ROSETTI MARINO

Consolidated Financial Statements at 31/12/2024

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DIRECTORS' REPORT ON OPERATIONS,

ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2024

The consolidated financial statements of the Group for the period ended 31 December 2024 report a net profit of Euro 29,795 thousand after depreciation and amortisation of Euro 4,301 thousand, writedowns of current assets of Euro 114 thousand, allocations to provisions for risks of Euro 1,728 thousand and taxation of Euro 17,185 thousand.
We present below an overview of the operating performance in 2024 and analysis of how the business can be expected to develop going forward.

OPERATING PERFORMANCE

The level of net profit, which may be considered highly satisfactory and which improved by 323% compared to the previous year, was hit by the still negative performance of some of the Group's subsidiaries specifically Italian subsidiaries Fores Engineering S.r.l., Rosetti Superyachts S.p.A. and GM Green Methane S.r.l..
The results reported at 31 December 2024 demonstrate how the Group has brilliantly managed to counteract its exposure to systemic and unforeseeable events suffered during the Covid-19 period. The decisions not to enter into conflict with major customers, to maintain unchanged the quality standards that characterise the Group and to accelerate entry into the energy transition have been rewarded. They have made it possible to strengthen and expand the relationship of trust with the main customers and, thus, to achieve these important results.
For a proper assessment of the performance of the business, EBITDA is particularly significant – it amounts to Euro 53,675 thousand and has increased by 145% compared to 2023 (when it amounted to Euro 21,941 thousand); it represents 9.21% of GIP (alternative performance indicator defined in more detail in the table below).
In order to enrich the economic snapshot reflecting the Group's performance in 2024, it is worth highlighting the fact that the volume of work carried out during the year generated a GIP of Euro 582,594 thousand, a 62% increase compared to prior year. As forecast by Management, the second half of the year was characterised by a sharp increase in both value of production and absolute margins. It should also be noted that Management expects these production levels to increase further in 2025.
In completion of the analysis of the key economic factors during the reporting period, it is important to note how the Group was able to seize

the opportunity offered by the renewed upturn in investment, also thanks to implementation of the diversification strategies adopted in the recent past. The most significant figure from this point of view is the further bolstering of the Order Backlog which stood at around Euro 1,160 million at the end of 2024, up by more than 42% compared to the then record figure of around Euro 818 million recorded at 31 December 2023. For a better appreciation of the significance of this figure, it is worth recalling the fact that, as recently as 2022, the order backlog stood at just Euro 382 million, demonstrating the significant improvement in the Group's capacity to transform market opportunities into new orders.

The positive economic data mentioned above were also accompanied by strong cash flow management, resulting in a positive short-term Net Financial Position of around Euro 176 million at 31 December 2024; this is up by around 152% on the already satisfactory level recorded a year earlier (Euro 70 million at 31 December 2023).

In addition to purely economic/financial information, it is worth emphasising the Group's excellent organisational performance. The Group has managed to further strengthen and reinforce its corporate structure, thus proving itself capable of coping with a workload that has grown extraordinarily in the last two years. It is also important to note that this strengthening has concerned – and will continue to concern – all aspects of the organisation: from Project Management to Engineering, from Procurement to Construction, from direct services to all Staff services.

Both the volume of work carried out and the size and make-up of the order backlog are the result of the right commercial and business development strategies adopted by the Group. These strategies must be viewed against the backdrop of the current Energy market environment which remains characterised by the desire to reduce "climate-altering" emissions, the urgent need to ensure secure energy sources and the need to enable them to be accessed at reasonable prices.

In addition to the strong performance by the Parent Company, significant contributions to the positive results for the year were also made by Italian subsidiary Tecon S.r.l., foreign subsidiary Kazakhstan Caspian Offshore Industries Llp in Kazakhstan and associated company Rosetti Pivot Ltd in Nigeria. Meanwhile, hefty losses were recorded by Italian subsidiaries Fores Engineering S.r.l., Rosetti Marino Superyachts S.p.A. and GM Green Methane S.r.l.. It should be noted that important steps have been taken by the Parent Company with a

view to relaunching or redefining the business objectives of the companies that have reported these negative results.
It should also be noted that the results reported in these Consolidated Financial Statements were burdened by certain tax items, especially for the Parent Company, which were significantly higher than in prior periods; this was also the case for the effective tax rate which amounted to around 36% of pr-tax profit.

A selection of the key performance indicators is provided below:

	31.12.24	31.12.23
G.I.P. (in thousands of Euro) (A1+A2+A3 of the Income Statement)	582,594	359,129
EBITDA (in thousands of Euro) (A+B-10-12-13 of the Income Statement)	53,675	21,941
EBITDA / GIP	9.21%	6.11%
EBIT (in thousands of Euro) (A+B of the Income Statement)	47,532	12,042
EBIT / GIP	8.16%	3.35%
Profit before tax (in thousands of Euro) (item 22 of the Income Statement)	47,732	8,397
Profit before tax / GIP	8.19%	2.34%
Net profit (in thousands of Euro) (item 23 of the Income Statement)	29,795	7,043
Net profit / GIP	5.11%	1.96%
R.O.E (Net profit / Group opening equity)	24.00%	5.68%

It should be noted that the interim performance indicators shown in the above table – in particular, EBITDA and EBIT – are not specifically defined under Italian GAAP. Therefore, the methods applied by the Group to determine them might not be consistent with those used by other companies and/or groups in the industry and, consequently, the figures might not be suitable for comparison.

An analysis of the various business segments in which the Group operates is provided below. Please refer to the Notes to the Financial Statements for more detailed analysis of the numbers themselves:

Oil&Gas Sector

The construction of plant and installations for the Oil&Gas industry was confirmed as the Group's most important operating segment with value of production of around Euro 418 million (Euro 315 million in 2023). However, the gap compared to other business segments closed somewhat compared to prior years.

Production activities were carried out in the Brownfield sector (Euro 196 million), in the Oil & Gas Platform sector (Euro 154 million) and in the Technical Services sector (Euro 68 million).

In the first quarter of the year, the Parent Company completed offshore activities for the start-up of the platform in Tierra del Fuego (Argentina). Meanwhile, in the final quarter, offshore activities got underway for the construction of the large Wellhead Platform for Libya; the contract for this platform was acquired during the year. The most important commitment in the sector by the Parent Company – but also by Tecon Srl and Fores Engineering Srl - regarded the race against time to deliver the unloading platform, mooring structures and gangways for the transportation of gas from the new LNG terminal in Ravenna. This work continued throughout 2024 and had to take account of a significant number of variants introduced by the Client to optimise performance of the facility. As the delivery dates could not be postponed (due to the need to guarantee that Italy's natural gas sources would be secured as quickly as possible), the work was carried out with a major plan to accelerate the construction and commissioning works and this made the mooring of the FSRU ship possible on time, a few weeks ago

Equally challenging was the delivery in record time by Kazakh subsidiary Kazakhstan Caspian Offshore Industries Llp if the imposing Kashagan Slug Catcher, one of the world's largest units of its kind.

In 2024, Nigerian associated company Rosetti Pivot Ltd also made a significant contribution, in terms of profitability rather than volumes, thanks to good progress with work on both greenfield and brownfield projects.

For the whole Group, the Technical Services segment made a particularly important contribution to the Oil&Gas sector in 2024. It recorded another significant increase in volumes and broadly stable margins thanks to simultaneous projects that kept the facilities busy constantly in 2024 and involved modifications and the start of work on offshore production and treatment vessels that are especially important for Italian and European energy security. These projects have been

carried out at third-party yards in Norway and the United Arab Emirates and with major offshore campaigns in Congo and Côte d'Ivoire.
Finally, engineering orders were also of considerable strategic importance and they kept the dedicated specialist facilities of the various Group companies busy throughout the year.

Renewables & Carbon Neutrality Sector
Construction work on projects for the Renewables & Carbon Neutrality sector helped generate a volume of production of around Euro 164 million (Euro 32 million in 2023), recording a massive increase compared to prior year and demonstrating the growing importance of this sector within the Group's product portfolio.
The volume of work in this sector was mainly contributed by the Parent Company but, apart from the small portion relating to Biomethane plants produced by subsidiary GM Green Methane S.r.l, the year was also characterised by several important orders acquired by subsidiaries Fores Engineering S.r.l. and Kazakhstan Caspian Offshore Industries Llp. A highly significant amount of work has been generated by the project for construction of the Base Load Power Hub platform for Green Hydrogen generated for the Netherland; this project is being carried out by the Parent Company with the fundamental involvement of subsidiary Fores Engineering S.r.l. which has created the bulk of the electrolysation system – the heart of the structure – for the platform, thanks to a contract obtained directly from the end Client.
During the year, significant progress was also made on the construction of Jackets for the Offshore Wind Substations (also by the Parent Company) that will be installed in the German North Sea in 2025. An even greater contribution to GIP was made by the De-Flaring Module for Libyan waters in the Mediterranean, which is the most important project among those acquired by the Group in the Renewables & Carbon Neutrality Sector.
As for Oil&Gas orders, the progress achieved on contracts in this sector during the year was in line with the timetables agreed with clients.

Shipbuilding Sector
Shipbuilding recorded decrease in the volume of work with a value of production of no more than Euro 1 million against Euro 12 million in 2023.

In line with the decisions taken in 2022 and pending better prospects for the Shipbuilding sector, no new contracts for the sector were acquired during 2024 by either the Parent Company or subsidiary Rosetti Superyachts S.p.A.. Production activities were limited to completion of construction work on the C 129 superyacht.

CAPITAL EXPENDITURE

During the reporting period, the Group incurred capital expenditure totalling Euro 4,988 thousand with Euro 387 thousand invested in intangible assets and Euro 4,601 thousand in tangible assets.
The capex incurred during the year largely related to the Parent Company (Euro 3,466 thousand) and to subsidiary Kazakhstan Caspian Offshore Industries Llp (Euro 954 thousand); it main consisted of maintenance capex.
The main investments made during the reporting period regarded the development of a new technology electrified reactor for the synthesis of green H2 and CO2 (eRWGS) for use in the production of synthetic fuels (Euro 396 thousand), the equipping/fitting of the land purchased in prior year from then associated company Rigros S.r.l. (Euro 623 thousand), a change of use of an industrial building (Euro 293 thousand), construction of a new photovoltaic system (Euro 500 thousand), the purchase and installation of a new pantograph (Euro 459 thousand), the purchase of new sandblasting, painting, filtration and dehumidification systems (Euro 100 thousand), the purchase of new machinery (electric compressors, dryer, condensate separator, air purifiers, dehumidifiers, control unit) for the new sandblasting and painting systems (Euro 364 thousand) and modernisation of the sandblasting and painting sheds with related purchase of new compressors and dehumidifiers (Euro 139 thousand).

FINANCIAL SITUATION

For a more detailed analysis of cash flows during the year, please see the statement of cash flows.
At this point, we highlight the fixed asset coverage ratio (comfortably financed through equity) and, especially, the significant increase – as

already mentioned - in the short-term net financial position. This increase is undoubtedly thanks to the ability shown by the Group during 2024 in acquiring a large quantity of contracts with positive cash flows that do not burden the cash situation.
We would also recall the importance placed by the Group on identifying reliable, financial solid clients. Indeed, despite the significant increase in trade receivables (up from Euro 88 million at 31 December 2023 to Euro 131 million at 31 December 2024), average days sales outstanding have decreased from 91 days at 31 December 2023 to 82 days at 31 December 2024.

Some of the most important financial and equity ratios are shown below:

	31.12.24	31.12.23
Short-term NFP (in thousands of Euro) (CIII + CIV of Assets – D4 of Liabilities)	176,177	69,897
Fixed asset cover margin (in thousands of Euro) (M/L term liabilities + total equity – fixed assets)	142,349	124,565
Fixed asset cover ratio (Fixed assets coverage ratio (M/L term liabilities + total equity / fixed assets)	2.91	2.64
Financial independence index (Total equity / Total assets)	29.44%	35.67%
Ratio of financial income (expenses) to GIP (Financial income and expenses / GIP)	0.06%	(1.02)%

It should be noted that “Short-term Net Financial Position” is not specifically defined under Italian GAAP. Therefore, the methods applied by the Group to determine it might not be consistent with those used by other companies and/or groups in the industry and, consequently, the figure might not be suitable for comparison.

With regard to the financial risks relating to trade receivables, we note that the Group operates primarily with longstanding clients, including leading oil companies or their subsidiaries.
Given the longstanding relationships with clients and their financial soundness, no specific guarantees are required for receivables from clients. However, we note that, as the Group tends to operate on a few, large contracts, its receivables are highly concentrated on a small number of clients. Given this fact, it is standard 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 situation. Outstanding receivables are monitored carefully during performance of the work.
The Group is exposed to the exchange rate risk as a result of its operations on international markets. In order to protect itself against this risk, as in previous years, the Group has arranged exchange rate risk hedging transactions when it has acquired significant orders from clients in foreign currencies and issued significant orders to suppliers in foreign currencies.
It should be noted that when business is conducted in countries whose local currencies are not easily traded and are subject to significant fluctuation (e.g. Kazakhstan and Nigeria), it is not always possible to perform effective exchange risk hedging. In such cases, the main strategy adopted by the Group is to conduct commercial negotiations in hard currency (Euro or USD) rather than in local currency and, where possible, to include contractual clauses protecting it against the risk of exchange rate fluctuation.

PERSONNEL

For all of the Group companies – including the Parent Company – the skill and professionalism of personnel are viewed as extremely important intangible assets.
As at 31 December 2024, the headcount came to 1,209 employees, a net increase of 158 compared to 31 December 2023.
In more detail, we note that the number of senior managers has increased by four, the number of white collar workers has increased by 164 and the number of blue collar employees has decreased by ten.
The headcount changes for each of the Group companies are as follows:

	Employees	Change
Parent company	505	72
GM Green Methane S.r.l.	9	(5)
Rosetti Superyachts S.p.A.	0	(1)
Rosetti Kazakhstan Llp	7	3
Kazakhstan Caspian Offshore Industries Llp	428	85
Rosetti Pivot Ltd	67	(17)
Rosetti Marino UK Limited	2	2

Rosetti Ali & Sons Llc	1	1
Rosetti Marino for Trading WLL	1	1
Rosetti Marino Project ooo	2	0
Fores Engineering S.r.l.	158	21
Fores Engineering Algèrie Eurl	1	(3)
Tecon S.r.l.	28	(1)
Total	**1,209**	**158**

It terms of gender diversity, female employees now represent 26% of the total workforce (in line with 2023). Looking at each employee category, women represent 5% of blue collar workers, 31% of white collar employees and 2% of senior managers.

The type of business conducted means that the risk of accidents, including potentially fatal accidents, is high. For this reason, the Group has always devoted particular attention to safety issues by adopting a series of internal procedures and educational measures aimed at preventing such events.

All of the production facilities owned by the Group have been certified compliant with the BS-OHSAS18001 standard.

Furthermore, we continue to promote initiatives aimed at further spreading a culture of safety among all internal and external workers who operate at our Italian and international production facilities.

OTHER INFORMATION ON OPERATIONS

As expressly required by Article 2428 of the Italian Civil Code, we report the following while referring the reader to the Notes for further information on the numbers reported:

Information on business risks

The inherent risks involved in the business activities of the Group companies are those typical of enterprises that operate in the plant engineering and shipbuilding segments.

The responsibilities resulting from the design and construction of our products and the risks associated with normal operating activity are dealt with in advance by devoting adequate attention to such aspects when developing processes and implementing adequate organisational procedures, as well as by acquiring adequate insurance cover 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 environment have been reviewed in advance and appropriate measures adopted, as described in the "Financial situation", "Information on the environment", "Personnel" and "Business outlook" paragraphs.

Activities relating to Legislative Decree 231/01 on administrative responsibility

During the 2024 reporting period, the Supervisory Board appointed by the Parent Company duly sent us Six Monthly Reports on its activities. The Board of Directors has acknowledged these reports which do not contain any facts or issues worthy of note.

Information on the environment and on climate change risks and opportunities

The Group constructs large metal structures and the related manufacturing activities involve limited environmental risks, mainly during the painting and sandblasting phases.

Although these risks are limited, they are thoroughly assessed by the unit responsible for environment and climate change issues.

The attention paid to environmental issues is borne out by the fact that the Group has been certified compliant with international standard ISO14001 for many years.

The Group has made a major effort to develop and spread a Culture of Sustainability with particular attention paid to the following objectives:

- minimising the environmental impact by reducing energy and water consumption, atmospheric emissions and waste production;
- constantly improving our systems for the detection and assessment of environmental risks and effects and implementing the necessary measures to prevent and reduce such risks and effects;
- monitoring our sustainability performance based on well-defined ESG (Environment, Social, Governance) indicators linked to Sustainable Development Goals, in order to identify the related areas and actions for improvement.

Environmental protection and sustainability goals and principles are defined in the Parent Company's HSE and Sustainability Policies and reported in the company's Sustainability Report which is issued annually and published on the company website.

Research and development

Research and development is mainly carried out by the Parent Company's Business Development unit and by subsidiary Fores Engineering S.r.l.

These activities have regarded the following projects, in particular:

- acquisition of new skills and knowledge through technical feasibility studies and definition of fundamental design principles aimed at the development of an electrified reactor for a reverse-water gas-shift (RWGS) reaction for the production of synthetic aviation fuel – research and development;
- acquisition of new skills and knowledge for the experimental and pre-competitive development of an electrified reactor for a reverse-water gas-shift (RWGS) reaction for the production of synthetic methanols: research and development.

We are confident that the success of these innovations will have a positive impact on the Group's future performance.

Treasury share transactions

There were no transactions in treasury shares during the year. Therefore, the number of treasury shares held by the Parent Company remained unchanged at 200,000 (par value of Euro 1.00 each) or 5.0% of share capital.

BUSINESS OUTLOOK

At 31 December 2024, the consolidated order backlog for contracts acquired but not yet completed amounted to around Euro 1,160 million (Euro 818 million at 31 December 2023) and was significantly higher than at 31 December 2023 (+42%).

It is important to highlight the fact that the current order backlog is already close to covering the targets set out in the Annual Budget and the Strategic Plan for 2025 in terms of both volumes and margins.

Even setting aside the possible positive effects of any new orders acquired, the effects of the significant contract variations under discussion between the various Group companies and clients for projects already in the order backlog should readily lead to full coverage of the aforementioned targets on a global level.

We note the following with regard to market developments and the main

commercial and operational trends in the various segments where the Group operates:

Oil&Gas Sector

The order backlog stands at around Euro 622 million (around Euro 341 million at 31 December 2023) with this sector having recorded the largest increase compared to prior year (+82%).

The Group expects significant production volumes for this sector during 2025 and it remains fundamental to ensuring the proper, sustainable progress of the energy transition and appropriate diversification of energy sources to guarantee energy security and accessible energy prices in Italy and Europe. The most significant component of this production will regard construction of the imposing "Topside" for the gas platform for Libya, an order acquired by the Parent Company. Significant progress will also be made on the on-shore gas production plant in Longanesi (Province of Ravenna) and with completion of the offshore works for the new LNG terminal (also in Ravenna), again carried out by the Parent Company.

A significant commitment in the Technical Services segment is also expected in 2025. It will involve production of large vessels for gas production and treatment installed in Côte d'Ivoire, Congo, Norway and Nigeria. Fores Engineering srl will also provide technical services to accompany its supply of packages and control systems.

Renewables and Carbon Neutrality Sector

The order backlog amounts to around Euro 538 million (around Euro 477 million at 31 December 2023) and has also increased markedly compared to prior year (+13%); it is hoped that the order backlog will grow further over the coming months. The most important expectation in this regard concerns the Parent Company and refers to a Carbon Capture & Storage (CCS) project for the United Kingdom. There are also expectations from Fores Engineering for the supply of Green Hydrogen generation packages of components for offshore CCS units. Even setting aside the effect of these potential new orders, it is important to note that, for the first time, the GIP generated by the Renewables & Carbon Neutrality sector in 2025 is expected to exceed that of the Oil&Gas sector. The Parent Company's production will regard a series of projects such as construction of the De-flaring Module for Libya, completion of the Green Hydrogen generation platform for the Netherlands, completion of the Jackets for Germany and progress with work (near

completion) on the on-shore Green Tyres plant for Ravenna.
By supplying a series of packages and engineered items, the Parent Company will also make a significant contribution to the Renewable/Gas Hybrid Power Plant for Mangystau Oblast in Kazakhstan, the contract for which was awarded to subsidiary Kazakhstan Caspian Offshore Industries Llp during 2024. This is easily the most important project that any other Group company has been awarded in the Renewables & Carbon Neutrality sector and it will be one of the world's first of this type. As this is a new business segment for the Group, it could be used as an important benchmark that could open up new, similar opportunities outside Kazakhstan.

Shipbuilding Sector
The Shipbuilding Sector order backlog is empty and production activities are not expected to recommence at least until market conditions in the sector improve – hopefully in the future.

Ravenna 31/03/2025

For the Board of Directors
The Chief Executive Officer
Oscar Guerra

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2024:

- ***Balance Sheet***
- ***Income Statement***
- ***Statement of Cash Flows***
- ***Notes***

BALANCE SHEET (AMOUNTS IN THOUSANDS OF EURO)

	ASSETS	***31/12/2024***	***31/12/2023***
A)	**DUE FROM SHAREHOLDERS FOR UNPAID CAPITAL**	**0**	**0**
B)	**NON-CURRENT ASSETS:**		
	I Intangible assets:		
	2) development costs	0	960
	3) industrial patent rights	177	150
	4) concessions, licences, trademarks and similar rights	319	332
	6) other intangible assets in progress and payments on a/c	137	50
	7) other intangible assets	470	561
	8) goodwill	122	242
	TOTAL INTANGIBLE ASSETS	1,225	2,295
	II Tangible assets		
	1) land and buildings	63,093	65,538
	2) plant and machinery	1,949	1,274
	3) industrial and commercial equipment	2,447	2,719
	4) other tangible assets	1,225	1,147
	5) assets under construction and payments on account	2,421	380
	TOTAL TANGIBLE ASSETS	71,135	71,058
	III Financial assets:		
	1) investments:		
	b) in subsidiaries	709	1,077
	d-bis) in other entities	180	166
	2) receivables:		
	b) from associated companies	220	323
	d-bis) from others	1,249	1,219
	TOTAL NON-CURRENT FINANCIAL ASSETS	2,358	2,785
	TOTAL NON-CURRENT ASSETS	**74,718**	**76,138**
C)	**CURRENT ASSETS:**		
	I Inventory:		
	1) raw, ancillary and consumable materials	7,220	7,668
	2) work in progress and semi-finished goods	11,924	13,009
	3) contract work in progress	72,131	72,334
	5) payments on account	33,077	5,946
	TOTAL INVENTORY	124,352	98,957
	III Receivables:		
	1) due from clients (trade)	130,626	88,487
	3) due from associated companies	1,034	963
	4) due from parent company	10	12
	5-bis) tax receivables	8,466	8,546
	5-ter) deferred tax assets	18,211	27,508
	5-quater) due from others		
	- due within a year	469	1,027
	- due after more than a year	203	347
	TOTAL RECEIVABLES	159,019	126,890
	III Current financial assets:		
	1) derivatives	7,042	1,133
	2) other securities	24,077	15,874
	TOTAL FINANCIAL ASSETS	31,119	17,007
	IV Cash and cash equivalents:		
	1) bank and post office accounts	162,312	72,365
	2) cash and cash equivalents on hand	51	62
	TOTAL CASH AND CASH EQUIVALENTS	162,363	72,427
	TOTAL CURRENT ASSETS	**476,853**	**315,281**
D)	**PREPAID EXPENSES AND ACCRUED INCOME:**	**1,448**	**1,415**
	TOTAL ASSETS	**553,019**	**392,834**

LIABILITIES AND SHAREHOLDERS' EQUITY		*31/12/2024*	*31/12/2023*
A)	**SHAREHOLDERS' EQUITY:**		
	I Share capital	4,000	4,000
	III Revaluation reserve	0	0
	IV Legal reserve	1,000	1,000
	VI Other reserves	124,768	124,196
	VII Cash flow hedge reserve	(359)	902
	VIII Retained earnings (Accumulated losses)	2,539	(132)
	IX Net profit (loss) for the year	29,795	7,043
	X Negative reserve for treasury shares held	(5,100)	(5,100)
	XI Consolidation reserve	23	23
	XII Translation reserve	(10,223)	(7,788)
	TOTAL EQUITY ATTRIBUTABLE TO THE GROUP	**146,443**	**124,144**
	Capital and reserves attributable to minorities	16,359	15,987
	TOTAL EQUITY ATTRIBUTABLE TO THE GROUP AND TO MINORITIES	**162,802**	**140,131**
B)	**PROVISIONS FOR RISKS AND CHARGES:**		
	1) Provisions for retirement benefits and similar obligations	1,331	555
	2) Tax provisions	5,224	5,369
	3) Derivatives	401	230
	4) Other	5,589	4,993
	TOTAL PROVISIONS FOR RISKS AND CHARGES	**12,545**	**11,147**
C)	**T.F.R./EMPLOYEE SEVERANCE INDEMNITY:**	**3,795**	**3,928**
D)	**PAYABLES:**		
	3) shareholder loans payable	1,089	2,737
	4) bank borrowing		
	- due within a year	17,305	19,537
	- due after more than a year	37,925	44,299
	6) payments on account	154,178	71,733
	7) due to suppliers (trade)	123,064	83,245
	10) due to associated companies	21	21
	12) tax payables	14,670	5,990
	13) payables to social security and pensions institutions	3,115	2,685
	14) other payables	22,395	7,205
	TOTAL PAYABLES	**373,762**	**237,452**
E)	**ACCRUED EXPENSES AND DEFERRED INCOME:**	**115**	**176**
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**553,019**	**392,834**

INCOME STATEMENT		*31/12/2024*	*31/12/2023*
A)	**VALUE OF PRODUCTION**		
	1) Revenues from sales and services	579,886	335,850
	2) Change in inventory of work-in-progress, semi-finished and finished products	(1,085)	3,453
	3) Change in contract work-in-progress	3,793	19,826
	4) Increase in fixed assets due to capitalisation of internal works	330	104
	5) Other revenues and income:		
	a) operating grant income	127	455
	b) other	2,851	10,351
	TOTAL VALUE OF PRODUCTION	**585,902**	**370,039**
B)	**COST OF PRODUCTION**		
	6) Raw, ancillary and consumable materials and goods	(118,434)	(94,027)
	7) Services	(314,289)	(175,575)
	8) Leases and rentals	(20,630)	(22,245)
	9) Personnel		
	a) wages and salaries	(60,562)	(46,400)
	b) social contributions	(13,544)	(10,204)
	c) T.F.R. / Employee severance indemnity	(2,538)	(2,252)
	d) retirement benefits and similar obligations	(1,148)	(700)
	e) other personnel costs	(127)	(112)
	Total personnel costs	(77,919)	(59,668)
	10) Amortisation, depreciation and writedowns		
	a) amortisation of intangible assets	(1,325)	(2,130)
	b) depreciation of tangible assets	(2,976)	(3,246)
	d) writedown of current receivables and cash and cash equivalents	0	(1,639)
	Total amortisation, depreciation and writedowns	(114)	(2,679)
	10) Amortisation, depreciation and writedowns	(4,415)	(9,694)
	11) Change in inventory of raw, ancillary and consumable materials and goods	97	4,676
	12) Provisions for risks	(1,728)	(205)
	14) Sundry operating expenses	(1,052)	(1,259)
	TOTAL COST OF PRODUCTION	**(538,370)**	**(357,997)**
	DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A+B)	**47,532**	**12,042**
C)	**FINANCIAL INCOME AND EXPENSES:**		
	15) Income from equity investments		
	d) dividends and other income from other entities	1	1
	16) Other financial income:		
	c) from current securities other than equity investments	422	209
	d) income other than the above		
	- interest and fees from subsidiaries	34	89
	- interest and fees from others and sundry income	3,146	2,066
	17) Interest and other financial expenses:		
	a) towards subsidiaries	(22)	0
	d) other	(3,897)	(5,826)
	17-bis) Exchange gains and losses	659	(196)
	TOTAL FINANCIAL INCOME AND EXPENSES	**343**	**(3,657)**
D)	**ADJUSTMENTS TO VALUE OF FINANCIAL ASSETS:**		
	18) Revaluations		
	a) of equity investments	15	3
	c) of current securities	212	9
	a) of equity investments	(367)	0
	c) of current securities	(3)	0
	TOTAL ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES	**(143)**	**12**
	PROFIT (LOSS) BEFORE TAXATION (A+B+C+D)	**47,732**	**8,397**
	20) Taxes on income for the year	(17,185)	(1,448)
	NET PROFIT (LOSS) FOR THE YEAR INCLUDING AMOUNT PERTAINING TO NON-CONTROLLING INTERESTS	**30,547**	**6,949**
	Profit (Loss) for the year pertaining to non-controlling interests	(752)	94
	NET PROFIT (LOSS) - GROUP	**29,795**	**7,043**

STATEMENT OF CASH FLOWS (THOUSANDS OF EURO)	**31/12/2024**	**31/12/2023**
OPENING CASH AND CASH EQUIVALENTS	**72,427**	**43,683**
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (Loss) for the period	29,795	7,043
Taxes on income	17,185	277
1. Profit (Loss) for the period before taxes on income	46,980	7,320
Adjustments for non-cash items with no impact on net working capital		
Allocations to provisions	1,865	5,389
Depreciation/Amortisation of non-current assets	4,301	5,376
Adjustments to value of financial assets and liabilities (derivatives) not involving any cash flows	(1,261)	(3,780)
Other adjustments for non-cash items	0	(1,385)
2. Cash flows before changes in NWC	51,885	12,920
Changes in net working capital		
(increase) decrease in inventory	(25,418)	(20,579)
(increase) decrease in current receivables	(32,015)	(14,840)
Increase (decrease) in trade payables and other payables	137,884	43,087
(increase) decrease in prepaid expenses and accrued income	(33)	141
Increase (decrease) in accrued expenses and deferred income	(61)	(73)
(increase) decrease in other working capital items	516	(1,106)
3. Cash flows after changes in NWC	132,758	19,550
Other adjustments		
(Taxes on income paid)	(8,505)	(1,657)
(Use of provisions)	(835)	(5,583)
CASH FLOWS FROM OPERATING ACTIVITIES (A)	**123,418**	**12,310**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Net change in:		
Intangible assets	(255)	(61)
Tangible assets	(3,053)	37,757
Financial assets	427	741
Current financial assets	(14,112)	4,564
CASH FLOWS FROM INVESTING ACTIVITIES (B)	**(16,993)**	**43,001**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Debt		
Loans arranged	44,276	13,882
Loans repaid	(54,530)	(38,641)
Equity		
Dividends paid	(3,800)	0
Translation reserve	(2,435)	(1,808)
CASH FLOWS FROM FINANCING ACTIVITIES (C)	**(16,489)**	**(26,567)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	89,936	28,744
CLOSING CASH AND CASH EQUIVALENTS	**162,363**	**72,427**

Note: *the interest accounted for is substantially equal to that received/paid; divestments are not significant so are not shown; investments had largely been paid for at the date of preparation of the financial statements*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

STRUCTURE AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with the requirements of the Italian Civil Code and consist of the balance sheet, the income statement, the statement of cash flows (prepared in the formats required, respectively, by Articles 2424 and 2424 bis of the Italian Civil Code, Articles 2425 and 2425 bis of the Italian Civil Code and Article 2425 ter of the Italian Civil Code) and these Notes. The purpose of the notes is to illustrate, analyse and, in some cases, supplement the figures reported in the financial statements. They contain the information required by Articles 2427 and 2427 bis of the Italian Civil Code, by other provisions of the Italian Civil Code on financial reporting and by other previous laws. The notes also provide such additional information considered necessary to provide a true and fair representation, even though not specifically required by law.

Where necessary, statutory reporting requirements have been supplemented with the accounting standards recommended by the Standard-Setting Committee of Italy's National Council of Accountants and revised by the Italian Accounting Board, as amended and supplemented by the OIC (Organismo Italiano di Contabilità or Italian Accounting Board), including the amendments issued in December 2017 and those issued in January 2019, and by the standards issued by the International Accounting Board (IASB), insofar as the latter are consistent with Italian law.

The consolidated financial statements have been prepared on a going concern basis, as there was no significant uncertainty over the Group's ability to continue to operate as a going concern.

The items reported in the financial statements were measured based on the prudence and accruals principles, on a going concern basis and taking account of the principle of materiality.

Application of the prudence principle meant that items included in each asset or liability caption were valued separately in order to avoid offsetting of losses that should have been recognised and profits that should not as they had not been realised.

In accordance with the accrual principle, the effect of transactions and other events has been accounted for an allocated to the period to which such transactions and events rate and not to the period when the related cash movements (collections and payments) occur. For accounting purposes, priority is given to the economic substance of the underlying transactions rather than to their legal form.
The consolidated financial statements have been prepared using the financial statements of the individual companies included within the scope of consolidation, as obtained from the annual financial statements and consolidation packages prepared by the respective Boards of Directors. These financial statements have been appropriately adjusted, as necessary, to bring them into line with the accounting policies described below.
Following the issue by the Italian Accounting Standards Board of the new accounting standard OIC 34, applicable from 1 January 2024 and governing the criteria for the recognition and measurement of revenues, an assessment has been performed of the possible impact said standard might have had on the amounts reported in the income statement for the year. The assessment did not reveal the need to make any adjustments to revenue recognition compared to the approach currently followed by the Group.

CONSOLIDATED REPORTING DATE

The annual reporting date of all of the entities included in the consolidated financial statements on a line-by-line basis is the same as the consolidated reporting date.

CONSOLIDATION PRINCIPLES

The consolidated financial statements have been prepared based on the financial statements approved by the General Meetings or Boards of Directors of the consolidated companies, as adjusted – as appropriate – to bring them into line with the Group's accounting principles or based on financial information submitted by the consolidated companies and prepared in accordance with the Parent Company's instructions.
The accounting principles adopted when preparing the consolidated

financial statements are those adopted by the Parent Company to prepare its separate financial statements i.e. those adopted by most of the consolidated companies. This is except for the fact that investments in associated companies are valued using the equity method or the proportionate method rather than the cost method and for the accounting treatment of assets held under finance leases, as illustrated later in these Notes.

A) Consolidation method

Subsidiaries are consolidated on a line-by-line basis. The primary criteria adopted for that method are as follows:

- the carrying amount of equity investments is eliminated against the related 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 recognised under a shareholders' equity item entitled "Consolidation reserve"; where positive, it is recognised under an asset item entitled "Goodwill" and amortised over five years where 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, are eliminated;
- non-controlling interests in shareholders' equity and net profit are disclosed under specific items in the consolidated Balance Sheet and Income Statement;
- companies acquired during the reporting period are consolidated with effect from the date on which a majority interest was obtained. If acquisition occurs during the final days of the period, the acquired company is consolidated with effect from the following reporting period.

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

The separate financial statements of each Group company are prepared in the currency of the main economic environment in which each company operates (the functional currency). For consolidated financial reporting purposes, the financial statements of each foreign entity are

prepared in Euro which is the Group's functional currency and the currency used to prepare its consolidated financial statements.
When preparing the consolidated financial statements, the assets and liabilities of foreign subsidiaries with functional 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 year-end exchange rates and the translation of the income statement at the average rates for the year are recognised in the shareholders' equity item "Translation reserve". This reserve is released to the income statement as income or expense in the period when the related 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.
Investments in associated companies have been included using the equity method except for Basis Pivot Ltd and Broadshore Energy Ltd which have been excluded because they are dormant. The investments in Rosetti Ali & Sons Llc and Rosetti Pivot Ltd have been consolidated on a proportionate basis.
A list of equity investments in subsidiaries and associated companies is provided below (in thousands of Euro):

Company name	Location	Share capital	% interest held
Subsidiaries			
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 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			
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) Including 10% held indirectly through Fores Engineering S.r.l.
(2) Held indirectly through Fores Engineering S.r.l.
(3) Including 5% held indirectly through Rosetti Kazakhstan Llp
(*) Not included in the scope of consolidation

During the reporting period, Qatari subsidiary Rosetti Marino for Trading Wll was included in the scope of consolidation while associated company Rigros S.r.l. was liquidated.

The subsidiaries and associated companies included in the scope of consolidation operate in the following sectors:
- Tecon S.r.l.: multi-disciplinary design of oil and petrochemical facilities;
- Fores Engineering S.r.l. and Fores Engineering Algèrie Eurl: design, construction and maintenance of automation and control systems;
- Kazakhstan Caspian Offshore Industries Llp, Rosetti Libya 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 facilities;
- Rosetti Kazakhstan Llp: provision of technical services;
- Rosetti Superyachts S.p.A.: construction of superyachts;
- GM Green Methane S.r.l.: construction of biomethane plants.

RECONCILIATION BETWEEN SHAREHOLDERS' EQUITY AND PROFIT FOR THE YEAR OF PARENT COMPANY ROSETTI MARINO S.P.A. AND CONSOLIDATED SHAREHOLDERS' EQUITY AND PROFIT FOR THE YEAR

The following is the statement of reconciliation between the shareholders' equity and profit for the year reported in the financial statements of the Parent Company and the corresponding consolidated figures as at 31 December 2024:

	Shareholders equity	Profit for th year
AMOUNTS REPORTED IN FINANCIAL STATEMENTS OF ROSETTI MARINO S.p.A. AT 31/12/24	141,090	23,222
Consolidation adjustments:		
a. Difference between the carrying amount of consolidated equity investments and the valuation of those equity investments according to the equity method	5,314	7,608
b. Reversal of unrealised profits resulting from transactions between Group companies	39	40
c. Reversal of unrealised profits resulting from distribution of dividends between Group companies	0	(1,075)
AMOUNTS REPORTED IN THE CONSOLIDATED FINANCIAL STATEMENTS AT 31/12/24	146,443	29,795

ACCOUNTING POLICIES

The most significant accounting policies applied when preparing these financial statements in compliance with the requirements of Article 2426 of the Italian Civil Code and the aforementioned accounting standards are as follows:

Intangible assets

Intangible assets are recognised at purchase or production cost, including related expenses. They are systematically amortised over their expected useful lives.

When, irrespective of the amortisation already recorded, the value of an intangible asset is impaired, it is adjusted accordingly. If, in subsequent years, the grounds for an impairment loss cease to apply, the original amount is restored, except with regard to goodwill and "Deferred expenses".
Advertising and research and development costs are expensed in their entirety during the year in which they are incurred.
The difference between the acquisition cost and the equity of subsidiaries is allocated, where possible, to the assets and liabilities of the entities included in the consolidation. Any residual, positive amount is allocated to the asset caption "Goodwill" and amortised over five years when this amount expresses future income generating capacity.

Tangible assets
Tangible assets are recognised at purchase or production cost, net of any grants towards capital expenditure and adjusted for certain assets in application of specific revaluation laws. Cost includes related expenses and direct and indirect costs to the extent reasonably attributable to the asset.
Tangible assets are systematically depreciated each year on a straight-line basis using rates of depreciation determined in relation to the residual useful lives of the assets and set out in the note on Tangible Assets. Tangible assets are written down when impaired, irrespective of previously recognised depreciation charges. If the grounds for an impairment adjustment cease to apply in later years, the original amount is restored.
Ordinary maintenance costs are expensed in their entirety to the income statement, whereas those that involve improvements are allocated to the relevant assets and depreciated on the basis of the residual useful life of the asset in question.

Equity investments
Equity investments in associates are measured using the equity method or the proportionate method if they are jointly owned. Equity investments in other entities are measured at cost, as are investments in dormant/non-operational subsidiaries and associated companies. The carrying amount is determined on the basis of the purchase or subscription price. Cost is then written down for impairment when the investee companies incur losses and it is not expected that the income

earned in the immediate future will be sufficient to offset these losses. The original amount is restored in later years if the grounds for the impairment adjustment cease to apply.

Inventory

Raw Materials, Work in Progress and Semi-Finished Goods:
These are measured at the lower of purchase or production cost, determined using the weighted average cost method, and estimated realisable value.

Contract work-in-progress and revenue recognition:
Contract work in progress is measured at year-end on the basis of the consideration accruing with reasonable certainty (the percentage completion method). Consideration accruing is calculated by applying the completion percentage determined using the cost-to-cost method to estimate total revenues.
This percentage is calculated as the ratio of costs incurred as at the reporting date to estimated total costs.
Additional consideration is included in contract revenues only when it is formally accepted by the client before the reporting date or, if there has been no formal acceptance, at the reporting date, it is highly probable that the request for additional consideration will be accepted based on the most recent information and historical experience.
Payments on account made by clients while a project is ongoing, in respect of work done and usually agreed on a “state of completion” basis, is recorded under revenue while advances received from clients at the outset of contract work are recognised under the item “Payments on account” on the liabilities side of the balance sheet.
Contracts are considered completed when all costs have been incurred and the work has been accepted by the clients. Any losses on contracts that can be estimated with reasonable accuracy are deducted from the value of contract work in progress, on the assets side of the balance sheet, in the period they became known. If such losses exceed the value of the contract work in progress, the Company records a specific provision for risks, on the liabilities side of the balance sheet, for the excess amount.

Receivables

Receivables are reported using the amortised cost method, taking account of the time factor and estimated realisable amount. The amortised cost method is not applied when its effects would be irrelevant i.e. when transaction costs, commission paid between the parties and all other differences between initial amount and amount on maturity are immaterial or the receivables are short-term (i.e. due within a year).

Trade receivables due after more than a year from the time of initial recognition – without payment of interest or with interest significantly different than market rates – are initially recognised at the amount determined by discounting future cash flows at the market rate of interest. The difference between the initial recognised value of the receivable as so determined and terminal value is recorded in the income statement as financial income over the period of the receivable, using the effective interest method.

The value of receivables, determined as above, is adjusted, as necessary, by a specific provision for bad debts, as deducted directly from the receivables in order to bring them into line with their estimated realisable amount. The estimate of the provision for bad debts includes forecast losses due to credit risks that have already materialised or are considered probable as well as losses for other collection issues that have already emerged, or which have not yet emerged but are considered probable.

Current financial assets

Current financial assets are recognised at the lower of purchase or subscription cost, including directly attributable auxiliary expenses, and realisable amount based on market performance.

The original cost of such securities is restored when the grounds for previously recognised impairment adjustments cease to apply.

Cash and cash equivalents

Cash and cash equivalents are recognised at their nominal amount. Amounts denominated in foreign currency are stated at reporting date exchange rates.

Prepaid expenses and accrued income, accrued expenses and deferred income

These items include portions of costs and revenues common to two or more reporting periods, as determined in accordance with the accrual basis of accounting.

Provisions for risks and charges

Provisions for risks and contingencies are created to cover losses or liabilities that are certain or probable but whose amount and due date could not be determined at year end. The amounts provided represent the best possible estimate based on the information available. When measuring risks and contingencies, risks and losses that became known between the reporting date and the date the consolidated financial statements were prepared were also taken into account.

Risks for which the emergence of a liability is merely possible are disclosed in the Note on provisions without making any allocation to a provision for risks and charges.

Derivative instruments

Derivative instruments are financial assets and liabilities measured at fair value and are mainly used as hedging instruments to manage the risk of exchange rate and interest rate fluctuation.

Derivatives are classified as hedging instruments only when, at the start of the hedge, there is a close, documented relationship between the item hedged and the financial instrument and the effectiveness of the hedge – as regularly tested - is high.

When the derivatives hedge the risk of changes in cash flow from the hedged instruments ("cash flow hedges"), the effective portion of the gains or losses on the derivative financial instrument is suspended under equity. Gains or losses relating to the ineffective portion of a hedge are recorded in the income statement. When the related operation is realised, gains and losses accumulated in equity to date are recorded in the income statement when the operation in question is realised (as adjustments to the income statement captions affected by the hedged cash flows).

Changes in the fair value of derivatives classified as held for trading – because they do not meet hedge accounting requirements – are recorded in the balance sheet and allocated to the income statement.

TFR/Employee severance indemnity provision

The employee severance indemnity provision covers the full liability accruing up to 31 December 2006 towards employees under applicable legislation, collective labour agreements and supplementary company agreements. The liability is adjusted for inflation based on indices.

The TFR liability reported in the financial statements is stated net of amounts paid to the INPS Treasury Fund; this is except for subsidiaries GM Green Methane S.r.l., Tecon S.r.l. and Rosetti Superyachts S.p.A. which continue to make allocations to the TFR provision and to supplementary pension funds, as provided for by Law no 296 of 27 December 2006 ("Finance Act 2007") and by subsequent Decrees and implementation Regulations..

Payables

Payables are reported using the amortised cost method, taking account of the time factor. The amortised cost method is not applied to payables when its effect is insignificant. The effect is considered insignificant for short-term payables (i.e. payables due within a year). For details of the amortised cost method, see the note on Receivables.

Revenues and costs

Revenues and costs are recognised in accordance with the prudence and accruals concepts required by Article 2423-bis of the Italian Civil Code; pursuant to Article 2425-bis of the Italian Civil Code, revenues and costs are stated net of returns, discounts and allowances. Revenues include consideration invoiced for production carried out during the reporting where the revenues have been definitively earned and are recognised after the following steps:

- determination of the total price of the contract, including the determination of variable consideration;
- identification of the elementary units of accounting;
- valuation of the elementary accounting units.

Related party transactions take place on an arm's length basis.

Capital and operating grants

Capital and operating grants are recognised in the period when the right to receive them becomes certain.

Dividends

Dividends are recognised during the reporting period in which distribution is approved by the companies paying them.

Taxes on income for the period

Income taxes are recorded on the basis of estimated taxable income in accordance with current tax rules, taking account of applicable exemptions and tax credits due and in accordance with Italian GAAP requirements for the treatment of income taxes.

Deferred tax assets and liabilities are also recognised on temporary differences between the reported result for the year and taxable income. They are calculated based on the rate of taxation expected to be applicable in the fiscal year that the differences will reverse, in application of the "liability method".

Deferred tax assets are recognised when it is reasonably certain that there will be sufficient future taxable income to ensure their recovery.

Translation into Euro of foreign currency items

Receivables and payables in foreign currency are originally accounted for at the exchange rates in effect when the transactions are recorded.

Exchange differences arising on the collection of receivables and settlement of payables in foreign currency are recognised in the income statement.

Receivables and payables in foreign currency for which exchange risk hedging transactions have been arranged are adjusted to the base exchange rate of the said hedging transactions.

At year-end, receivables and payables in foreign currency for which hedging transactions have not been arranged are translated on the basis of the exchange rate in force at the reporting date. Gains and losses arising from this translation are credited and debited to the income statement as financial income or expenses.

Any net gain arising after considering unrealised exchange gains and losses is allocated to a specific non-distributable reserve until it is realised.

Exceptions pursuant to Article 2423(4) of the Italian Civil Code

No exceptions pursuant to Article 2423(4) of the Italian Civil Code were made when preparing the attached financial statements.

Comparison and presentation of amounts

In the interest of greater clarity and comprehensibility, all figures in the balance sheet, income statement, notes and accompanying attachments are stated in thousands of Euro.

In the Notes to the Consolidated Financial Statements, the comparative amounts are those reported in the financial statements as at 31.12.2023.

The Balance Sheet and Income Statement of the comparative financial statements at 31 December 2023 have been restated in accordance with OIC 12, reclassifying amounts regarding performance-related bonuses. In the Income Statement, cost items have been reclassified from item B9 e) other costs to item B9 a) wages and salaries while, in the Balance sheet, liabilities have been reclassified from item B4 "Other" to item D14 "Other payables".

COMMENTS ON THE MAIN ASSET ITEMS

NON-CURRENT ASSETS

INTANGIBLE ASSETS

Development costs

This item underwent the following changes during the reporting period (in thousands of Euro):

	31/12/23	Incr.	Decr.	31/12/24
Development costs	960		(960)	0

This amount consisted entirely of investment made in business development by subsidiary GM Green Methane S.r.l..

Industrial patent rights

This item underwent the following changes during the reporting period (in thousands of Euro):

	31/12/23	Incr.	Decr.	31/12/24
Patents	150	86	(59)	177

This item mainly includes the net carrying amount of the patents

acquired by subsidiary Tecon S.r.l.

Concessions, licences, trademarks and similar rights

This item underwent the following changes during the reporting period (in thousands of Euro):

	31/12/23	Incr.	Decr.	Forex diff.	31/12/24
Licences	10	0	(1)	0	9
Concession of land rights	318	0	(12)	0	306
Trademarks	4	0	0	0	4
Total	**332**	**0**	**(13)**	**0**	**319**

The above items are amortised over the period of the user license agreements, the term of concessions of land rights and 18 years for trademarks.

Intangible assets in progress

This item underwent the following changes during the reporting period (in thousands of Euro):

	31/12/23	Incr.	Decr.	Forex diff.	31/12/24
Intangible assets in progress	50	216	(127)	(2)	137

This item represents the value of the activities undertaken up to the reporting date, mainly by the Parent Company.

Other intangible assets

This item is analysed as follows (in thousands of Euro):

	31/12/23	Incr.	Decr.	Forex diff.	31/12/24
Software	99	28	(55)	(3)	69
Leasehold improvements	462	57	(118)	0	401
Total	**561**	**85**	**(173)**	**(3)**	**470**

The decreases are due to amortisation which is charged at different rates for the various types of capitalised cost, as follows:

- on a straight-line basis over three years for software;
- over the duration of the land rights and of property lease agreements for investments in those asset categories.

Goodwill

This item regards the positive difference between the amount paid by the Parent Company to acquire investments in Group companies and the corresponding portion of equity of said companies at the acquisition date.

The balance consists of the residual consolidation difference of Euro 122 thousand arising on the acquisition of 60% of GM Green Machine S.r.l. which was amortised in the amount of Euro 120 thousand during the reporting period.

TANGIBLE ASSETS

A detailed breakdown of this item, movements during the year and the depreciation rates applied are provided in an attachment to these Notes. During the reporting period, ordinary depreciation was calculated at rates representing the useful lives of the tangible assets.

FINANCIAL ASSETS

Equity investments

A detailed breakdown is provided below (in thousands of Euro):

	Interest held	**31/12/23**	**Incr.**	**Decr.**	**31/12/24**
Associated companies:					
Broadshore Energy Ltd (*)	26.32%	1,056	0	(368)	688
Basis Pivot Ltd (*)	45%	21	0	0	21
Total		**1,077**	**0**	**(368)**	**709**
Other entities:					
La Cassa di Ravenna		129	14	0	143
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 entities		10	0	0	10
Total		**166**	**14**	**0**	**180**

(*) Non-operational/dormant company

With regard to investments in associated companies, it should be noted that the Euro 368 thousand decrease in Broadshore Energy Ltd relates to the writedown made by the Parent Company in order to reflect the lower value of the investment.
The investment in Cassa di Risparmio di Ravenna S.p.A. has been increased by Euro 14 thousand to bring its carrying amount into line with fair value at the reporting date.

Receivables from associated companies
This item may be broken down as follows (in thousands of Euro)

		Incr.	**Decr.**	
	31/12/23			**31/12/24**
Rosetti Pivot Ldt	208	12	0	220
Rigros S.r.l.	115	0	(115)	0
Total	**323**	**12**	**(115)**	**220**

The receivable from associated company Rosetti Pivot Ltd consists of 51% of a loan totalling Euro 431 thousand granted to said company to enable it to meet its funding requirements during the start-up period before its operating activities got underway. The loan bears interest at a rate in line with market rates.

Receivables from others
This item, amounting to Euro 1,249 thousand (Euro 1,219 thousand at 31 December 2023), mainly consists of two receivables: the first receivable of Euro 474 thousand is for grants that will be collected in future years by the Parent Company from the Ministry of Infrastructure and Transport for project "ROSMANDITEN" (process innovation project in the shipbuilding segment commenced in prior years) while the second receivable, totalling Euro 560 thousand, regards a long-term investment made by subsidiary Tecon S.r.l.

CURRENT ASSETS

INVENTORY

This item may be broken down as follows (in thousands of Euro):

	31/12/24	31/12/23
Raw materials	9,965	10,376
Obsolescence provision	(2,745)	(2,708)
	7,220	7,668
WIP and semi-finished products	11,924	13,009
Contract work-in-progress	72,131	72,334
Advances to suppliers	33,077	5,946
Total	**124,352**	**98,957**

Measurement of reporting date inventory at weighted average purchase cost does not lead to any appreciable difference compared to a current cost measurement. An obsolescence provision has been recorded in order to bring inventory into line with its estimated realisable value.

Work in progress entirely refers to Yacht C129. At the reporting date, the value of the yacht was adjusted to bring it into line with fair value which was lower than specific construction cost.

Contract work in progress is measured based on consideration accruing with reasonable certainty (percentage of completion method). It is stated net of payments on account received based on the state of completion of the works: see the note on "Value of Production" for more details about the calculation method and on the comparison with prior year figures. The change compared to prior year is due to the different percentage of completion of contracts in progress, reflecting the importance of the orders recently taken by the Parent Company, as described in the Directors' Report.

It should be noted that the large increase in Advances to suppliers is mainly attributable to the Parent Company and to subsidiary. The increase is due to the timing of the orders received and the related issue of purchase orders to suppliers.

RECEIVABLES

Due from clients (trade)

This item includes receivables from clients arising as a result of normal commercial transactions.

It may be broken down as follows (in thousands of Euro):

	31/12/24	31/12/23
Due from clients – Italy	28,496	49,756
Due from clients – Other EU	9,080	5,747
Due from clients – Non-EU	99,032	39,224

Provision for bad debts	(5,982)	(6,240)
Total	**130,626**	**88,487**

The increase in total trade receivables compared to prior year is due to different timing of collections in relation to progress with contracts as described above and to the general increase in working capital due to the important orders recently taken by the Parent Company, as described in the Directors' Report.

The nature of the Group's business means that trade receivables are not very diversified. In fact, 59.96% of the total (60.50% at 31 December 2023) is due from the five leading clients by outstanding balance.

The provision for bad debts, which has decreased slightly compared to the previous reporting period, is considered reasonable in light of the collection risks relating to trade receivables. It has been determined on an overall basis taking account of collection risks relating to certain specific factors. The provision reflects a prudent assessment by the Directors of the collection risk regarding these receivables, also considering the amount of overdue balances and agreements reached.

Receivables from associated companies

This item may be analysed as follows (in thousands of Euro):

	31/12/2024			
	Trade	**Financial**	**Total**	**31/12/23**
Rosetti Pivot Ltd	383	97	480	576
Rigros S.r.l.	0	0	0	2
Rosetti Ali & Sons Llc	499	55	554	485
Provision for bad debts	0	0	0	(100)
Total	**882**	**152**	**1,034**	**963**

All trade and financial transactions with associated companies take place on an arm's length basis. No further losses on receivables from associated companies are expected in addition to those already reflected in the financial statements.

Receivables from parent company

The receivables from parent company Rosfin S.p.A., amounting to Euro 10 thousand (Euro 12 thousand at 31 December 2023), are trade receivables. The related transactions were entered into on an arm's

length basis and no provision has been made as the Directors believe the receivables will be collected in full.

Tax receivables

This item may be broken down as follows (in thousands of Euro):

	31/12/24	31/12/23
VAT receivable	7,170	5,567
Credit for substitute tax on reval'n of TFR	0	28
Other tax receivables	36	21
Foreign tax receivables	846	2,608
IRAP receivable	105	101
IRES receivable	309	221
Total	**8,466**	**8,546**

The VAT receivable includes the total VAT credit of Euro 7,088 thousand arising on ordinary commercial transactions and a VAT credit of Euro 82 thousand for which a refund has been requested but not yet obtained.

The IRAP credit and the IRES credit are due the fact that payments made on account in prior years exceeded the tax actually due.

Deferred tax assets

Deferred tax assets, amounting to Euro 18,211 thousand and including Euro 14,003 thousand reported in the Parent Company financial statements, have been recognised on all positive temporary differences. The theoretical tax effects on temporary differences have been calculated based on current rates. Deferred tax assets due to tax losses have been recognised as the Group believes it is reasonably certain that there will be sufficient future taxable income against which to offset the tax loss carryforwards within the period during which they are deductible under tax law. The existence of deferred tax liabilities totalling Euro 4,682 thousand, including Euro 1,818 thousand reported in the Parent Company financial statements and as described in the later note "Tax provisions", was also taken into account.

Detailed movements on this item are provided in an annex to these Notes.

Receivables from others

This item may be broken down as follows (in thousands of Euro):

	31/12/24	31/12/23
Due within a year:		
Due from employees	71	100
Insurance refunds receivable	5	3
Sundry	393	924
Total	**469**	**1,027**
Due after more than a year:		
Guarantee deposits	121	264
Sundry	82	83
Total	**203**	**347**

All of the above amounts are considered recoverable so no provision for bad debts has been recorded.

CURRENT FINANCIAL ASSETS

The increase in current financial assets mainly regards temporary investments of cash in insurance policies, bank certificates, mutual fund units and other equities and bonds.
The following table shows changes in current financial assets:

	31/12/23	Diff.	31/12/24
Derivatives	1,133	5,909	7,042
Other current securities	15,874	8,203	24,077
Total	**17,007**	**14,112**	**31,119**

Derivatives includes Euro 7,000 thousand of derivative financial instruments classified as derivatives for trading purposes as they do not meet hedge accounting requirements and Euro 42 thousand representing the Mark to Market value of the following hedging instruments:

Type	Underlying contract	Bank	Notional amount	Expiry	MTM
Rosetti Marino S.p.A.					
IRS	Loan	Credit Agricole	209	29/06/25	2
IRS	Loan	Unicredit	503	31/07/25	7
Fores Engineering S.r.l.					
IRS	Loan	BPER Banca	908	19/01/27	27

IRS	Loan	Banco BPM	490	11/09/25	6

Other current securities have increased by Euro 8,203 thousand compared to prior year. They entirely consist of temporary investments of cash – immediately accessible - in mutual fund units (Euro 11,493 thousand) and bonds (Euro 12,584 thousand). Changes in fair value are recognised in the Balance Sheet and recorded in the Income Statement in items D18c or D19c.

CASH AND CASH EQUIVALENTS

Bank and post office accounts

The reporting date balance of Euro 162,312 thousand (Euro 72,365 thousand at 31 December 2023) consisted entirely of funds held in bank accounts. Some 87% of these deposits are held by Group companies based in Italy.

The significant increase in cash and cash equivalents compared to 31 December 2023 is largely due to the positive effects of the major orders taken mainly by the Parent Company and, to a lesser extent, by subsidiary Kazakhstan Caspian Offshore Industries Llp and to the related contractual advances paid by end clients.

Cash and cash equivalents on hand

The reporting date balance mainly consisted of cash on hand and amounted to Euro 51 thousand (Euro 62 thousand at 31 December 2023).

The change in cash and cash equivalents compared to prior year is explained in the statement of cash flows.

PREPAID EXPENSES AND ACCRUED INCOME

This item may be broken down as follows (in thousands of Euro):

	31/12/24	31/12/23
Accrued interest income	7	14
Prepaid rental costs	190	46
Prepaid moveable asset rental costs	197	120
Other prepaid expenses	1.054	1.235
Total	**1.448**	**1.415**

These items represent portions of income and expenses that relate to

different reporting periods than the one in which they were (or will be) collected or paid. They have been determined in accordance with the accrual principle.

COMMENTS ON THE MAIN LIABILITY AND EQUITY ITEMS

SHAREHOLDERS' EQUITY

Movements on the items included in Shareholders' equity are shown in an attachment.
The main shareholders' equity items are commented on below:

Share capital
At 31 December 2024, share capital was wholly subscribed and paid and consisted of 4,000,000 ordinary shares with a par value of Euro 1.00 each.

Legal reserve
This reserve includes portions of annual earnings allocated in prior years.

Other reserves
This reserve consists of portions of annual earnings allocated in prior years.

Cash flow hedge reserve
Movements on this reserve reflect future cash flows from derivatives which are considered "cash flow hedging instruments ".

Retained earnings (Accumulated losses)
This includes the prior year retained earnings of several subsidiaries consolidated on a line-by-line basis.

Net profit (loss) for the period
This includes the net profit or loss for the reporting period.

Negative reserve for treasury shares held
This reserve reflects the value of treasury shares held by the Company.

Translation reserve
This reserve regards differences arising on the translation of the foreign currency financial statements of companies not resident in Italy but included in the scope of consolidation and due to differences between the reporting date exchange rate (used to translate Balance Sheet items) and the average exchange rate for the reporting period (used to translate Income Statement items).

PROVISIONS FOR RISKS AND CHARGES

Provisions for retirement benefits and similar obligations
This item amounts to Euro 1,331 thousand (Euro 555 thousand at 31 December 2023) and entirely consists of amounts allocated for Directors' leaving indemnities of the Parent Company and subsidiary Tecon S.r.l.

Tax provisions
This item – totalling Euro 5,224 thousand, of which Euro 2,360 thousand reported in the Parent Company's separate financial statements - includes a deferred tax provision of Euro 4,682 thousand calculated on all taxable temporary differences (Euro 5,173 thousand at 31 December 2023) and a current tax provision of Euro 542 thousand (Euro 196 thousand at 31 December 2023).
Note that the theoretical tax effect of the temporary differences has been calculated based on current tax rates. The change in this item compared to prior year is shown in an attachment to these Notes.

Provisions for derivatives
This caption, amounting to Euro 401 thousand (Euro 230 thousand at 31 December 2023), represents the contra-entry to the amount recorded under the "Cash flow hedge reserve" in shareholders' equity. The key features of the derivatives are set out below:

Type	Underlying contract	Bank	Notional amount	Expiry	MTM
Rosetti Marino S.p.A.					
IRC	Loan	Unicredit	5,000	31/10/26	76
IRC	Loan	BPER Banca	6,000	31/12/28	75
IRC	Loan	Banca MPS	18,182	31/12/29	151
IRC	Loan	Banca Sella	2,486	15/03/28	22
IRC	Loan	Intesa San Paolo	4,142	19/03/28	34
Fores Engineering S.r.l.					
IRS	Loan	Banco BPM	588	29/01/25	43

We note that the main Italian Group companies have adopted a system of powers and procedures to regulate the signature of derivative agreements, as approved by their respective Boards of Directors.
In more detail, with regard to derivatives used to hedge the exchange rate risk, the Board of Directors approves the limits for use in relation to the arrangement of derivatives and, within said limits, the Finance and Accounting Department determines which derivatives are most appropriate to hedge the risk.
Meanwhile, derivatives used to hedge the interest rate risk in relation to loans are specifically approved by the Board of Directors together with the financing that is to be hedged.

Other provisions

Movements on this item during 2024 were as follows (in thousands of Euro):

	31/12/23	Incr.	Decr.	Forex Diff.	31/12/24
Provision for future risks	4,393	1,664	(896)	0	5,161
Provision for employee bonuses	0	45	0	0	45
Provision for contractual risks	600	25	(242)	0	383
Total	**4,993**	**1,734**	**(1,138)**	**0**	**5,589**

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

The provision for contractual risks has been created mainly to cover the risk of possible warranty costs.

T.F.R./EMPLOYEE SEVERANCE INDEMNITY PROVISION

Movements on the provision during the reporting period were as follows (in thousands of Euro):

Balance at 31-12-2023	3,928
Amount accruing and recorded in income statement	2,538
Utilisation	(2,671)
Balance at 31-12-2024	**3,795**

The TFR/employee severance indemnity provision at 31 December 2024 represents the indemnity accruing in favour of employees that will be settled through payments made when employees leave the Italian companies or through advance payments made in accordance with the law. Utilisation mainly consists of transfers to supplementary pension funds in relation to amounts accruing during the reporting period.

PAYABLES

No payables are secured on Group assets.
No payables are due after more than five years.
A breakdown of payables is provided below together with movements on the various component items during the reporting period:

Shareholder loans payable
This caption includes the outstanding amount of the loan granted by the shareholders to Group companies. It includes Euro 994 thousand representing the outstanding amount of two loans to subsidiary GM Green Methane S.r.l., Euro 44 thousand representing the outstanding amount of a loan to Rosetti Pivot Ltd and Euro 51 thousand representing the residual amount of a loan to Rosetti Ali & Sons Llc.

Bank borrowing
This item includes the following loans:

	Amount	Expiry date	Guaran-tees
Rosetti Marino S.p.A.			
Credit Agricole Italia (*)	209	29/06/2025	Govt.
Unicredit (*)	503	31/07/2025	Govt.
Simest	360	31/12/2027	
Unicredit (*)	5,000	31/10/2026	
BPER Banca (*)	6,000	31/12/2028	Govt.
Monte Paschi di Siena (*)	18,182	31/12/2029	Govt.
Banca Sella (*)	2,486	31/03/2028	
Intesa San Paolo (*)	4,142	19/03/2028	
Medio Credito Centrale	3,163	24/04/2027	
Banco BPM	3,374	30/06/2027	
Banca Valsabbina	1,845	29/07/2027	
Intesa San Paolo	4,870	19/11/2027	
Fores Engineering S.r.l.			
BPER Banca (*)	908	19/01/2027	Govt.
Banco BPM (*)	490	11/09/2025	Govt.
Medio Credito Centrale	200	30/09/2025	Govt.
Medio Credito Centrale	200	30/09/2025	Govt.
Rosetti Superyachts S.p.A.			
La Cassa di Ravenna (**)	2,022	30/11/2026	Govt.

(*)loan covered by Interest Rate Swap derivative agreement that fulfils accounting requirements to be treated as a hedging instrument;
(**) loan repaid on 13/01/2025.
In addition to the above loans, associated company Rosetti Pivot Ltd has arranged a facility for advances on invoices with Zenith Bank PLC of Euro 1,243 thousand while subsidiary Tecon S.r.l. has an outstanding loan of Euro 33 thousand for the purchase of a company car.

Payments on account

This item includes advances upon orders and milestone payments received from clients towards contracts in progress.

	31/12/24	31/12/23
Contract work in progress	88,357	35,721
Advances from third party clients	65,821	36,012
Total	**154,178**	**71,733**

The change compared to prior year reflects the contract work in

progress trend at the reporting date. For further information, see the specific note on "Contract work in progress".

Due to suppliers (trade)

This item may be broken down as follows (in thousands of Euro):

	31/12/24	31/12/23
Due to suppliers – Italy	58,502	46,914
Due to suppliers – Other EU	5,542	7,075
Due to suppliers – Non-EU	59,020	29,256
Total	**123,064**	**83,245**

The increase in total payables compared to prior year is due to the general increase in working capital as a result of the important orders recently taken by the Parent Company, as described in the Directors' Report, as well as to different timing of payments in relation to progress with contracts as described above.

Payables to associated companies

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

	31/12/24	31/12/23
Basis Pivot Ltd	21	21
Total	**21**	**21**

This balance includes the payable to Basis Pivot Ltd for the portion of share capital subscribed but not yet paid.

Tax payables

This item may be broken down as follows (in thousands of Euro):

	31/12/24	31/12/23
Personal income tax (IRPEF)		1,904
deducted at source	2,240	
Income taxes payable	2,385	1,416
Substitute tax on revaluation	0	0
of fixed assets		
Foreign income taxes payable	943	1,309
Substitute tax on revaluation of TFR	2	0
VAT payable	8,853	1,227

Other taxes not on income	247	134
Total	**14,670**	**5,990**

This item mainly consists of the VAT liability of subsidiary Kazakhstan Caspian Offshore Industries Llp and the payable for personal income tax (IRPEF) deducted at source from the remuneration of employees and freelance workers, as well as the income tax payables of the Group companies.

Payables to pensions and social security institutions

This item includes employee and employer social security and pension contributions payable to social security and pensions institutions. The balance is broadly in line with 31 December 2023.

Other payables

This item may be broken down as follows (in thousands of Euro):

	31/12/24	**31/12/23**
Due to employees	11,639	6,604
Due to freelance contractors	6	10
Due to pension funds	560	463
Sundry payables	10,190	128
Total	**22,395**	**7,205**

This item largely consists of amounts due to employees. Sundry payables mainly refers to the amount paid by a partner with which the Company is collaborating on a project for Libya.

ACCRUED EXPENSES AND DEFERRED INCOME

This item may be broken down as follows (in thousands of Euro):

	31/12/24	**31/12/23**
Accrued expenses:		
Accrued loan interest expenses	82	65
Swaps on forward sales	0	53
Other	29	55
	111	**173**
Deferred income:		
Other	4	3

	4	3
Total	**115**	**176**

These items represent portions of income and expenses that relate to different reporting periods than the one in which they were (or will be) collected or paid. They have been determined in accordance with the accrual principle.

COMMENTS ON THE MAIN INCOME STATEMENT ITEMS

VALUE OF PRODUCTION

REVENUES FROM SALES AND SERVICES

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

	2024	2023
Oil&Gas Business Unit	403,624	300,055
Renewables and Carbon Neutrality Business Unit	172,702	23,994
Shipbuilding Business Unit	2,961	10,840
Sundry services	599	961
Total	**579,886**	**335,850**

Revenues may be broken down by geographical area as follows (in thousands of Euro):

	2024	2023
Revenues from Italian clients	153,262	68,573
Revenues from other EU clients	78,889	31,711
Revenues from non-EU clients	347,735	235,566
Total	**579,886**	**335,850**

Comments on Income Statement trends for the reporting period are provided in the Directors' Report.

Given the nature of the Group business, revenues are fairly concentrated with 70.18% of total revenues from sales and services generated by the five largest clients (65.36% in prior year).

CHANGE IN WORK IN PROGRESS

"Change in work in progress" shows a negative balance of Euro (1,085) thousand and represents the valuation of the work in progress of subsidiary Rosetti Superyachts S.p.A. at 31 December 2024. During the year, a specific provision for impairment of work in progress totalling Euro 3,861 thousand was recorded in order to better represent estimated realisable amount based on the relevant market.

CHANGE IN CONTRACT WORK IN PROGRESS

This item may be analysed as follows (in thousands of Euro):

	2024	2023
Opening contract WIP at 1/1	(72,334)	(65,110)
Exchange difference	3,996	7,547
Other changes	0	5,055
Closing contract WIP at 31/12	72,131	72,334
Total	**3,793**	**19,826**

"Change in contract WIP" shows a positive balance of Euro 3,793 thousand (positive balance of Euro 19,826 thousand at 31 December 2023) and represents the difference between the valuation of contract WIP at 31 December 2024 and the valuation of contract WIP at 31 December 2023. The caption includes Euro 15,384 thousand relating to the Oil&Gas Business Unit (Euro 13,891 thousand at 31.12.2023). Euro (10,319) thousand relating to the Renewables and Carbon Neutrality Business Unit (Euro 7,923 thousand at 31 December 2023) and Euro (1,272) thousand relating to the Shipbuilding Business Unit (Euro (1,988) thousand at 31 December 2023).

INCREASES IN INTERNAL WORKS CAPITALISED

Increases in own work capitalised, amounting to Euro 330 thousand (Euro 104 thousand in 2023), includes capitalised costs that led to increases in the Balance Sheet captions "Tangible assets" and "Intangible assets" mainly relating to the Parent Company.

OTHER REVENUES AND INCOME

This item may be broken down as follows (in thousands of Euro):

	2024	2023
Operating grant income	127	455
	127	**455**

Recharge of expenses to third parties	664	337
Hires and rentals	73	79
Gains on fixed asset disposals	6	8,110
Reversal of excess provisions for risks	1,073	284
Out of period income	360	383
Other	675	1,158
	2,851	**10,351**
Total	**2,978**	**10,806**

"Operating grant income" mainly refers to the Parent Company and includes: Euro 1 thousand of grants towards the photovoltaic solar power system installed at the Via Trieste site, Euro 73 thousand of grants received from Fondimpresa in reimbursement of costs incurred to run training programmes, Euro 28 thousand of subsidies resulting from the tax credit for research and development activities carried out in 2023 and Euro 19 thousand of subsidies resulting from the tax credit for cultural donations made during the reporting period.

Other revenues mainly consist of surplus provisions for contractual risks no longer needed as the reasons for which they were created in previous years no longer apply.

COST OF PRODUCTION

PURCHASES

This item may be broken down as follows (in thousands of Euro):

	2024	**2023**
Raw materials	115,599	91,118
Ancillary materials and consumables	2,726	2,727
Other purchases	109	182
Total	**118,434**	**94,027**

The increase compared to prior year is mainly due to the nature of the contracts in progress which required more purchases of raw materials than in prior year.

COSTS FOR SERVICES

This item may be broken down as follows (in thousands of Euro):

	2024	**2023**
Sub-contracting and outsourcing	263,089	142,359

Repairs and maintenance	1,423	1,373
Electricity, water and heating	1,449	1,520
Other manufacturing costs	21,242	14,083
Sundry personnel costs	5,505	6,155
Selling costs	3,839	1,100
Directors and statutory auditors' fees	767	979
External auditors' fees	141	196
General and administrative expenses	16,834	7,810
Total	**314,289**	**175,575**

The increase compared to prior year is mainly due to the nature of the contracts in progress which required more sub-contracting and outsourcing than in prior year, as well as to the higher level of GIP which led to greater use of services, including external services.

LEASE AND RENTAL COSTS

This item may be broken down as follows (in thousands of Euro):

	2024	**2023**
Property rental	2,571	3,206
Hire /Rental of moveable assets	17,290	18,504
Maintenance of leased/rented assets	13	6
Concession fees	39	39
Software rental	717	490
Total	**20,630**	**22,245**

The increase compared to prior year is mainly due to the nature of the contracts in progress which required more hires and rentals of assets from third parties than in prior year.

PERSONNEL COSTS

The income statement contains a breakdown of personnel costs.

The following table shows changes in the workforce by category during the reporting period:

	31/12/23	**Increases**	**Decreases**	**31/12/24**
Sen. managers	47	12	(8)	51
White collar	812	275	(111)	976
Blue collar	192	32	(42)	182
Total	**1,051**	**319**	**(161)**	**1,209**

DEPRECIATION, AMORTISATION AND WRITEDOWNS

The breakdown required has been provided in the Income Statement. Details of depreciation charges on tangible assets are provided in a specific attachment. "Writedowns of current receivables" represents the allocation made for the year to ensure that the bad debt provision covers the credit risk regarding outstanding receivables.

CHANGE IN INVENTORY OF RAW MATERIALS

This item may be broken down as follows (in thousands of Euro):

	2024
Opening inventory at 01/01/24	(10,376)
Exchange difference	545
Utilisation of / (Allocation to) obsolescence provision	(37)
Closing inventory at 31/12/24	9,965
Total	**97**

SUNDRY OPERATING EXPENSES

This item may be broken down as follows (in thousands of Euro):

	2024	**2023**
Taxes and duties other than income tax	616	754
Losses on asset disposals	0	33
Out of period expenses	253	131
Other operating expenses	183	341
Total	**1,052**	**1,259**

FINANCIAL INCOME AND EXPENSES

OTHER FINANCIAL INCOME

This item may be broken down as follows (in thousands of Euro):

	2024	**2023**
15.d) Income from equity investments:		
- dividends and other income from other entities	1	1
	1	**1**
16.c) Income from current securities other than equity investments:		
- interest income from securities	422	182
- gains on disposals	0	27

	422	**209**
16.d) Income other than the above:		
- interest from associated companies	34	89
	34	**89**
16.d) Income other than the above:		
- interest from others and sundry income:		
- bank interest income	1,920	593
- interest income from clients	18	3
- sundry interest income	1,208	1,463
- other income	0	7
	3,146	**2,066**
Total	**3,603**	**2,365**

INTEREST AND OTHER FINANCIAL EXPENSES

This item may be broken down as follows (in thousands of Euro):

	2024	**2023**
17.a) Interest and other financial expenses:		
- towards subsidiaries:		
- loss from liquidation	22	0
	22	**0**
17.d) Interest and other financial expenses:		
- other:		
- bank current a/c interest expense	16	5
- loan interest expense	3,683	3,979
- other interest expenses	101	126
- securities management fees	0	6
- loss on sale of securities	88	0
- sundry interest expenses	9	1,710
	3,897	**5,826**
Total	**3,919**	**5,826**

EXCHANGE GAINS AND LOSSES

This item may be broken down as follows (in thousands of Euro):

	2024	**2023**
Exchange gains	2,220	6,095
Unrealised exchange gains	11,076	1,688

Exchange losses	(3,441)	(5,151)
Unrealised exchange losses	(9,196)	(2,828)
Total	**659**	**(196)**

ADJUSTMENTS TO VALUE OF FINANCIAL ASSETS

"Adjustments to value of financial assets" shows a net negative balance of Euro (143) thousand and mainly includes the following adjustments:
- revaluation of equity investments by Euro 15 thousand;
- revaluation of current securities by Euro 212 thousand;
- writedown of equity investments by Euro (367) thousand;
- writedown of current securities by Euro (3) thousand.

TAXES ON INCOME FOR THE YEAR

This item is analysed as follows (in thousands of Euro):

	2024	**2023**
Current taxes	7,963	4,948
Prior year taxation	1,275	384
Deferred taxes	(242)	(4,600)
Deferred tax income	8,189	716
Total	**17,185**	**1,448**

The main changes relating to deferred tax income refer to the decrease in the amount recorded as a deferred tax asset on prior year tax loss carryforwards, showing how much of that balance has now been recovered against taxable income.
For details of deferred taxes and deferred tax income, see the relevant table attached to these Notes.

OTHER INFORMATION

Sureties

This item consists of Euro 140,135 thousand of sureties given by insurance companies and banks to the Group's clients as guarantees of proper performance of works and to release amounts withheld for

warranty purposes (Euro 135,710 thousand at 31 December 2023).

DISCLOSURES IN TERMS OF ARTICLE 1(125) OF LAW NO 124 OF 4 AUGUST 2017

As required by Article 1(125 et seq) of Law 124/2017 on the issue of transparency over public funding, we provided below details of the grants and economic benefits of all types received from public administrations and from parties/entities controlled by them, even indirectly:

Funding body	Amount received/ offset	Reason
Rosetti Marino S.p.A.		
GSE	2	Grants to net metering account
MiBACT	1	Art Bonus subsidy for payments incurred in 2021
MiBACT	1	Art Bonus subsidy for payments incurred in 2022
MiBACT	6	Art Bonus subsidy for payments incurred in 2023
MEF	41	R&D grant for costs incurred in 2021
MEF	35	R&D grant for costs incurred in 2022
MEF	11	R&D grant for costs incurred in 2023
MIMS	47	Grant to finance projects for product or process innovation in the shipping field – project called "ROSMANDITEN"
Fores Engineering S.r.l.		
Emilia Romagna Region	298	2H2FORLAB – Regional laboratory for a sustainable hydrogen supply chain
Fondo Impresa	5	Grant towards training program

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

In the period between the reporting date and now, there have been no events that could significantly impact operating performance that have not been taken into account in these financial statements.

ANNEXES

The following annexes contain supplementary information in addition to that provided in the Notes of which they are an integral part.
Said information is contained in the following annexes:

- Statement of movements on consolidated shareholders' equity;
- Detailed analysis of tangible assets;
- Temporary differences resulting in recognition of deferred tax assets and liabilities.

ROSETTI MARINO S.p.A.
STATEMENT OF MOVEMENTS ON CONSOLIDATED SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands of Euro)

	Share capital	Revaluation reserve	Legal reserve	Other reserves	Cash flow hedge reserve	Retained earnings / (acc losses)	Neg reserve for treasury shares held	Translation reserve	Consolid. reserve	Net profit for year	Total	Equity of minority interests
BALANCE AT 31 DECEMBER 2022	**4.000**	**1.385**	**1.000**	**125.085**	**4.682**	**(5.665)**	**(5.100)**	**(5.980)**	**23**	**4.644**	**124.074**	**17.073**
Net profit (loss) for 2022:												
- to reserves	0	0	0	(889)	0	5.533	0	0	0	(4.644)	0	0
- dividends	0	0	0	0	0	0	0	0	0	0	0	0
Translation reserve	0	0	0	0	0	0	0	(1.808)	0	0	(1.808)	(992)
Cash flow hedge reserve	0	0	0	0	(3.780)	0	0	0	0	0	(3.780)	0
Revaluation of tangible assets	0	(1.385)	0	0	0	0	0	0	0	0	(1.385)	
Change in scope of consolidation	0	0	0	0	0	0	0	0	0	0	0	0
Net profit (loss) for 2023	0	0	0	0	0	0	0	0	0	7.043	7.043	(94)
BALANCE AT 31 DECEMBER 2023	**4.000**	**0**	**1.000**	**124.196**	**902**	**(132)**	**(5.100)**	**(7.788)**	**23**	**7.043**	**124.144**	**15.987**
Net profit (loss) for 2023:												
- to reserves	0	0	0	4.372	0	2.671	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	(2.435)	0	0	(2.435)	(380)
Cash flow hedge reserve	0	0	0	0	(1.261)	0	0	0	0	0	(1.261)	0
Revaluation of tangible assets	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 2024	0	0	0	0	0	0	0	0	0	29.795	29.795	752
BALANCE AT 31 DECEMBER 2024	**4.000**	**0**	**1.000**	**124.768**	**(359)**	**2.539**	**(5.100)**	**(10.223)**	**23**	**29.795**	**146.443**	**16.359**

STATEMENT OF MOVEMENTS ON TANGIBLE ASSETS FOR THE YEAR ENDED 31 DECEMBER 2024

(in thousands of Euro)

	Opening situation			Movements during the year							Closing situation		
	Historical Cost	Accum. Deprec'n	Balance 31/12/23	Additions		Disposals			Forex Diff.	Ordinary deprec'n	Historical Cost	Accum. Deprec'n	Balance 31/12/24
				Purchases	Int. Works	H/Cost	Revaluation	Acc Dep'n					
Yards and buildings:													
- land	39.434	(4.511)	34.923	0	0	0	0	0	(35)	0	39.399	(4.511)	34.888
- yards and buildings	61.898	(31.371)	30.527	262	0	0	0	0	(1.312)	(1.392)	60.848	(32.763)	28.085
- light constructions	5.608	(5.520)	88	81	0	0	0	0	0	(49)	5.689	(5.569)	120
Plant and machinery:													
- plant	16.212	(15.002)	1.210	529	0	0	0	0	0	(257)	16.741	(15.259)	1.482
- dry dock	7	(7)	0								7	(7)	0
- treatment plant	177	(177)	0								177	(177)	0
- machinery	6.212	(6.148)	64	460	6	(8)	(5)	13	(6)	(57)	6.659	(6.192)	467
- electronic systems	26	(26)	0								26	(26)	0
Industrial and commercial equipment	12.720	(10.001)	2.719	676	0	(113)	0	98	(190)	(771)	13.121	(10.674)	2.447
Other tangible assets:													
- office furniture	2.653	(2.294)	359	185	0	(5)	0	5	(26)	(185)	2.807	(2.474)	333
- IT equipment	4.073	(3.564)	509	254	0	(7)	0	7	(32)	(183)	4.288	(3.740)	548
- commercial vehicles	450	(448)	2	1	0	0	0	0	0	(3)	451	(451)	0
- automobiles	1.086	(809)	277	180	0	(5)	0	4	(33)	(79)	1.228	(884)	344
- barge	1.611	(1.611)	0	0	0	0	0	0		0	1.611	(1.611)	0
Assets under construction and payments on a/c	380	0	380	1.973	(6)	0	0	0	(12)	0	2.421	0	2.421
Total	**152.547**	**(81.489)**	**71.058**	**4.601**	**0**	**(138)**	**(5)**	**127**	**(1.646)**	**(2.976)**	**155.473**	**(84.338)**	**71.135**

TEMPORARY DIFFERENCES RESULTING IN THE RECOGNITION OF DEFERRED TAX ASSETS AND LIABILITIES

Article 2427(14) of the Italian Civil Code

Deductible differences	*Deferred Tax Assets at 31/12/2023*		*Decreases*		*Increases*		*Forex diff.*	*Deferred Tax Assets at 31/12/2024*	
	Taxable amount	**Tax**	**Taxable amount**	**Tax**	**Taxable amount**	**Tax**		**Taxable amount**	**Tax**
Tax losses	93.694	22.448	51.096	12.262	4.614	1.107	(13)	47.212	11.280
Provision for bad debts	3.744	899	324	78	222	53	0	3.642	874
Provision for contingent risks	4.300	1.032	896	215	5.589	1.341	0	8.993	2.158
Provision for contractual risks	601	144	243	58	0	0	0	358	86
Inventory obsolescence provision	2.621	562	28	6	115	26	(27)	2.708	555
Provisions for employee bonuses	1.485	356	1.136	272	5.604	1.345	0	5.953	1.429
Exchange difference	10	2	10	2	0	0	0	0	0
Loss-making contracts	1.907	458	1.907	458	1.768	424	0	1.768	424
Depreciation of tangible assets	550	78	129	18	0	0	(1)	421	59
Other	6.576	1.529	764	165	0	0	(18)	5.812	1.346
Total	**115.488**	**27.508**	**56.533**	**13.534**	**17.912**	**4.296**	**(59)**	**76.867**	**18.211**

Taxable differences	*Deferred Tax Assets at 31/12/2023*		*Decreases*		*Increases*		*Forex diff.*	*Deferred Tax Assets at 31/12/2024*	
	Taxable amount	**Tax**	**Taxable amount**	**Tax**	**Taxable amount**	**Tax**		**Taxable amount**	**Tax**
Revaluation of land	13.029	1.818	0	0	0	0	0	13.029	1.818
Exchange difference	489	129	289	69	897	269	(24)	1.097	305
Depreciation of tangible assets	9.893	2.811	402	81	10	3	(220)	9.501	2.513
Other	2.075	415	1.845	364	0	0	(5)	230	46
Total	**25.486**	**5.173**	**2.536**	**514**	**907**	**272**	**(249)**	**23.857**	**4.682**

EXTERNAL AUDITORS' REPORT

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

To the Shareholders of
Rosetti Marino S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Rosetti Marino S.p.A. (the "Group"), which comprise the consolidated balance sheet as at December 31, 2024, the consolidated statement of income and statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Italian law governing financial statements.

Basis for Opinion

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

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

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the Italian law governing financial statements and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

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

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

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

In our opinion, the report on operations is consistent with the consolidated financial statements of the Group as at December 31, 2024.

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

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

DELOITTE & TOUCHE S.p.A.

Signed by
Mauro Di Bartolomeo
Partner

Bologna, Italy
April 15, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.