially defines the most suitable instrument to hedge against the risk.
Instruments to hedge against the interest-rate risk on loans are specifically approved by the Board of Directors together with the resolution on the loan that is being hedged.

Other provisions

The above item underwent the following changes during the year (in thousands of euros):

	Balance 31/12/23	Incr.	Decr.	Exc. Delta	Balance 30/06/24
Provisions for future liab. and charges	4,393	267	(760)	0	3,900
Provision for empl. bonuses	1,198	1,815	(1,181)	0	1,832
Provision for contractual risks	600	0	0	0	600
Total	**6,191**	**2,082**	**(1,941)**	**0**	**6,332**

The provision for future liabilities and charges represents the best possible estimate of probable liabilities arising from ongoing civil litigation with third parties.

The provision for employee bonuses represents the portion of the variable remuneration that the Parent Company will pay to its employees based on the economic results achieved during the period under review.

The provision for contractual risks was set aside mainly to cover the probable risk of warranty claims.

EMPLOYEES' SEVERANCE INDEMNITY (TFR)

The changes in the above item during the period were as follows (in thousands of euros):

Balance as at 31/12/2023	3,928
Amount accrued and recognised in the income statement	1,182
Amounts paid	(1,367)
Balance as at 30/06/2024	**3,743**

The employees' severance indemnity provision reflects the indemnities accrued by employees and will be reduced to make payments when employees leave service or apply for advances where so permitted by law. The amounts paid out mainly include the transfers to the supplementary funds in relation to the portions accrued during the period.

PAYABLES

There were no payables backed by guarantees secured on company assets.
No payables booked had due dates beyond 5 years.
The composition of the items that constitute payables is described below together with changes during the period:

Amounts due to shareholders for loans
This item includes the residual portion of financial loans granted by shareholders to Group companies and consists of Euro 2,250 thousand for the residual portion of two loans granted to the subsidiary GM Green Methane S.r.l., Euro 45 thousand for the residual portion of a loan granted to Rosetti Pivot Ltd and Euro 50 thousand for the residual portion of a loan granted to Rosetti Ali & Sons Llc.

Amounts due to banks
This item refers to the following loans:

	Amount	Maturity	Guarantees
Rosetti Marino S.p.A.			
Credit Agricole Italia S.p.A. (*)	412	29/06/2025	Government
Unicredit S.p.A. (*)	838	31/07/2025	Government
Banco BPM S.p.A. (*)	2,778	31/12/2026	Government
Simest	420	31/12/2027	
Banco BPM S.p.A. (*)	4,062	30/09/2027	Government
Unicredit S.p.A. (*)	5,000	31/10/2026	
BPER Banca S.p.A. (*)	6,750	31/12/2028	Government
Monte Paschi Siena (*)	20,000	31/12/2029	Government
Banca Sella (*)	2,831	15/03/2028	
Banca Intesa (*)	4,718	19/03/2028	
Banca del Mezzogiorno	3,793	24/04/2027	
Banco BPM S.p.A.	4,000	30/06/2027	
Fores Engineering S.r.l.			
BPER Banca S.p.A. (*)	1,108	19/01/2027	Government
Banco BPM S.p.A. (*)	808	11/09/2025	Government
MedioCredito Centrale S.p.A.	333	30/09/2025	Government
MedioCredito Centrale S.p.A.	333	30/09/2025	Government

Rosetti Superyachts S.p.A.

La Cassa di Ravenna S.p.A.	2,522	30/11/2026	Government

(*) loan hedged by a specific derivative finance agreement (Interest Rate Swap) that meets the accounting requirements to qualify as a hedging derivative instrument.

It should be noted that certain loans taken out by the Group are also guaranteed by financial parameters (covenants) that have been respected.

Payments on account

The item refers to order payments on account and milestone payments received from clients for contract work in progress.

	Balance 30/06/2024	**Balance 31/12/2023**
Contract work in progress	35,765	35,721
Advances from third party clients	126,583	36,012
Total	**162,348**	**71,733**

The change compared to the previous year reflects the trend in contract work in progress and the size of recently acquired orders, mainly by the Parent Company and the subsidiary Kazakhstan Caspian Offshore Industries Llp. For further information, please see the information provided in the section relating to contract work in progress.

Trade payables

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	**Balance 31/12/2023**
Due to Italian suppliers	49,295	46,914
Due to EEC suppliers	3,132	7,075
Due to non-EEC suppliers	25,436	29,256
Total	**77,863**	**83,245**

The change in the total value of payables compared to the previous year is attributable to a change in the payment frequency related to the progress of the orders mentioned above.

Amounts due to associated companies

This item includes the following short-term payables (in thousands of euros):

	Balance 30/06/2024	Balance 31/12/2023
Basis Pivot Ltd	21	21
Total	**21**	**21**

This payable refers entirely to the portion of share capital subscribed but not yet paid in for Basis Pivot Ltd.

Tax payables

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/24	Balance 31/12/23
IRPEF tax withholdings	2,888	1,904
Income tax payable (to Treasury)	2,940	1,416
Income tax payable (to Treas.) abroad	858	1,309
Employee severance indem. reval. subs. tax	4	0
VAT	3,937	1,227
Taxes other than income tax	234	134
Total	**10,861**	**5,990**

This item is essentially comprised of the liability for personal income tax withholdings on compensation for employees and self-employed workers, the VAT payable, and the liability for taxes accrued at the Group's foreign investee companies.

Amounts due to social security and welfare institutions

The item refers to payables owed to such institutions at period-end for the contributions for which the company and its employees are liable. The amount is essentially in line with the previous year.

Other payables

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	Balance 31/12/2023
Amounts due to employees	7,215	5,406
Amounts due to indep. contractors	12	10
Amounts due to pension schemes	775	463
Sundry payables	51	128
Total	**8,053**	**6,007**

This item mainly refers to payables due to employees.

ACCRUED LIABILITIES AND DEFERRED INCOME

The above item may be broken down as follows (in thousands of euros):

	Balance 30/06/2024	Balance 31/12/2023
Accrued liabilities:		
Interest expenses on mortgage loans	66	65
Forward sale swaps	0	53
Other	0	55
	66	**173**
Deferred income:		
Others	133	3
	133	**3**
Total	**199**	**176**

These represent income and expenses whose pertinence is advanced or deferred with respect to the cash and/or documental movements; these are irrespective of the date of payment or collection of the related expenses or income spanning over two or more accounting periods which can be spread over time.

COMMENTS ON THE MAIN INCOME STATEMENT ITEMS

VALUE OF PRODUCTION

REVENUES FROM SALES AND SERVICES

Revenues from the sale of goods and the provision of services may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
Oil&Gas Business Unit	147,781	161,013
Renewables and Carbon Neutrality Business Unit	62,159	25
Shipbuilding Business Unit	117	13,443
Sundry services	245	369
Total rev. from sales and services	**210,302**	**174,850**

The geographic breakdown of the revenues is the following (in thousands of euros):

	H1 2024	H1 2023
Revenues from Italian clients	71,520	33,427
Revenues from EEC clients	24,942	29,196
Revenues from non-EEC clients	113,841	112,227
Total rev. from sales and services	**210,302**	**174,850**

The comments on the financial performance for the year are provided in the Directors' report on operations.

Owing to the nature of the Group's business, the composition of the above item is relatively concentrated, given that approximately 64.82% (57.94% in the comparative period) of total revenues from sales and services is attributable to the top five clients by amount of balance outstanding.

CHANGE IN WORK IN PROGRESS

This item showed a positive balance of Euro 92 thousand and consisted of the valuation of work in progress as at 30 June 2024 of the subsidiary Rosetti Superyachts S.p.A.

CHANGE IN CONTRACT WORK IN PROGRESS

The above item may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
Opening contract work in progress	(72,334)	(65,110)
Exchange Delta	1,204	5,882
Closing contract work in progress	57,324	53,141
Total change in work in progress	**(13,806)**	**(6,087)**

The item "Change in contract work in progress", which presents a negative balance of Euro 13,806 thousand (negative balance of Euro 6,087 thousand as at 30 June 2023), represents the difference between

the valuation of the orders in progress as at 30 June 2024 and the valuation of the orders in progress at the end of the previous year.
This item concerns the Oil & Gas Business Unit for Euro (2,813) thousand (negative for Euro (4,094) thousand as of 30 June 2023), the Renewable Energy and Carbon Neutrality Business Unit for Euro (12,021) thousand (positive for Euro 1,638 thousand as of 30 June 2023) and the Shipbuilding Business Unit for Euro 1,028 thousand (negative for Euro (3,631) thousand as of 30 June 2023).

OTHER INCOME AND REVENUES

The above item may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
Operating grants	40	362
Total "operating grants"	**40**	**362**
Charge-back of expenses to third parties	74	521
Rentals and leases	45	8
Capital gains on disposal of assets	0	5,316
Risk provision surplus	1,246	2,357
Contingent assets	45	289
Other	737	431
Total "other"	**2,147**	**8,922**
Total "other income and revenues"	**2,187**	**9,284**

The item Operating grants mainly refers to the Parent Company and is primarily related to grants related to the tax credit accrued for research and development activities carried out in 2023.
Other income consists mainly of surplus provisions for risks that have been released following the non-occurrence of the conditions that led to their allocation in previous years.

COSTS AND EXPENSES

PURCHASES

The above item may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
Raw materials	37,556	44,603
Ancillary materials and consumables	1,555	1,536
Other purchases	54	87

Total	**39,165**	**46,226**

The change compared to the previous year is mainly due to the type of contract work in progress that calls for a different raw material procurement requirement compared to the comparative period.

COSTS FOR SERVICES

The above item may be broken down as follows (in thousands of euros):

	H1 2024	**H1 2023**
Subcontracting and outsourcing	87,173	57,864
Maintenance and repairs	711	646
Electricity, water and heating	733	884
Other production costs	6,223	7,605
Accessory personnel costs	3,531	2,224
Marketing expenses	1,597	553
Emoluments for corporate bodies	377	551
Audit	137	144
Administr. and other general overheads	3,791	4,075
Total	**104,273**	**74,546**

The change compared to the previous year is mainly due to the type of contract work in progress that calls for increased subcontracting to third parties compared to the comparative period.

LEASES AND RENTALS

The above item may be broken down as follows (in thousands of euros):

	H1 2024	**H1 2023**
Rental of real estate property	1,313	2,020
Movable property leasing	3,719	10,775
Maintenance of third-party assets	7	3
Concession fees	21	35
Software rental	372	240
Total	**5,432**	**13,073**

The change compared to the previous year is mainly due to the type of contract work in progress that calls for different needs regarding the rental of third-party assets compared to the comparative period.

STAFF AND RELATED COSTS

A breakdown of these costs is included in the income statement.

The following table presents changes in the workforce, broken down by ategory:

	30/06/2023	31/12/2023	30/06/2024
Executives	49	47	54
White coll.	762	812	920
Blue collars	205	192	177
Total	**1,016**	**1,051**	**1,151**

AMORTISATION, DEPRECIATION AND WRITE-DOWNS

A breakdown of the required sub-items has been given above in the income statement.

A breakdown of the depreciation charges for tangible fixed assets is presented in a specific annex. The value of the item "write-down of current receivables" represents the provision for the period to adjust the related Allowance to a value suitable for hedging the risk of the outstanding receivables.

CHANGE IN INVENTORIES OF RAW MATERIALS

The above item may be broken down as follows (in thousands of euros):

	H1 2024
Opening inventory as at 1 January 2024	(10,376)
Use/(Provisions) for obsolete inventory	22
Closing inventory as at 30 June 2024	12,084
Total	**1,730**

OTHER OPERATING EXPENSE

The above item may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
Taxes and duties other than income tax	303	253
Capital losses on disposals	0	24
Contingent liabilities	37	103
Other operating expenses	38	271
Total	**378**	**651**

The composition of other operating expenses is broadly in line with the previous year.

FINANCIAL INCOME AND EXPENSES

OTHER FINANCIAL INCOME

The above item may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
16.c) Income from current securities not representing equity investments:		
- interest income on securities	178	130
- capital gains	0	24
	178	**154**
16.d) Income other than the above:		
- interest from associated companies	14	46
	14	**46**
16.d) Income other than the above:		
- interest from third parties and sundry income:		
- bank interest income	898	167
- interest income from clients	18	3
- sundry interest income	854	668
	1,770	**838**
Total	**1,962**	**1,038**

INTEREST AND OTHER FINANCIAL EXPENSES

The above item may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
17.d) Interest and other financial expenses:		
- Other		
- interest expense on bank current accounts	1	2
- interest expense on mortgage loans	2,120	1,905
- interest expense charged by others	62	43
- sundry interest expenses	7	426
Total	**2,190**	**2,376**

EXCHANGE GAINS AND LOSSES

The above item may be broken down as follows (in thousands of euros):

	H1 2024	H1 2023
Exchange gains	1,210	938
Unrealised exchange gains	4,207	4,810

Exchange losses	(1,599)	(1,248)
Unrealised exchange losses	(2,535)	(3,617)
Total	**1,283**	**883**

ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS

The negative balance of the item "Adjustments to the value of financial assets" amounts to Euro (94) thousand and mainly includes the following adjustment components:

- revaluation of equity investments for Euro 9 thousand;
- revaluation of current securities for Euro 8 thousand;
- revaluation of current derivative financial instruments for Euro 3 thousand;
- write-down of current securities for Euro (114) thousand;

INCOME TAXES FOR THE YEAR

The above item may be broken down as follows (in thousands of euros):

	H1 2024	**H1 2023**
Current taxes	3,175	2,457
Previous years' taxes	(136)	0
Deferred taxes	34	275
Prepaid taxes	3,375	(2,455)
Total	**6,448**	**277**

For the breakdown of deferred and prepaid taxes, please see the specific schedule attached to these explanatory notes.

OTHER INFORMATION

Sureties

This item is comprised of Euro 117,075 thousand (Euro 135,710 thousand as at 31 December 2023) in sureties given by insurers and banks to clients of Group companies to guarantee the proper execution of works and the release of withholding guarantees.

SIGNIFICANT SUBSEQUENT EVENTS

In the period between the end of the half-year and the date of this document, there were no events that could have a significant impact from an operational point of view that have not been taken into account in these financial statements.

ANNEXES

The following annexes contain supplementary information to the Explanatory notes and are an integral part thereof.
This information is presented in the following annexes:

- Statement of changes in consolidated shareholders' equity;
- - Statement of changes in tangible fixed assets;
- Statement of temporary differences that resulted in the recognition of deferred tax assets and liabilities.

ROSETTI MARINO S.p.A.
STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 30 JUNE 2024
(in thousands of euros)

	Share capital	Revaluation reserve	Legal reserve	Other reserves	Cash flow hedge reserve	Profits (losses) carried forward	Negative reserve for treasury shares	Translation reserve	Consolidation reserve	Net profit for the year	Total	Minority interests
BALANCES AS AT 30 JUNE 2023	**4,000**	**1,385**	**1,000**	**129,926**	**3,380**	**(5,862)**	**(5,100)**	**(8,204)**	**23**	**6,377**	**126,925**	**17,069**
2023 net profit:												
- to reserve	0	0	0	(5,730)	0	5,730	0	0	0	0	0	0
- dividends	0	0	0	0	0	0	0	0	0	0	0	0
Translation reserve	0	0	0	0	0	0	0	416	0	0	416	(913)
Cash flow hedge reserve	0	0	0	0	(2,478)	0	0	0	0	0	(2,478)	0
Assets revaluation	0	(1,385)	0	0	0	0	0	0	0	0	(1,385)	0
Change in scope of consolidation	0	0	0	0	0	0	0	0	0	0	0	0
Net profit/loss for 2nd half of 2023	0	0	0	0	0	0	0	0	0	666	666	(169)
BALANCES AS AT 31 DECEMBER 2023	**4,000**	**0**	**1,000**	**124,196**	**902**	**(132)**	**(5,100)**	**(7,788)**	**23**	**7,043**	**124,144**	**15,987**
2023 net profit:												
- to reserve	0	0	0	3,101	0	3,942	0	0	0	(7,043)	0	0
- dividends	0	0	0	(3,800)	0	0	0	0	0	0	(3,800)	0
Translation reserve	0	0	0	0	0	0	0	(1,190)	0	0	(1,190)	(264)
Cash flow hedge reserve	0	0	0	0	(570)	0	0	0	0	0	(570)	0
Assets revaluation	0	0	0	0	0	0	0	0	0	0	0	0
Change in scope of consolidation	0	0	0	0	0	0	0	0	0	0	0	0
Net profit/loss for 1st half of 2024	0	0	0	0	0	0	0	0	0	7,868	7,868	76
BALANCES AS AT 30 JUNE 2024	**4,000**	**0**	**1,000**	**123,497**	**332**	**3,810**	**(5,100)**	**(8,978)**	**23**	**7,868**	**126,452**	**15,799**

STATEMENT OF CHANGES IN TANGIBLE FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2024

(in thousands of euros)

	Opening balance			Changes in the period					Closing balance		
				Investments	Divestments						
	Original cost	Accumulated depreciation	Balance 31/12/2023	Acquisitions	Historical	Provision	Exchange delta	Ordinary depreciation	Original Cost	Accumulated depreciation	Balance 30/06/2024
Yards and buildings:											
- land	39,434	(4,511)	34,923	0	0	0	1	0	39,435	(4,511)	34,924
- yards and buildings	61,898	(31,371)	30,527	35	0	0	39	(720)	61,972	(32,091)	29,881
- temporary construction	5,608	(5,520)	88	32	0	0	0	(21)	5,640	(5,541)	99
Plant and machinery:											
- plant	16,212	(15,002)	1,210	282	0	0	0	(104)	16,494	(15,106)	1,388
- dry dock	7	(7)	0	0	0	0	0	0	7	(7)	0
- treatment plants	177	(177)	0	0	0	0	0	0	177	(177)	0
- machinery	6,212	(6,148)	64	5	0	0	(4)	(12)	6,213	(6,160)	53
- electronic installations	26	(26)	0	0	0	0	0	0	26	(26)	0
Industrial and commercial equipment	12,720	(10,001)	2,719	533	(10)	2	(1)	(427)	13,242	(10,426)	2,816
Other tangible assets:											
- office furniture	2,653	(2,294)	359	26	(4)	6	(1)	(80)	2,674	(2,368)	306
- EDP office equipment	4,073	(3,492)	581	28	(5)	8	(7)	(63)	4,089	(3,547)	542
- transport vehicles	450	(460)	(10)	1	0	0	0	(7)	451	(467)	(16)
- motor vehicles	1,086	(809)	277	36	(4)	5	(15)	(29)	1,103	(833)	270
- barge	1,611	(1,671)	(60)	0	0	0	0	0	1,611	(1,671)	(60)
Assets under construction and payments on account	380	0	380	322	0	0	0	0	702	0	702
Total	**152,547**	**(81,489)**	**71,058**	**1,300**	**(23)**	**21**	**12**	**(1,463)**	**153,836**	**(82,931)**	**70,905**

STATEMENT OF TEMPORARY DIFFERENCES THAT RESULTED IN THE RECOGNITION OF DEFERRED TAX ASSETS AND LIABILITIES
paragraph 14, Article 2427 of the Italian Civil Code

Deductible differences	*Prepaid taxes as at 31/12/2023*		*Decrease*		*Increases*		*Exchange Delta*	*Prepaid taxes as at 30/06/2024*	
	Taxable amount	Tax	Taxable amount	Tax	Taxable amount	Tax		Taxable amount	Tax
Provision for contractual risks	885	144	0	0	1	0	0	886	144
Allowance for doubtful accounts	3,959	906	494	119	0	0	0	3,465	787
Provision for future liabilities and charges	(585)	1,032	751	180	267	64	0	(1,069)	916
Unrealised exchange losses	4	2	10	2	8	2	0	2	2
Depreciation of tangible fixed assets	(5)	78	32	9	0	0	0	(37)	69
Tax losses	92,714	22,448	12,068	2,896	221	53	(1)	80,867	19,604
Provision for obsolete inventory	1,885	546	0	0	5	1	0	1,890	547
Loss-making contracts	3,056	458	1,907	458	953	229	0	2,102	229
Provision for employee bonuses	1,485	356	1,138	273	2,092	502	0	2,439	585
Other financial statement provisions	6,220	1,538	355	335	193	46	35	6,058	1,284
Total	**109,626**	**27,508**	**16,755**	**4,272**	**3,740**	**898**	**34**	**96,611**	**24,168**

Taxable differences	*Deferred taxation as at 31/12/2023*		*Decrease*		*Increases*		*Exchange Delta*	*Deferred taxes as at 30/06/2024*	
	Taxable amount	Tax	Taxable amount	Tax	Taxable amount	Tax		Taxable amount	Tax
Unrealised exchange gains	104	25	104	25	80	19	0	80	19
Depreciation of tangible fixed assets	10,045	2,869	0	0	938	280	(49)	10,983	3,100
Amortisation of intangible fixed assets	15	2	0	0	0	0	(2)	15	0
Other financial statement provisions	187	459	185	290	209	50	(133)	211	86
Land revaluation (statutory only)	6,514	1,818	0	0	0	0	0	6,514	1,818
Consolidation transactions	0	0	0	0	0	0	0	0	0
Total	**16,865**	**5,173**	**289**	**315**	**1,227**	**349**	**(184)**	**17,803**	**5,023**