Interim report on operation

at 30 september

'24



rekeep

General information

REGISTERED OFFICE

Via U. Poli, 4
40069 Zola Predosa (BO)

BOARD OF DIRECTORS

Appointed by the Shareholders' Meeting on 14 March 2024

CHAIRMAN

Claudio Levorato

CHIEF EXECUTIVE OFFICER

Giuliano Di Bernardo

DIRECTORS

Stefano Donati
Paolo Leonardelli
Linda Faiola (independent director)
Francesco Silvestrini (independent director)
Matteo Tamburini (independent director)

BOARD OF STATUTORY AUDITORS

Appointed by the Shareholders' Meeting on 28 April 2023

CHAIRMAN

Germano Camellini

STATUTORY AUDITORS

Marco Benni
Giacomo Ramenghi

ALTERNATE AUDITORS

Michele Colliva
Antonella Musiani

INDEPENDENT AUDITORS

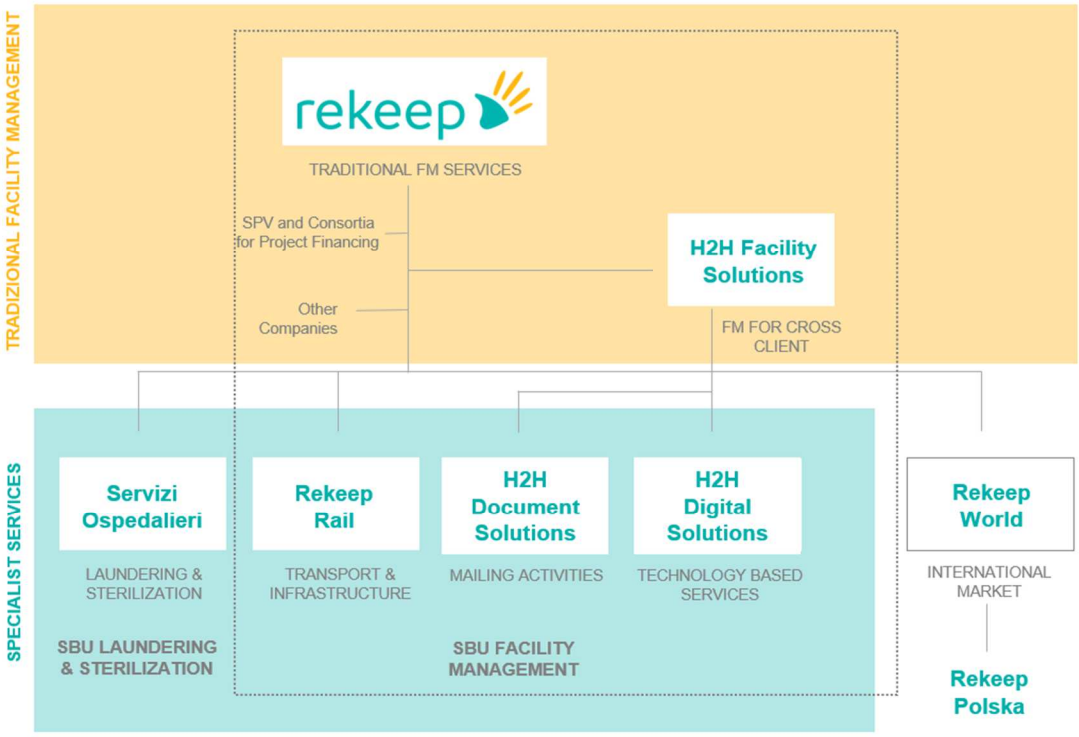
EY S.p.A.

Interim Report on Operations

rekeep

Preamble

At 30 September 2024 the Group controlled by Rekeep S.p.A. was made up as follows:



The Rekeep Group is active in the management and provision of integrated services to public and private customers, targeted at people, buildings and cities ("Integrated Facility Management"). At present the Rekeep brand is managed by a single operating holding company that combines so-called "traditional" facility management production resources with those related to supporting the whole Group's business. Around the central part of the holding, a diversification strategy of the activities has been pursued, also through a series of company acquisitions, by placing some "specialist" facility management services (document management, logistics, etc.) beside the historical core business (hygiene services, green spaces and technical and maintenance services), in addition to linen rental and industrial laundering services and surgical instrument sterilization at healthcare facilities and high technology "business to business" (B2B) services.

Furthermore, the Group started a major process of business development in international markets from the 2015 financial year, by establishing the sub-holding company Rekeep World S.r.l. and by the start-up of facility operations in France (through the sub-group controlled by Rekeep France S.a.S.), Turkey (through EOS) and Saudi Arabia (through Rekeep Saudi Arabia Ltd). Finally, the acquisition of the Polish company Rekeep Polska S.A., the parent company controlling the group with the same name and market leader in Poland, strengthened

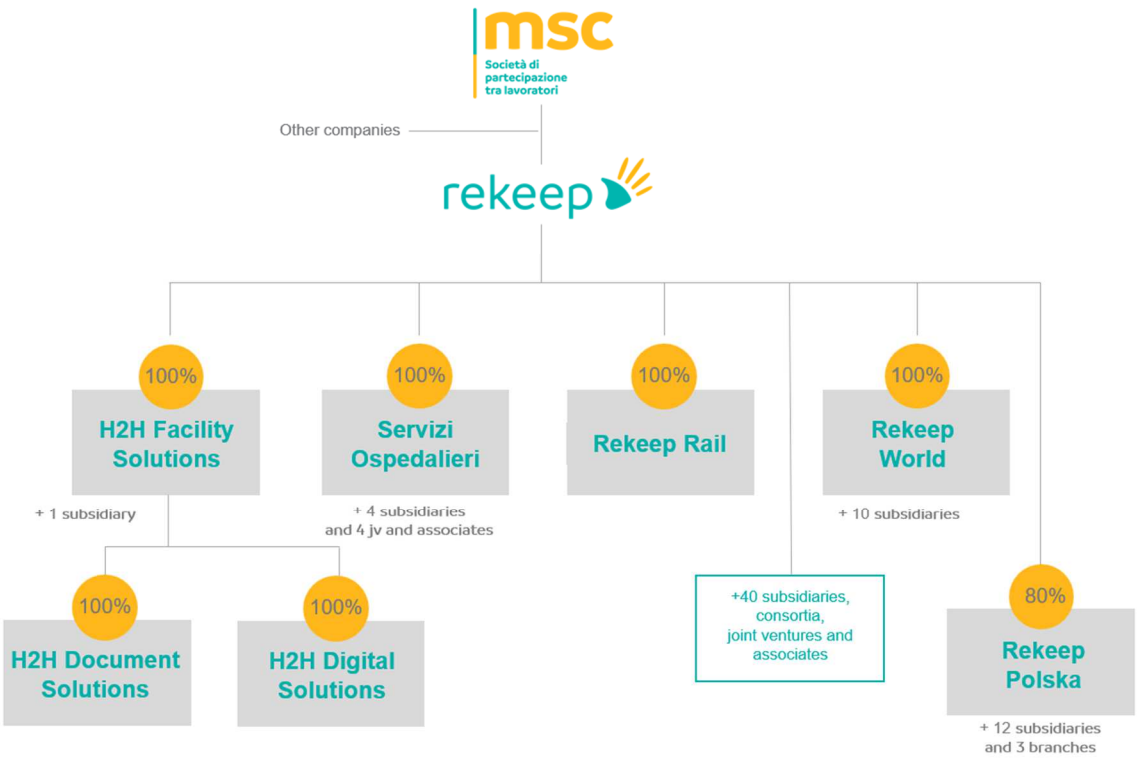
the market position in the field of facility management in the healthcare sector, as well as expanded the Group's range of services, including first of all catering operations.

Shareholding structure

Ordinary shares issued by Rekeep S.p.A. and fully paid up at 30 September 2024 amounted to 109,149,600, with a par value of € 1 each.

They are wholly held by MSC Società di Partecipazione tra Lavoratori S.p.A., which also carries out Management and Coordination activities.

The structure of the Group controlled by MSC Società di Partecipazione tra Lavoratori S.p.A. at the date of approval of the Consolidated Interim Report on Operations was the following:



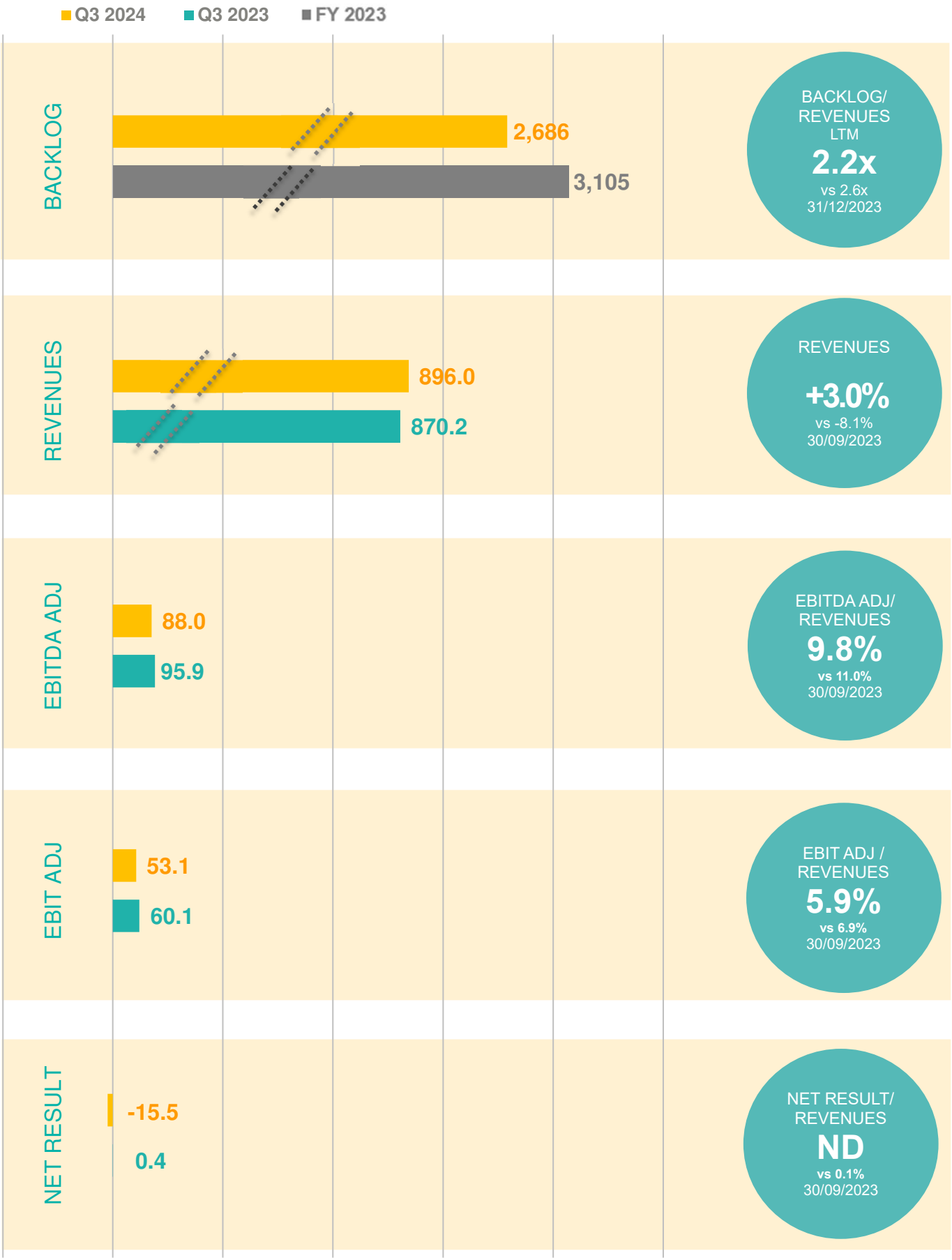
Alternative performance indicators (non-GAAP financial measures)

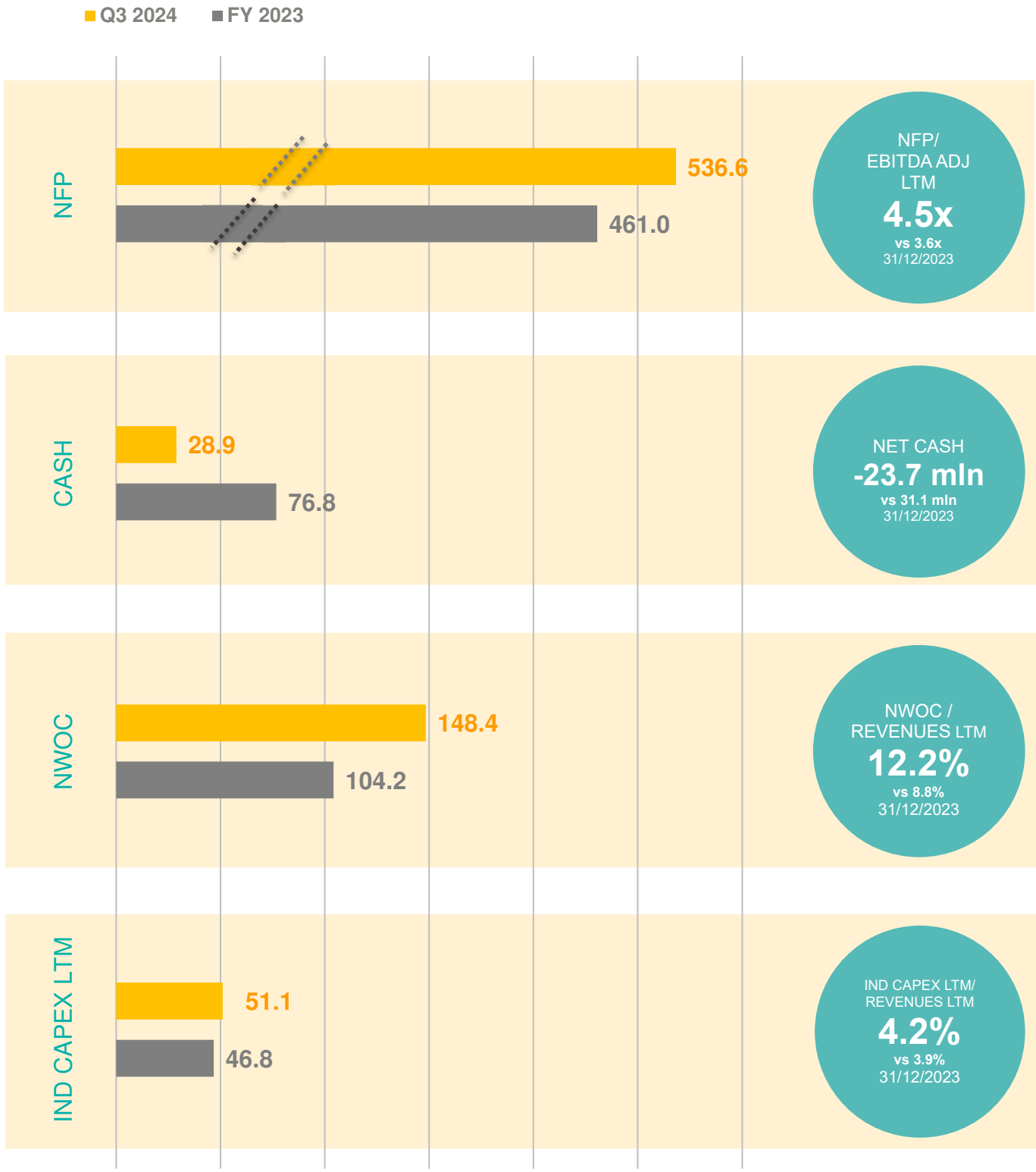
The Rekeep Group's management monitors and assesses the consolidated business performance, results of operations and cash flows by using various alternative performance indicators that are not defined under the international accounting standards IAS/IFRS ("API" or "Non-GAAP measures"), as stated below. The Group's management considers that these financial ratios, which are not explicitly described in the accounting standards adopted to prepare the Condensed Consolidated Interim Financial Statements, provide information which helps to understand and assess its overall performance in terms of financial position, results of operations and cash flows. These are widely used in the sector in which the Group operates and are determined in accordance with the provisions of the Guidelines issued by ESMA (European Securities and Markets Authority) on alternative performance indicators (ESMA/2015/1415), adopted by CONSOB by Communication no. 92543 of 3 December 2015. However, they might not be directly comparable with those utilized by other companies, nor are they intended to replace the economic and financial performance ratios prepared in the application of the international accounting standards IAS/IFRS.

	Definition
Backlog	The Backlog is the amount of contract fees that have not yet accrued and are connected with the residual term of the orders that the Group holds in its portfolio.
Financial Capex	Financial CAPEX is the net expenditure on the acquisition of equity investments, on business combinations and on grants of long-term loans.
Industrial Capex	Industrial CAPEX is defined as the purchase of (i) Property, plant and equipment, (ii) Property, plant and equipment under lease (excluding lease and long-term hire agreements) and (iii) other intangible assets.
NWC	Consolidated Net Working Capital (NWC) is defined as the consolidated NWOC which is added the amount of other operating assets and liabilities (other current assets, other current liabilities, current tax receivables and payables, current provisions for risks and charges).
NWOC	Consolidated Net Working Operating Capital (NWOC) is composed of the balance of "Trade receivables and advances to suppliers" and "Inventories", net of "Trade payables and contract liabilities".

	Definition
DPO	DPO (Days payables Outstanding) is a weighted average of days for payment of consolidated trade payables calculated as the ratio of trade payables, net of VAT on the invoices already received from the supplier, and costs over the last 12 months related to external production factors (included the capex) multiplied by the days of the reference period.
DSO	DSO (Days Sales Outstanding) is a weighted average of days for collection of consolidated trade receivables calculated as the ratio of trade receivables, net of VAT on the amounts already billed to customers, and revenues over the last 12 months multiplied by the days of the reference period.
EBIT	EBIT represents the Profit (Loss) before taxes, gross of: i) Financial charges; ii) Financial income; iii) Dividends and income (loss) from sale of investments; iv) Income (charges) from investments accounted for under the equity method; v) Profit / (loss) on exchange rate. The Statement of Profit or Loss for the year shows EBIT as "Operating Income".
EBITDA	EBITDA represents the Operating Income before “Accrual (reversal) of provisions for risks and charges” and “Amortization/depreciation, write-downs and write-backs of assets”. EBITDA is a measure used by the Group’s management to monitor and assess its operating performance.
Adjusted EBITDA ed EBIT	Adjusted EBITDA and adjusted EBIT do not include non-recurring elements recorded in the consolidated Statement of Profit/Loss for the year, as described in the paragraph on “Non-recurring events and transactions” below.
LTM (Last Twelve Months)	LTM values relate to the economic values or financial flows identified in the last 12 months, or in the last 4 reporting periods (quarters).
Net Cash	Net Cash is defined as the balance of the “Cash and cash equivalents” net of: i) Current account overdrafts, advances and hot money; ii) Obligations arising from assignments of trade receivables with recourse.
Gross Debt	Gross Debt is defined as the sum of payables on account of capital relating to: i) Senior Secured Notes (face value); ii) Bank debts (face value); iii) Current account overdrafts, advances and hot money; iv) Obligations arising from assignments of trade receivables with recourse; v) Financial lease liabilities; vi) Reverse factoring debt.
Net Debt	Net Debt is defined as the Gross Debt, net of the balance of “Cash and cash equivalents” and “Receivables and other current Financial assets”.

	Definition
Financial indebtedness	Financial indebtedness consists of the balance of Long-term debt, Derivatives, Bank borrowings (including current portion of long-term debt) and other short-term financial liabilities, in addition to the financial component of trade payables and other non-current payables, net of the amount of "Receivables and other current financial assets" and "Cash and Cash equivalents". It complies with the provisions of CONSOB Communication no. DEM/6064293 of 28 July 2006, amended as contained in Warning Notice no. 5/21 of 29 April 2021.
Adjusted Financial Indebtedness and NWOC	Adjusted NWOC and adjusted Financial indebtedness include the balance of the trade receivables assigned in the framework of the previous years' non-recourse assignment programs, and not yet collected by the factoring companies.


Q3 2024
Q3 2023
FY 2023
BACKLOG
2,686
3,105
BACKLOG/ REVENUES LTM
2.2x
vs 2.6x 31/12/2023
REVENUES
896.0
870.2
REVENUES
+3.0%
vs -8.1% 30/09/2023
EBITDA ADJ
88.0
95.9
EBITDA ADJ/ REVENUES
9.8%
vs 11.0% 30/09/2023
EBIT ADJ
53.1
60.1
EBIT ADJ / REVENUES
5.9%
vs 6.9% 30/09/2023
NET RESULT
-15.5
0.4
NET RESULT/ REVENUES
ND
vs 0.1% 30/09/2023


Q3 2024
FY 2023
NFP
536.6
461.0
NFP/ EBITDA ADJ LTM
4.5x
vs 3.6x
31/12/2023
CASH
28.9
76.8
NET CASH
-23.7 mln
vs 31.1 mln
31/12/2023
NWOC
148.4
104.2
NWOC / REVENUES LTM
12.2%
vs 8.8%
31/12/2023
IND CAPEX LTM
51.1
46.8
IND CAPEX LTM/ REVENUES LTM
4.2%
vs 3.9%
31/12/2023

Main events of the first 9 months of 2024

During the first 9 months of 2024 the Group continued to work on putting the results it had achieved until that time on a sound financial footing in a structured manner in the domestic sector and on the development in the foreign sector, in the context of a world economy that was on the whole stable and a downward inflationary trend, although constraints remained in relation to the tensions and uncertainties in the international geopolitical environment.

With regard to the Group's results of operations, there was an increase of € 25.8 million in revenues in the first 9 months of 2024 (at 30 September 2024 revenues amounted to € 896.0 million compared to € 870.2 million in the same period of the previous year), showing the positive performance of International Markets (+€ 49.7 million). LTM revenues therefore amounted to € 1,212.6 million at 30 September 2024 (€ 1,186.8 million at 31 December 2023).
In terms of profit margins, Adjusted EBITDA stood at € 88.0 million at 30 September 2024, with relative profit margins equal to 9.8% compared to € 95.9 million at 30 September 2023 (11.0% compared to revenues), thus recording a decrease of € 7.9 million in the period. The first 9 months of 2024 confirmed the growth trend in International Markets, including in terms of profit margins (+€13.0 million). LTM Adjusted EBITDA stood at € 120.1 million at 30 September 2024 (€ 128.1 million at 31 December 2023).

In terms of financial performance, there was an increase in Net debt from € 461.0 million at 31 December 2023 to € 536.6 million at 30 September 2024, as was in Net working operating capital from € 104.2 million at 31 December 2023 to € 148.4 million at 30 September 2024, continuing to be affected by the general trend in prices in previous years, and the resulting measures. Furthermore, the increase in net financial debt in the first 9 months of 2024 was attributable to two further factors: (i) an increase in the value of the contingent liability for the Put Option on the acquisition of the additional 20% stake in the share capital of subsidiary Rekeep Polska, following the adjustment to its fair value according to the new business plan, attached to the amendment to the agreements with the minority shareholder (as detailed below), which show an improvement in the sub-group's expected results; and (ii) the recovery of certain overdue and unpaid installments in relation to the debt for the Competition Authority's "FM4" fine, upon the issuance of a new installment payment plan on the part of the Revenue Agency, as detailed below.

During the first 9 months of 2024, the Directors continued their analyses to effectively cope with the Group's contingent situation, as well as debt sustainability. For this purpose, they appointed leading national and international advisors to design the best strategy, and select any possible counterparties in extraordinary transactions (if any). As at the date of preparation of this Interim Report, the advisors reported on prospects for both refinancing and disposals of assets, providing information for the valuation of each asset involved in disposals, and set a plan of action. To date, the Group has started concrete talks with leading domestic market players and international financial operators, and put in place specific measures aimed at carrying out the

extraordinary transactions required to dispose of identified assets and refinance the remaining debt. The Group is also considering combined cases of asset disposals and refinancing. The assessments and actions put in place by the Directors are largely described in the notes to the condensed consolidated interim financial statements, to which reference should be made for further details.

APPOINTMENT OF MEMBERS OF THE BOARD OF DIRECTORS OF REKEEP S.P.A. AND CONSEQUENT RESOLUTIONS

At the Ordinary Shareholders' Meeting held by the Sole Shareholder on 14 March 2024, the new members of the Board of Directors of Rekeep S.p.A. were appointed, consisting of 7 people, 3 of whom meet the independence requirements prescribed by Article 148, paragraph 3, of Legislative Decree no. 58 of 24 February 1988, as well as the independence requirements prescribed in the Corporate Governance Code for Listed Companies, appointing the Chairman in the person of Director Claudio Levorato. On the same date, the Board of Directors appointed by the Shareholders' Meeting met to make appointments and grant proxies and powers. Specifically, the Board of Directors appointed Claudio Levorato as Executive Chairman, and Giuliano Di Bernardo as Chief Executive Officer of the Company.

The Board of Directors also set up board committees: the Related Parties Committee, the Nomination and Remuneration Committee, and the Control and Risk - ESG Committee, each consisting of 3 members, and appointed their members in the persons of independent directors.

At the same meeting, the Board of Directors of Rekeep S.p.A. finally appointed the members of the Supervisory Body, composed of 3 members chosen from among third-party professionals and entrusted the mandate of the Internal Audit function, reporting directly to the Board itself, to a third-party professional while also defining its purpose, powers and responsibilities.

At the first meetings held following their formation, the Committees appointed their respective Chairs in the persons of: Linda Faiola, appointed to chair the Related Parties Committee; Francesco Silvestrini, appointed to chair the Nomination and Remuneration Committee, and Matteo Tamburini, appointed to chair the Control and Risk - ESG Committee.

The Committees also started the process of drafting their respective rules of operation, to be submitted for approval by the Board of Directors.

PROCEEDINGS UNDER ARTICLE 2409 OF THE ITALIAN CIVIL CODE AT THE GROUP'S PARENT COMPANY

In the first months of the year, some minority shareholders of the parent company MSC S.p.A. initiated proceedings pursuant to Article 2409 of the Italian Civil Code, including in relation to facts and circumstances relating to the Rekeep Group, which, however, is not a party to the proceedings. As of the date of preparation of this report, the proceedings were still pending. In the meantime, no detrimental measures have been taken for MSC and/or the Rekeep Group companies.

EXTENSION OF THE TERM OF THE INSTALLMENT PAYMENT PLAN OF THE COMPETITION AUTHORITY'S "FM4" FINE

On 19 April 2024, the Revenue Agency – Collection Department accepted the Parent Company Rekeep's request to extend the term of the debt installment plan for the payment of the Competition Authority's "FM4" fine, originally amounting to €82.2 million (including collection charges), which had been sent on 20 December 2020. At the same time, the Revenue Agency sent the Company a new installment plan for the repayment of the remaining debt resulting from the previous plan, which then amounted to €45.6 million (including collection charges of €1.3 million), made up of 62 monthly installments, starting from April 2024 and expiring in May 2029. The new installment payment plan is formulated according to the "increasing variable installment" criterion, which envisages initial installments of a smaller amount compared to the fixed installment amortization schedule (French-style amortization), but increasing and gradually higher in subsequent years. With the exception of the term, the new installment payment plan incorporates the same terms and conditions as the previous one, which provided for a total of 72 monthly installments, expiring in December 2025.

Before amending the pre-existing installment payment plan, in April 2024 the Parent Company arranged for the payment of some of the installments, which were then overdue and unpaid under the suspension provided for by the legislative measures enacted during the Covid-19 emergency (Decree Law no. 18 of 17 March 2020, governing "Measures to strengthen the National Health Service and to provide financial support to households, workers and businesses related to the COVID-19 epidemic emergency", "Cure Italy Decree"), and which had become due and payable on 31 August 2021, thus incurring an outlay totaling € 7.2 million (€ 6.8 million on account of principal, and € 0.4 million on account of collection charges). The additional suspended installments remaining on 19 April 2024 were rescheduled under the new installment payment plan: therefore, the Company had no overdue and unpaid installments on the same plan as at the date of this report.

Under the installment payment plan sent on 19 April, the Parent Company Rekeep obtained the deferment of the conclusion of the payment plan for the Competition Authority's "FM4" fine by more than three years, from December 2025 to May 2029. Moreover, the Company benefits from a reduction in the monthly installment, with a lower impact on cash outflows incurred on a monthly basis. Finally, the absence of overdue installments also results in savings in terms of additional collection charges, which would have been due for each installment overdue and unpaid for more than 60 days.

AMENDMENTS TO AGREEMENTS WITH THE MINORITY SHAREHOLDER OF SUBSIDIARY REKEEP POLSKA

On 10 June 2024, the subsidiary Rekeep World S.r.l. signed the amendment to the agreements with the minority shareholder of the investee company Rekeep Polska, controlling the group of the same name, which had been signed at the time of the acquisition on 30 October 2019. The most significant amendments concern the expiry of the Put&Call Option on the minority share held by the other shareholder, amounting to 20% of

the subsidiary's share capital. The new agreements set the time period for its exercise between 31 December 2027 and 31 December 2028, with the parties being allowed to renew the agreement for an additional period of 3 years by exercising their right within 6 months of the expiry of the first exercise period (thus deferring the exercise period between 31 December 2030 and 31 December 2031). It should be noted that previously the exercise period of the option was set between 30 October 2024 and 30 October 2025. Furthermore, amendments were made to the “lock-up period” clause, and to other shareholder agreements. The deferral of the exercise of the Put&Call Option will, among other things, allow the partnership to be strengthened with the minority shareholder of the subsidiary.

BUSINESS DEVELOPMENT

During the first 9 months of 2024 the Group gained orders for an overall long-term amount of € 259.2 million, of which € 226.1 million relating to extensions and renewals of contracts already included in its sales portfolio, and €33.1 million relating to the development of a new portfolio. The value of contracts acquired in International Markets in the period was equal to about 41.4% of the total orders gained during the period.

New contracts in the Healthcare sector amounted to € 185.3 million at 30 September 2024 (about 71.5% of total orders gained in the period) against orders gained for € 31.3 million in the Public sector (12.1% of the total), and orders gained for €42.6 million in the Private sector (16.4% of the total). The overview by Strategic Business Unit (“SBU”) shows that Facility Management (which also includes International Markets) obtained contracts of €185.0 million during the first 9 months of 2024 while Laundering & Sterilization obtained contracts of €74.2 million.

In particular, the Group achieved a further project aimed at maintaining the former MIES 2 portfolio in a major Italian hospital complex in the Healthcare market. On the International Markets front, we must note new orders in Saudi Arabia, and portfolio renewals in Turkey, as well as major orders for the Rekeep Polska Group, which were gained for the renewal of portfolio contracts due to expire, and new contracts for hygiene, catering and medical transportation services in the hospital sector.
Moreover, the subsidiary Servizi Ospedalieri S.p.A. achieved renewals of contracts already included in the portfolio, both for industrial laundering and linen rental and sterilization services in the first 9 months of 2024, at various local public and private hospital trusts.

As regards the Public Market, contracts were signed under an agreement for hygiene services at head and entities’ offices of a regional government in the first 9 months of 2024.

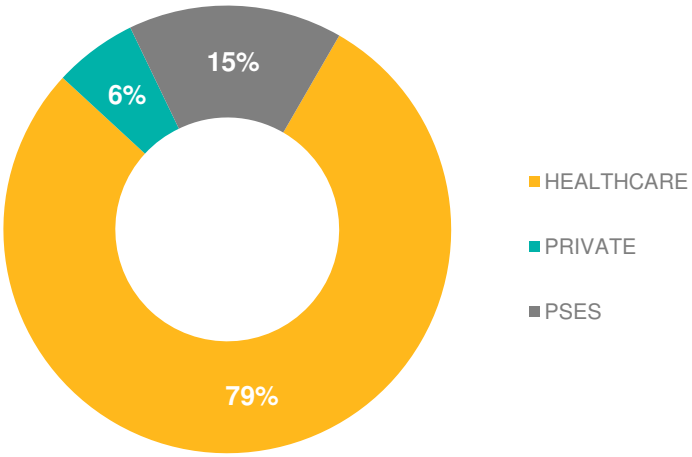
Finally, contracts were renewed with some network customers in the Private sector. In International Markets renewals were obtained for the portfolio, as were new acquisitions of contracts for hygiene, catering and surgical instrument sterilization services for private customers in Poland and Turkey.

The **Backlog**, i.e. the amount of contractual revenues related to the residual duration of the job orders in the portfolio at that date, is expressed below in millions of Euros:

	30 September 2024	31 December 2023	31 December 2022
Backlog	2,686	3,105	3,058

At 30 September 2024 the **Backlog** stood at €2,696 million, recording a decrease compared to the value posted at the end of 2023 (€ 3,105 million) and at the end of 2022. On the other hand, the Backlog/Revenues ratio was 2.2x (2.6x at 31 December 2023).

BACKLOG BY MARKET



1. Summary of results of the third quarter of 2024

The income statement highlights for the quarter compared with the same period of the previous year are reported below.

	For the Quarter ended 30 September		
	2024	2023	%
Revenues	288,277	272,843	+5.7%
of which Revenues – International Markets	*70,400*	*52,871*	
Adjusted EBITDA *	22,052	22,125	-0.3%
Adjusted EBITDA % on Revenues	7.6%	8.1%	
Adjusted EBIT *	10,722	10,742	-0.2%
Adjusted EBIT % on Revenues	3.7%	3.9%	
Consolidated net result	(1,340)	(4,381)	
Consolidated net result % on Revenues	N.A.	N.A.	

In the third quarter of 2024 the Group recorded Revenues of € 288.3 million, against € 272.8 million compared to the same period of the previous year, with a positive change of € 15.4 million. International Markets contributed revenues of € 70.4 million for the quarter (of which an amount of € 59.3 million was contributed by the Polish Rekeep Polska sub-group), showing an increase of € 17.5 million compared to the same quarter of the previous year.

During both comparative quarters revenues were marginally affected by the trend in prices, particularly of energy, compared to the respective previous quarters. On the International Markets front, the performance in terms of revenues was driven by the positive results achieved by the Polish sub-group, which were achieved through both the expansion of portfolio, and favorable renewals of contracts, as well as by revenues for non-recurring activities carried out by the subsidiary Rekeep Transport on the occasion of the Olympic Games held in Paris.

The breakdown of revenues for the quarter by market shows growth in the Healthcare market compared to the same period of the previous year (+€15.2 million), from € 173.7 million in the third quarter of 2023 to €188.9 million in the third quarter of 2024, as well as in the Public market, which showed an increase of €1.3 million compared to the comparative period; on the other hand, the Private market showed a decrease of € 1.1 million in the third quarter of 2024 compared to the third quarter of 2023. The results described above were driven by the positive performance of the Facility Management business segment (+€ 17.0 million), which benefitted the

* Adjusted income statement figures are detailed in the paragraph on "*Non-recurring events and transactions*" below. .

Healthcare and Public markets, mainly thanks to the contribution given by the International Markets; on the contrary, the sector recorded a decline in the Private market in the quarter, due to a different mix of portfolio. The Laudering&Sterilization sector recorded an overall decrease of € 0.6 million in the third quarter of 2024, from € 35.7 million in the third quarter of 2023 to € 35.1 million in the third quarter of 2024, which was mainly recorded in the Healthcare market, following the exit of some linen rental and industrial laundering contracts from the portfolio.

Adjusted EBITDA in the third quarter of 2024 stood at € 22.1 million (7.6% on revenues), showing a decrease of € 0.1 million compared to the same quarter of the previous year (when it was equal to € 22.2 million, 8.1% on revenues for the period), with a different breakdown by business segment. On the one hand, the Facility Management SBU showed an increase of €0.9 million in profit margins during the third quarter of 2024 over the same quarter of the previous year, reflecting the revenue performance described above. On the other hand, the Laundering&Sterilization SBU recorded a decrease of €1.0 million in absolute profit margins in the third quarter of 2024 (from €6.9 million in the third quarter of 2023 to €5.8 million in the third quarter of 2024), reflecting the trend in the revenues recorded in the business segment.

Adjusted EBIT for the quarter ended 30 September 2024 stood at € 10.7 million (3.7% of related Revenues), in line compared to the same period of the previous year (3.9% of related Revenues). The trend was affected, in absolute terms, by the described performance of Adjusted EBITDA (-€0.1 million), from which must be deducted higher amortization and depreciation for € 0.5 million and higher write-downs of trade receivables (net of releases) for €0.4 million while adding net releases to provisions for future risks and charges for €0.9 million (net of the non-recurring accrual of € 0.3 million in the third quarter of 2023).

Finally, the Consolidated net result for the third quarter of 2024 posted a loss of € 1.3 million against a loss of € 4.4 million in the quarter ended 30 September 2023. In addition to the performance in terms of consolidated adjusted EBIT described above, higher net financial charges of € 1.0 million were recognized in the third quarter of 2024. Financial charges on Senior Secured Notes for the quarter were in line in the two comparative periods (€ 6.8 million), as were amortized cost charges relating to the upfront fees incurred for the issue of Senior Secured Notes (€ 0.4 million). Furthermore, financial charges were recorded on the use of the Revolving Credit Facility (RCF) for € 0.5 million in the third quarter of 2024 (compared to € 0.4 million in the third quarter of 2023); on the contrary, additional charges remained stable on the same facility. In the third quarter of 2024 the Group incurred lower interest discount charges of € 0.4 million compared to the same period in the previous year, and lower financial costs on leases for € 0.1 million; on the other hand, there were higher financial costs in the quarter on contingent liabilities for the acquisition of minority interests in subsidiaries for €0.8 million and higher financial costs on recourse and reverse factoring lines for €0.3 million, as well as a higher incidence of charges for exchange rate fluctuations totaling €1.7 million. Finally, the result for the quarter was affected by taxes, which showed a decrease of € 3.2 million compared to the same quarter of 2023.

The balance sheet highlights for the quarter, compared with the values posted in the previous quarter, and at the end of the previous year, are reported below.

	30 September 2024	30 June 2024	31 December 2023
Net Working Operating Capital (NWOC)	148,362	115,497	104,186
Financial indebtedness	(536,617)	(490,351)	(460,987)

From an equity and financial point of view, the Net Working Operating Capital (NWOC) at 30 September 2024 recorded an increase compared to both the previous quarter (+ €32.9 million) and the end of the previous year (+ €44.2 million). Specifically, there was the recognition of higher trade receivables for € 30.0 million, and lower trade payables for € 3.1 million in the third quarter of 2024. During the first 9 months of 2024 trade receivables were assigned to factoring companies without recourse for a total of € 196.9 million (of which an amount of € 56.4 million during the third quarter), and VAT receivables were assigned without recourse for € 20.0 million (of which an amount of € 7.8 million during the third quarter).

At 30 September 2024 DSO was 160 days, showing a decrease compared to 31 December 2023 (when it was equal to 161 days), in line with DSO recorded at 30 September 2023. The performance of the average DPO stood at 191 days at 30 September 2024, down compared to the value posted at 31 December 2023 (212 days) while there was an increase compared to 30 September 2023 (187 days). After excluding the benefit of the energy and gas tax credits for the period, the average DPO would however stand at 191 days at 30 September 2024, 198 days at 31 December 2023 and 170 days at 30 September 2023. The trend recorded in both DSO and DPO was still affected by the events which had involved the energy sector in the previous months, and the consequent actions taken by the management, such as the reduction of the invoicing period and the use of available lines of credit.

Financial indebtedness showed an increase of € 46.3 million during the quarter ended 30 September 2024 (+€ 75.6 million compared to the reporting date of the previous year): from cash flows generated from operating activities during the quarter (€ 5.4 million) and from financial investments (€ 0.3 million) must be deducted the cash flow absorbed by the change in NWOC (€ 33.8 million), and the cash flow absorbed by the uses of resources for net industrial investments (€ 10.1 million), as well as by the uses of provisions for future risks and charges and the provision for Employee Termination Indemnity (TFR) for the quarter (€ 2.0 million), and by the changes in other operating assets and liabilities (€ 6.1 million). In particular, in addition to the normal seasonal trend in receivables from and payables to employees (showing a decrease of € 7.7 million in the quarter) and payables for receipts to be paid to the members of the Temporary Business Grouping (the debt balances of which showed a decrease of € 1.8 million), there was the recognition of cash inflows against the performance of net VAT credit balances of the Group companies (+ € 2.4 million), which were included in assignments without recourse for a total amount of € 7.8 million during the quarter, and an outflow mainly linked to the payment of the installments of the Antitrust Authority's fine (- € 1.4 million).

2. The Rekeep' Group's consolidated performance of operations and financial position at 30 September 2024

2.1. Consolidated results of operations in the first 9 months of 2024

The table below shows the main income figures relating to the first 9 months of 2024 compared to the figures of the same period in 2023.

(in thousands of Euro)	For the 9 months ended 30 September		For the quarter ended 30 September	
	2024	2023	2024	2023
Revenues	896,004	870,197	288,277	272,843
Costs of production	(810,303)	(780,168)	(267,203)	(252,928)
EBITDA	**85,701**	**90,029**	**21,074**	**19,915**
EBITDA %	***9.6%***	**10.3%**	***7.3%***	**7.3%**
Amortization, depreciation, write-downs and write-backs of assets	(33,194)	(30,766)	(11,750)	(10,922)
Accrual of provisions for risks and charges	(1,743)	(11,248)	420	(447)
Operating income (EBIT)	**50,764**	**48,015**	**9,744**	**8,546**
EBIT %	***5.7%***	**5.5%**	***3.4%***	**3.1%**
Share of net profit of associates	335	102	(57)	269
Net financial charges	(55,594)	(37,704)	(13,152)	(12,118)
Profit before taxes (EBT)	**(4,495)**	**10,413**	**(3,465)**	**(3,303)**
EBT %	**N.A.**	**1.2%**	**N.A.**	**N.A.**
Income taxes	(10,960)	(9,998)	2,125	(1,078)
CONSOLIDATED NET PROFIT (LOSS)	**(15,455)**	415	**(1,340)**	(4,381)
CONSOLIDATED NET PROFIT (LOSS) %	**N.A.**	**0.0%**	**N.A.**	**N.A.**
Minority interests	(708)	(745)	(114)	(234)
NET RESULT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**(16,163)**	**(330)**	**(1,454)**	**(4,615)**
NET RESULT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT %	**N.A.**	**N.A.**	**N.A.**	**N.A.**

Non-recurring events and transactions

During the first 9 months of 2024, the Rekeep Group recognized, in the Statement of Profit/Loss for the period, some "non-recurring" items of results of operations, which impacted on the normal trends in consolidated results. Pursuant to CONSOB Communication DEM/6064293 of 28 July 2006, "significant non-recurring events and transactions" mean events or transactions whose occurrence is non-recurring, i.e. those transactions or events that are not repeated frequently as part of normal operations and have a significant impact on the Group companies' financial position, results of operations and cash flows.

The following non-recurring items are recorded in the Consolidated Statement of Profit/Loss for the period:

(in thousands of Euro) **For the 9 months ended 30 September**

	2024	2023
Costs from reorganization of company units	1,121	1,855
M&A and non-recurring transactions of Group companies	1,165	1,510
Non-recurring costs on foreign operations	0	2,515
NON-RECURRING EXPENSES (INCOME) IMPACTING ON EBITDA	**2,286**	**5,879**
Provisions for non-recurring costs on foreign operations	0	6,177
NON-RECURRING EXPENSES (INCOME) IMPACTING ON EBITDA AND EBIT	**2,286**	**12,056**

During the first 9 months of 2024, the Group incurred non-recurring costs impacting on EBITDA for a total amount of € 2.3 million. An amount of € 1.1 million of which related to the projects for the reorganization of company units and of the Group structures while an amount of € 1.2 million related to costs for M&A operations completed in previous years, and recorded on an accruals basis in the period, in addition to expenses incurred in amending the agreements with the minority shareholder of subsidiary Rekeep Polska.

In the first 9 months of the previous year, total non-recurring costs had been equal to € 12.1 million, mainly linked to the affair that involved the subsidiary in Saudi Arabia, and the subsequent opening of international arbitration proceedings, which entailed the payment of non-recurring costs impacting on EBITDA for € 2.5 million during the period, and a provision being set aside for charges linked to the costs of the procedure, impacting on EBIT for € 6.2 million. Non-recurring charges were also incurred with an impact on EBITDA related to the reorganization of corporate units in the amount of € 1.9 million.

Consolidated Adjusted EBITDA and EBIT are thus represented as follows:

(in thousands of Euro)

	For the 9 months ended 30 September	
	2024	2023
EBITDA	**85,701**	**90,029**
Non-recurring expenses (income) impacting on EBITDA	2,286	5,879
Adjusted EBITDA	**87,987**	**95,908**
Adjusted EBITDA % on Revenues	**9.8%**	**11.0%**
EBIT	**50,764**	**48,015**
Non-recurring expenses (income) impacting on EBITDA and EBIT	2,286	12,056
Adjusted EBIT	**53,050**	**60,071**
Adjusted EBIT % on Revenues	**5.9%**	**6.9%**

Revenues

During the period ended 30 September 2024 the Group recorded Revenues of € 896.0 million against € 870.2 million in the same period of the previous year, recording an increase of € 25.8 million in volumes (+3.0%).

Revenues achieved in the first 9 months of 2024 were marginally affected by the trend in prices, particularly of energy, which had an impact on the performance of revenues until the first quarter of the current financial year. In fact, prices, primarily of energy, continued to remain at high levels until the first quarter of 2023, although they began to show the downward trend that would continue throughout 2023. In the period there also was the termination of some contracts in the portfolio, which was only partially offset by the entry of projects into full operation under the contracts acquired in the second half of the previous year. Revenues for the period received a positive contribution from International Markets, whose revenues stood at € 204.6 million, mainly thanks to the contribution given by the sub-group controlled by Rekeep Polska (€ 174.4 million), particularly in catering services, which recorded an overall increase of € 43.6 million. Finally, we must note the acquisition and start-up of facility management contracts in Saudi Arabia, mainly in the healthcare sector, following the early termination of the contract for the operation and maintenance services of four lines of the Riyadh metro, which had taken place in July 2023, and for which an international arbitration procedure had been initiated (for more details in this regard, please refer to paragraph 3 – “Update on Legal Proceedings” below).

The breakdown of the consolidated Revenues in the first 9 months of 2024 is provided below by target Market, compared to the value posted in the same period of the previous year.

Revenues by market

(in thousands of Euro)

	For the 9 months ended 30 September				For the quarter ended 30 September	
	2024	% on total Revenues	2023	% on total Revenues	2024	2023
Public Authorities	159,185	17.8%	159,205	18.3%	49,478	48,167
Healthcare	580,193	64.8%	551,703	63.4%	188,926	173,736
Private Customers	156,626	17.5%	159,289	18.3%	49,874	50,940
CONSOLIDATED REVENUES	**896,004**		**870,197**		**288,277**	**272,843**

Higher revenues for € 28.5 million were achieved in the Healthcare sector in the first 9 months of 2024 compared to the same period of 2023, from € 551.7 million to € 580.2 million, thus accounting for 64.8% of total consolidated Revenues. The market benefitted from the positive performance in the aforesaid business segment of International Markets (+€ 41.6 million) while a negative trend prevailed in the domestic market, which was due to a different portfolio mix compared to the comparison period.

On the other hand, the Public market closed the first 9 months of 2024 by recording a turnover in line with the same period of the previous year while the Private market showed a decrease of €2.7 million in volumes, as a result of the termination of some contracts in the portfolio, which was only partially offset by the acquisition of new orders.

ANALYSIS OF REVENUES BY SEGMENT

A comparison of Group Revenues by segment of business is provided below. The business segments were identified on the basis of IFRS 8 and correspond to the business areas defined as “Facility Management” and “Laundering & Sterilization”.

Revenues by segment

(in thousands of Euro)

	For the 9 months ended 30 September				For the quarter ended 30 September	
	2024	% on total Revenues	2023	% on total Revenues	2024	2023
Facility Management	798,682	89.1%	769,314	88.4%	257,277	240,323
of which International Markets	*204,649*	*22.8%*	*154,992*	*17.8%*	*70,400*	*52,871*

(in thousands of Euro)			For the 9 months ended 30 September		For the quarter ended 30 September	
Laundering & Sterilization	109,750	12.2%	113,766	13.1%	35,086	35,709
Eliminations	(12,428)		(12,884)		(4,086)	(3,188)
CONSOLIDATED REVENUES	**896,004**		**870,197**		**288,277**	**272,843**

Revenues of the Facility Management SBU recorded an increase of € 29.4 million (+3.8%) in the first 9 months of 2024 compared to the same period of the previous year, from € 769.3 million at 30 September 2023 to € 798.7 million at 30 September 2024. Revenues in the sector benefited from the positive contribution given by International Markets, which offset the losses on the domestic market, due to the completion of some contracts, only partly offset by new orders in the portfolio.
On the other hand, revenues of the Laundering&Sterilization SBU decreased from € 113.8 million for the period ended 30 September 2023 to € 109.8 million for the period ended 30 September 2024, thus recording a decline in volumes of € 4.0 million, mainly due to the termination of some contracts, particularly for linen rental and industrial laundering services while benefiting from the entry of projects into full operation under some contracts started in the business segment of surgical kits at the end of 2023.

The Facility Management SBU recorded a relative weight of 89.1% (88.4% in the first 9 months of 2023) on total consolidated revenues for the first 9 months of 2024.

EBITDA

The Group's EBITDA stood at € 85.7 million in the period ended 30 September 2024, showing a decrease of € 4.3 million compared to the same period of the previous year (€ 90.0 million). However, it should be noted that, during the two comparative periods, EBITDA expensed non-recurring costs of € 2.3 million at 30 September 2024, and € 5.9 million at 30 September 2023. Therefore, Adjusted EBITDA, excluding these non-recurring items, amounted to € 88.0 million and Euro 95.9 million in the first 9 months of 2024 and 2023, respectively (- € 7.9 million).

Below is provided a comparison of EBITDA by segment for the period ended 30 September 2024 and the same period in 2023:

EBITDA by segment

(in thousands of Euro)	For the 9 months ended 30 September				For the quarter ended 30 September	
	2024	% on Revenues by segment	2023	% on Revenues by segment	2024	2023
Facility Management	65,647	8.2%	68,345	8.9%	15,239	13,112
of which International Markets	*14,222*		*(1,244)*		*4,758*	*458*
Laundering&Sterilization	20,054	18.3%	21,684	19.1%	5,836	6,804
CONSOLIDATED EBITDA	**85,701**	**9.6%**	**90,029**	**10.3%**	**21,075**	**19,916**

The Facility Management sector showed EBITDA of € 65.6 million at 30 September 2024, showing a decrease of € 2.7 million against € 68.3 million in the same period of the previous year. Even excluding the non-recurring items that affected the consolidated results during the two comparative periods, which had an impact on the sector equal to € 2.3 million and € 5.5 million in the first 9 months of 2024 and of 2023, respectively, Adjusted EBITDA by segment stood at € 67.9 million at 30 September 2024 compared to € 73.8 million at 30 September 2023 (- € 5.9 million).

The change in EBITDA recorded in the business segment during the first 9 months of the year was still affected by the trends in prices, particularly those of energy, which had an impact on both revenues and costs, although to a more marginal extent as from the second quarter of the year. On the contrary, the growth trend continued in International Markets (+€ 13.0 million), which had been affected, in the first 9 months of the previous year, by the losses recorded by subsidiary Rekeep Saudi Co Ltd due to the failure to commence work under the Metro Riyadh contract, which the subsidiary abandoned with final completion of the contract in July 2023.

Finally, it should be noted that EBITDA for the comparative period benefited from the recognition of the tax credit granted under Decree Law no. 21 of 2022 (Conversion Law no. 51 of 20 May 2022), as supplemented, as partial compensation for higher costs incurred for electricity and natural gas until the first half of 2023, equal to €17.2 million at 30 September 2023 in the sector, and not renewed for the 2024 financial year.

EBITDA in the Laundering&Sterilization business segment stood at € 20.1 million during the first 9 months of 2024 against € 21.7 million in first 9 months of the previous year (- € 1.6 million). After excluding non-recurring elements which affected the consolidated results during the first 9 months of 2023 (no non-recurring charge was reported during the first 9 months of 2024), and which had an impact of € 0.4 million on this segment, Adjusted EBITDA by segment stood at € 20.1 million at 30 September 2024 against € 22.1 million at 30 September 2023. The result in terms of EBITDA in the Laundering&Sterilization business segment was linked to the trend in revenues, which has been already analyzed. Finally, this segment too benefited from the tax

credit for electricity and natural gas recognized to cover a percentage of the costs incurred during the first half of 2023, equal to € 1.0 million, and not renewed for the 2024 financial year.

COSTS OF PRODUCTION

At 30 September 2024, *Costs of production*, which amounted to € 810.3 million, showed an increase of € 30.1 million in absolute values compared to € 780.2 million posted at 30 September 2023 (+ 3.9%).

(in thousands of Euro)	For the 9 months ended 30 September				For the quarter ended 30 September	
	2024	% of total	2023	% of total	2024	2023
Costs of raw materials and consumables	187,046	23.1%	178,935	22.9%	60,616	57,228
Change in inventories of finished and semi-finished products	(291)	N.A.	48	0.01%	121	65
Costs for services and use of third-party assets	238,150	29.4%	233,794	30.0%	79,108	77,703
Personnel costs	379,187	46.8%	360,684	46.2%	124,301	115,735
Other operating costs	7,525	0.9%	7,160	0.9%	3,057	2,299
Capitalization of lower internal construction costs	(1,314)	N.A.	(453)	N.A.	0	(102)
TOTAL COSTS OF PRODUCTION	**810,303**		**780,168**		**267,203**	**252,928**

Costs of raw materials and consumables amounted to € 187.0 million during the first 9 months of 2024, showing an increase of € 8.1 million (+4.5%) compared to the first 9 months of the previous year. The impact on total Costs of Production was equal to 23.1% in the period ended 30 September 2024 (22.9% at 30 September 2023). The item showed two opposite effects, mainly linked to the costs for fuel consumption and other energy resources. At 30 September 2024 there was, in fact, a decline in the price of raw materials compared to the same period of the previous year, when inflationary pressure, although decreasing, was most pronounced, which was offset in 2024 by the non-renewal of the tax credit granted under Decree Law no. 21 of 2022 (Conversion Law no. 51 of 20 May 2022), as supplemented, as partial compensation for the higher costs incurred for the purchase of electricity and natural gas, from which instead the first 9 months of the previous year had benefitted for an amount of € 18.2 million.

Costs for services and use of third-party assets stood at € 238.2 million at 30 September 2024, up by € 4.4 million compared to the value posted at 30 September 2023 (€ 233.8 million), with an impact equal to 29.4% on total Costs of production (30.0% in the comparative period). The trend in the related incidence of *Costs for services and use of third-party assets* on the total was directly linked to production activities (third-party and professional services, as well as consortia costs), which are typically linked to the mix of services being

delivered and to any possible resulting make-or-buy choices. Specifically, in the first 9 months of 2024, the domestic market showed a greater tendency to outsource certain activities than international markets, especially in Poland, where the opposite trend is evident.

Personnel costs showed an increase of € 18.5 million in absolute terms (+ 5.1%) from € 360.7 million at 30 September 2023 to € 379.2 million at 30 September 2024, with an impact equal to 46.8% and 46.2%, respectively, on total Costs of production.
The average number of employees in service during the first 9 months of 2024 was equal to 25,114 units while it was 25,715 during the same period in the previous year (of which: 23,244 against 23,872 manual workers). As it was said for costs for services, the trend in the number of Group employees, and in particular manual workers, was closely related to the mix of services being delivered, as well as to the impact of related costs on total operating costs. Furthermore, adjustments to wages and salaries in line with the cost of living, particularly in France and Poland, were also significant in the period.

At 30 September 2024, there also was the recognition of *Capitalization of lower internal construction costs* for € 1.3 million (€ 0.5 million at 30 September 2023), relating to a service concession involving the initial implementation of long-term works for the integrated management of thermal and electrical energy supply and management services through subsidiary Cefalù Energia S.r.l..

Finally, *Other operating costs* amounted to € 7.5 million at 30 September 2024 against € 7.2 million at 30 September 2023 (-€ 0.4 million). This item mainly included taxes, penalties and other operating charges.

Operating income (EBIT)

In the first 9 months of 2024 consolidated Operating Income (EBIT) stood at € 50.8 million (equal to 5.7% of Revenues) against € 48.0 million (equal to 5.5% of Revenues) for the same period in 2023.

EBIT for the period was affected by the above-mentioned consolidated performance in terms of EBITDA (- € 4.3 million compared to the same period of the previous year), from which must be deducted higher *amortization and depreciation* for € 1.8 million (€ 32.3 million at 30 September 2024, against €30.5 million in the same period of the previous year), and higher *write-downs* of trade receivables (net of releases) and other assets for € 0.6 million while adding lower *Accruals to provisions for risks and charges* (net of reversals) for €9.5 million compared to the first 9 months of 2023, when a non-recurring provision was recognized for charges linked to the international arbitration involving the subsidiary Rekeep Saudi.
Adjusted EBIT, excluding non-recurring items impacting for € 2.3 million in the first 9 months of 2024 and € 12.1 million in the same period of the previous year, stood at € 53.1 million and € 60.1 million, respectively, with relative profit margins (Adjusted EBIT/Revenues), equal to 5.9% at 30 September 2024 and 6.9% at 30 September 2023.

Below is a comparison of Operating Income (EBIT) by business segment for the period ended 30 September 2024 and 30 September 2023:

EBIT by segment

(in thousands of Euro)

	For the 9 months ended 30 September				For the quarter ended 30 September	
	2024	% on Revenues by segment	2023	% on Revenues by segment	2024	2023
Facility Management	46,721	5.8%	42,455	5.5%	8,896	7,111
of which International Markets	*8,665*		*(15,407)*		*2,217*	*(1,523)*
Laundering & Sterilization	4,042	3.7%	5,560	4.9%	847	1,436
CONSOLIDATED EBIT	**50,763**	**5.7%**	**48,015**	**5.5%**	**9,743**	**8,546**

EBIT in the *Facility Management* segment stood at € 46.7 million at 30 September 2024, showing an increase of € 4.3 million compared to 30 September 2023, and operating profit margins reaching 5.8% of segment Revenues (5.5% at 30 September 2023).
Adjusted EBIT by segment showed a decrease from € 54.1 million at 30 September 2023 to € 49.0 million at 30 September 2024. The value reflects the abovementioned performance in terms of Adjusted EBITDA (- € 5.9 million), from which must be deducted higher amortization and depreciation for € 1.9 million, and higher write-downs of trade receivables (net of releases) for € 0.2 million, and to which must be added lower accruals, net of releases on provisions for future risks and charges for € 2.9 million (excluding the aforementioned non-recurring provision recognized for € 6.2 million at 30 September 2023).

EBIT in the *Laundering&Sterilization* segment showed a decrease of € 1.5 million at 30 September 2024 compared to the same period in the previous year, and profit margins of 3.7% in terms of EBIT on related Revenues by segment (4.9% at 30 September 2023).
Adjusted EBIT by segment decreased from € 6.0 million at 30 September 2023 to € 4.0 million at 30 September 2024, reflecting the performance in terms of Adjusted EBITDA during the first 9 months of 2024 compared to the same period of the previous year (- € 1.9 million), to which must be added higher write-downs of trade receivables (net of releases) for € 0.4 million and from which must be deducted lower accruals, net of releases on provisions for future risks and charges for € 0.4 million.

Profit (loss) before tax from continuing operations

To the consolidated EBIT must be added the net proceeds of companies valued at equity, equal to € 0.3 million at 30 September 2024 (against a net income of € 0.1 million at 30 September 2023).

As at 30 September 2024 there was the recognition of net financial charges of €55.6 million (€ 37.7 million at 30 September 2023), thus obtaining a Loss before tax from continuing operations of € 4.5 million (against a profit of € 10.4 million at 30 September 2023).

Below is provided the breakdown by nature of net financial charges for the first 9 months of 2024 compared to the same period of the previous year:

(in thousands of Euro)	For the 9 months ended 30 September		For the quarter ended 30 September	
	2024	2023	2024	2023
Dividends and income (loss) from sale of investments	255	312	49	372
Financial income	3,028	1,310	707	677
Financial charges	(59,203)	(39,630)	(13,554)	(14,767)
Profit (loss) on exchange rate	326	304	(354)	1,600
Net financial charges	**(55,594)**	**(37,704)**	**(13,152)**	**(12,118)**

In the first 9 months of 2024 there was the recognition of dividends from non-consolidated companies for € 0.3 million (€ 0.2 million at 30 September 2023). Furthermore, charges from disposal of investments were recognized for € 0.2 million in the first 9 months of 2023 (not recognized at 30 September 2024).

Financial income of € 3.0 million was recorded at 30 September 2024, showing an increase compared to € 1.3 million posted in the same period of 2023.

On the other hand, during the period the impact of financial charges on the consolidated results of operations was equal to € 59.2 million compared to € 39.6 million for the same period of the previous year, recording an increase of € 19.6 million.
Specifically, the financial charges accrued on the coupons of the Senior Secured Notes amounted to € 20.0 million in the first 9 months of 2024 (€ 19.7 million at 30 September 2023). The upfront fees relating to the issue of the Senior Secured Notes, accounted for according to the amortized cost method, entailed financial amortization charges of € 1.3 million during the period (€ 1.2 million at 30 September 2023).
At the same time as the bond issue, the Parent Company Rekeep S.p.A. entered into a Super Senior Revolving loan agreement for € 75.0 million, the costs of which (initially equal to € 1.3 million) are also amortized on a

straight-line basis throughout the term of the credit facility, and entailed the payment of financial charges of € 0.6 million for the period (including commitment fees charged by banks), in line compared to the same period in the previous year. Furthermore, the use of the credit facility during the first 9 months of 2024 led to charging financial costs of € 1.2 million (€ 1.1 million at 30 September 2023). The facility was partially used to meet temporary cash requirements (if any), and showed a residual balance of € 15 million at 30 September 2024 (while in 2023 the facility used during the 9 months had been repaid in full as at the reporting date for the period).

The Parent Company Rekeep S.p.A. also entered into a confirming credit line agreement for € 60 million on 20 April 2023 with SACE Fct S.p.A., the factoring company of the SACE Group leading the transaction, and Banca Sistema S.p.A., which was accompanied by an additional credit line of € 12 million entered into with Banca Sistema S.p.A. on 15 May 2024, both guaranteed by SACE S.p.A.. The two lines entailed the payment of financial charges of € 1.5 million at 30 September 2024 (€ 1.6 million at 30 September 2023, when only the first one of the two lines was in operation).

Interest discount costs were also recognized for € 3.2 million during the first 9 months of 2024 in relation to non-recourse assignments of trade and VAT receivables (€ 3.1 million in the same period of the previous year). Furthermore, assignments with recourse and reverse factoring facilities generated financial costs of € 2.0 million at 30 September 2024, against financial costs of € 2.2 million at 30 September 2023.

The item also includes financial charges on the present value of contingent liabilities for the Put options granted to minority shareholders of Rekeep Polska and Rekeep France, respectively, amounting to € 19.7 million at 30 September 2024 against € 0.8 million at 30 September 2023 (+€ 18.8 million). In particular, on 10 June 2024, an amendment to the agreements with the minority shareholder of subsidiary Rekeep Polska was signed, which provides, among other things, for a postponement of the exercise date of the Put option, set between 31 December 2027 and 31 December 2028 (with a possible postponement by an additional period of 3 years), compared to the date originally planned (between 30 October 2024 and 30 October 2025).

Additional financial costs were mainly related to leases (€ 1.3 million in the first 9 months of 2024 against € 1.7 million in the first 9 months of 2023), and bank interest expense and financial charges on minor loans.

Finally, foreign exchange gains of € 0.3 million were recorded in the first 9 months of 2024, mainly linked to the fluctuations in Euro exchange rates during the period (against gains of € 0.3 million at 30 September 2023).

Consolidated net result

From the Loss before tax from continuing operations for the period, equal to € 4.5 million, must be deducted taxes of € 11.0 million, thus obtaining a consolidated Net loss of € 15.5 million (against a profit of € 0.4 million at 30 September 2023).

Below is the breakdown of the consolidated tax rate:

(in thousands of Euro) For the 9 months ended 30 September

	2024	2023
Profit (loss) before tax from continuing operations	**(4,495)**	**10,413**
Current, prepaid and deferred IRES tax	(7,643)	(5,803)
Current, prepaid and deferred IRAP tax	(3,316)	(4,195)
Consolidated net result	**(15,455)**	**415**
Overall tax rate	**N.A.**	**96.0%**

The Group recognized higher current, prepaid and deferred taxes for € 1.0 million compared to the same period of the previous year, against a lower result before taxes of € 14.9 million, affected by some items excluded from taxable base for tax purposes in the first 9 months of 2023.

2.2. Analysis of the statement of financial position at 30 September 2024

The statement of Sources and Uses is reported below:

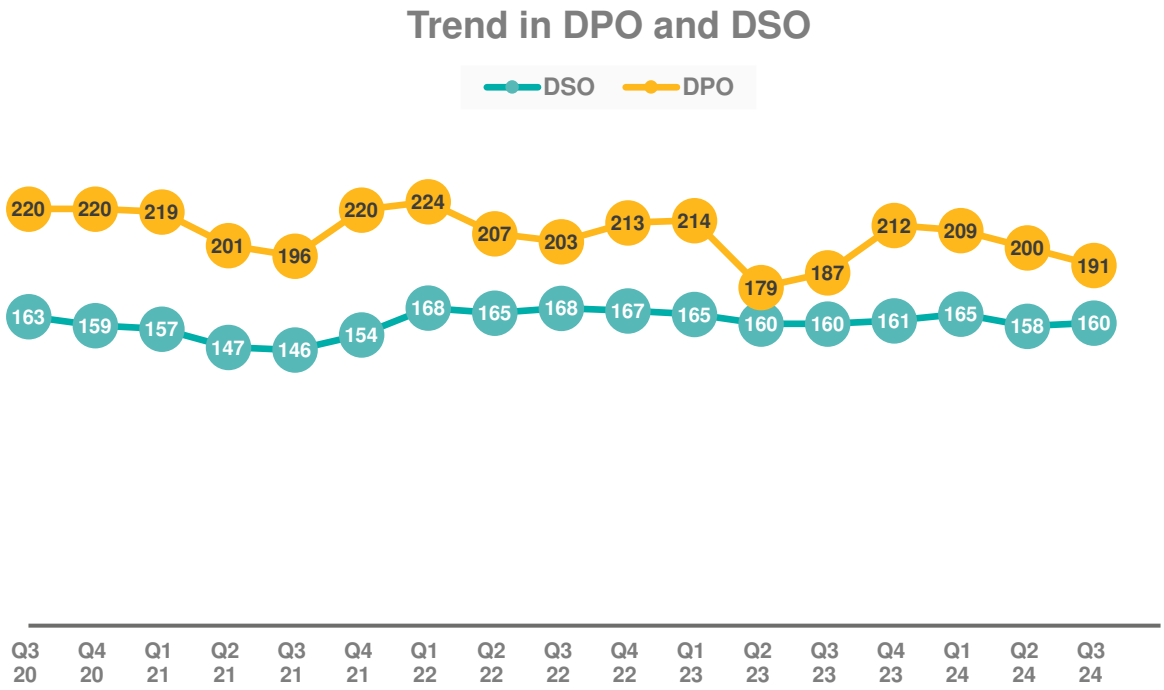
(in thousands of Euro)	30 September 2024	31 December 2023
USES		
Trade receivables and advances to suppliers	549,268	513,771
Inventories	13.294	13,373
Trade payables and contract liabilities	(414,200)	(422,958)
Net working operating capital	**148,362**	**104,186**
Other elements of working capital	(113,321)	(156,674)
Net working capital	**35,041**	**(52,488)**
Property, plant and equipment	123,632	117,543
Right-of-use assets	46,887	44,555
Goodwill and other intangible assets	422,364	424,431
Investments accounted for under the equity method	11,375	11,758
Other elements of non-current assets	35,079	34,004
Fixed Assets	**639,337**	**632,291**
Non-current liabilities	(91,430)	(56,815)
NET INVESTED CAPITAL	**582,948**	**522,988**
SOURCES		
Equity attributable to non-controlling interests	7,119	6,515
Equity attributable to equity holders of the parent	39,212	55,486
Shareholders' equity	*46,331*	**62,001**
Financial indebtedness	536,617	460,987
of which fair value of call options on subsidiaries' non-controlling interests	*38,687*	*19,545*
FINANCING SOURCES	**582,948**	**522,988**

Net working capital

At 30 September 2024, Consolidated Net Working Capital (**NWC**) was positive and equal to € 35.0 million against a negative value of NWC of € 52.5 million at 31 December 2023.

At 30 September 2024, consolidated Net Working Operating Capital (NWOC), composed of trade receivables and advances to suppliers and inventories, net of trade payables and contract liabilities, was equal to € 148.4 million against € 104.2 million at 31 December 2023. After considering the balance of receivables assigned by the Group without recourse and not yet collected by the factoring agencies, equal to € 52.0 million at 30 September 2024, and € 62.8 million at 31 December 2023, Adjusted NWOC stood at € 200.3 million, and € 167.0 million, respectively.
The change in the latter indicator (+ € 33.3 million) was linked to a reduction in the balance of trade payables (+ € 8.8 million), as well as to an increase in trade receivables (+ € 24.7 million, considering the balance of receivables assigned by the Group without recourse and not yet collected by the factoring companies), and a change in the balance of inventories (- € 0.1 million). At 30 September 2024, Adjusted NWOC was still affected by effects arising from the growth in prices recorded in previous periods, including higher volumes recorded on both trade payables and receivables and greater pressure from energy suppliers.

At 30 September 2024, average DSO was 160 days against 161 days at 31 December 2023 and 160 days at 30 September 2023 while average DPO stood at 191 days, showing a decrease compared to the value posted at 31 December 2023 (212 days), but higher than the average DPO recorded at 30 September 2023 (187 days). The trends that were recorded in DSO, as well as in DPO, were also linked to the events that involved the energy sector and the consequent actions put in place by the management, such as the reduction of the invoicing period and the use of available lines of credit.



The balance of the other elements in working capital at 30 September 2024 was a net liability of € 113.3 million, down by € 43.4 million compared to a net liability of € 156.7 million at 31 December 2023:

(in thousands of Euro)	30 September 2024	31 December 2023	Change
Current tax receivables	0	6,589	(6,589)
Other current assets	36,036	31,681	4,355
Provisions for risks and charges, current	(21,217)	(22,707)	1,490
Current tax payables	(979)	(142)	(837)
Other current liabilities	(127,161)	(172,095)	44,934
OTHER WORKING CAPITAL ELEMENTS	**(113,321)**	**(156,674)**	**43,353**

The change in the net liability of other working capital elements, compared to 31 December 2023, was due to a combination of factors, mainly including:

- an increase in the net VAT credit balances of the Group companies that are predominantly subject to a VAT invoicing system based on “Split payment” and “Reverse charge” (+ € 3.9 million). These credit

balances allowed, during the first 9 months of 2024, the performance of assignments without recourse of the balances on account of refund required from the Tax Authorities, for a total amount of € 20.0 million;
- the partial refund of guarantee deposits on new annual electricity and gas utility contracts for € 0.8 million compared to the deposits outstanding at 31 December 2023;
- an increase in the net debt for current tax, equal to € 1.0 million at 30 September 2024, against a net receivable of € 6.4 million at 31 December 2023.

As at 30 September 2024, "Other current liabilities" included the short-term exposure in relation to the liability recorded by the Parent Company Rekeep S.p.A. following the service of the Competition Authority's updated sanction order concerning the Consip FM4 tender, and the subsequent entry of the requested amounts in the taxpayers' list on the part of the Revenue Agency, subject to an instalment payment plan, which was finally updated on 19 April 2024. The new payment plan forwarded by the Revenue Agency consists of 62 monthly installments, and will expire in May 2029. For more details, reference should be made to the previous paragraph on "*Main events in the first 9 months of 2024*." As at 30 September 2024, the residual debt for the Competition Authority's FM4 fine (initially amounting to € 82.2 million) totaled € 42.8 million, of which an amount of € 6.2 million is due within 1 year of the period end date and reclassified under this item based on the latest installment payment plan received. On the other hand, the remaining portion of the debt, maturing beyond 1 year from the reporting date of the period, is reclassified under "Other non-current liabilities", which is described in the following paragraph. As at 31 December 2023, the entire amount of the remaining debt resulting from the previous installment payment plan of the fine, in the amount of € 55.2 million, was instead entered under this item.

Other non-current liabilities

"Other non-current liabilities" include liabilities relating to:

- defined-contribution plans for employee benefits, mainly including the Employee Termination Indemnity (TFR), equal to € 10.8 million at 30 September 2024 (€ 10.4 million at 31 December 2023);
- the long-term portion of Provisions for risks and charges (€ 29.2 million at 30 September 2024 against € 31.7 million at 31 December 2023);
- deferred tax liabilities of € 14.7 million (€ 14.6 million at 31 December 2023);
- other non-current liabilities, equal to € 36.7 million at 30 September 2024, of which an amount of € 36.6 million relating to the residual debt for the Competition Authority's FM4 fine due beyond 1 year resulting from the new installment payment plan served on 19 April 2024 and described above (€ 0.1 million at 31 December 2023).

Consolidated financial indebtedness

The breakdown of financial indebtedness at 30 September 2024 is shown below, as determined on the basis of the instructions laid down in CONSOB Communication no. DEM/6064293 of 28 July 2006, as amended by the Guidelines issued by ESMA ("European Securities and Markets Authority") on disclosure requirements

(ESMA32-382-1138 of 4 March 2021) and implemented by CONSOB itself in Warning Notice no. 5/21 of 29 April 2021 - "*Compliance with ESMA Guidelines on disclosure requirements under the Prospectus Regulation*."

The breakdown at 30 September 2024 is compared with the figures at 31 December 2023.

(in thousands of Euro)	30 September 2024	31 December 2023
A. Cash	206	166
B. Cash equivalents (c/a, bank deposits and consortia, non-proprietary accounts)	28,699	76,646
C. Other current financial assets	5,665	15,545
D. Liquidity (A) + (B) + (C)	**34,570**	**92,357**
E. Current financial liabilities	98,180	102,544
F. Current portion of non-current debt	26,892	52,583
G. Current financial indebtedness (E)+(F)	**125,072**	**155,126**
H. Current net financial indebtedness (G) - (D)	**90,502**	**62,769**
I. Non-current financial liabilities	78,627	32,039
J. Debt instruments	367,487	366,179
K. Trade payables and other non-current payables	0	0
L. Non-current financial indebtedness (I) + (J) + (K)	**446,115**	**398,218**
M. TOTAL FINANCIAL INDEBTEDNESS (H) + (L)	**536,617**	**460,987**

Consolidated financial indebtedness increased from € 461.0 million at 31 December 2023 to € 536.6 million at 30 September 2024.

Work continued during the first 9 months of 2024 on the assignments of trade receivables without recourse to factoring companies, including BFF Bank S.p.A., with which the Parent Company Rekeep S.p.A. and other subsidiaries have in place a maturity factoring agreement concerning the assignment, without recourse and on a revolving basis, of receivables the companies claim from Entities in the National Health System and Public Authorities, for an amount of up to € 300 million, and which was finally renewed on 14 January 2022 and amended on 31 January 2024 to extend its term until 25 January 2028. Furthermore, additional relationships are maintained with factoring companies for converting specifically-agreed credit positions into cash, which are claimed from both Entities in the National Health System and Public Authorities and private individuals. Assignments of trade receivables without recourse that were carried out by the Group during the first 9 months of 2024 amounted to a total of € 196.9 million, in addition to assignments of VAT receivables requested for

refund for a total of € 20.0 million. The entire loan portfolio sold under non-recourse contracts was derecognized in accordance with the provisions of IFRS9.

The adjusted consolidated financial debt for the amount of trade receivables assigned without recourse to factoring companies, which had not been collected by the latter at the reporting date (totaling € 52.0 million at 30 September 2024 against € 62.8 million at 31 December 2023) amounted to € 588.6 million at 30 September 2024 against € 523.8 million at 31 December 2023.
Financial indebtedness also included the contingent financial liability related to the fair value measurement of options on the minority interest of subsidiaries Rekeep Polska S.A. and Rekeep France S.a.S., which totaled € 38.7 million at 30 September 2024 (€ 19.5 million at 31 December 2023), recording an increase of € 19.1 million following the formalization of the amendments to the agreements with the minority shareholder of subsidiary Rekeep Polska.

At 30 September 2024, the balance of Cash and cash equivalents, net of short-term lines of credit ("Net Cash") consisted of a debt of € 23.7 million (against a positive value of € 31.1 million at 31 December 2023):

(in thousands of Euro)	30 September 2024	31 December 2023
Cash and cash equivalents	28,905	76,812
Current bank overdraft, advance payments and hot money	(37,218)	(27,549)
Obligations arising from assignments of trade receivables with recourse	(15,421)	(18,183)
NET CASH	**(23,734)**	**31,080**

Below is the breakdown of the net financial exposure for bank credit lines and lease agreements (Net Debt) at 30 September 2024 compared to the value posted at 31 December 2023:

(in thousands of Euro)	30 September 2024	31 December 2023
Senior Secured Notes (nominal value)	370,000	370,000
Revolving Credit Facility (RCF)	15,000	0
Bank debts (nominal value)	12,789	37,152
Financial lease liabilities	43,107	41,697
Current bank overdraft, advance payments and hot money	37,218	27,549
Obligations arising assignments of receivables with recourse	15,421	18,183
Payables for reverse factoring	13,474	16,633
GROSS DEBT	**507,008**	**511,214**

(in thousands of Euro)	30 September 2024	31 December 2023
Receivables and other current financial assets	(5,665)	(15,545)
Cash and cash equivalents	(28,905)	(76,812)
NET DEBT	**472,438**	**418,857**

At 30 September 2024 there was the recognition of a lower exposure for bank debt for € 24.4 million compared to 31 December 2023. As at 30 September 2024, the Parent Company repaid in full the residual debt of the confirming 18-month loan, which had been entered into with SACE Factoring S.p.A. and guaranteed by SACE S.p.A. in April 2023 for payments to suppliers. On 15 May 2024, it entered into a new credit facility agreement with Banca Sistema S.p.A., which was also guaranteed by SACE S.p.A. and aimed at payments to suppliers, with a nominal value of € 12 million and repayable in 18 quarterly installments as from 31 December 2024.

During the first 9 months of 2024 there was also the recognition of lower uses of credit lines for the assignment with recourse of trade receivables (- € 2.8 million compared to 31 December 2023) and reverse factoring lines (-€3.2 million compared to 31 December 2023) against higher uses of Current bank overdraft, advance payments and hot money (+ € 9.7 million compared to 31 December 2023).

At 30 September 2024 current financial assets decreased by € 9.9 million compared to 31 December 2023. On 9 February 2024 Rekeep S.p.A. obtained the full release of the sums pledged as cash collateral for gas supply contracts, equal to € 12.4 million at the end of the previous year. On the other hand, there was an increase in receivables from factoring firms in the period under the aforementioned contracts for the non-recourse assignment of trade receivables (€ 3.2 million at 30 September 2024 against € 0.8 million at 31 December 2023).

The change in the balance of “Cash and cash equivalents” is analyzed in the table below, showing the cash flows for the first 9 months of 2024, compared with the figures for the same period of the previous year. A reconciliation between the items in the table below, and those in the statutory schedule of the Interim Report on Operations shown in the condensed Explanatory notes pursuant to IAS 7 is reported in the Annexes, to which reference should be made.

(in thousands of Euro)	2024	2023
At 1 JANUARY	**76,812**	**84,243**
Cash flow from current operations	26,940	48,478
Uses of provisions for risks and charges and payments of the Employee Termination Indemnity (TFR)	(6,690)	(7,874)
Change in NWOC	(44,439)	(80,941)

(in thousands of Euro)	2024	2023
Industrial capex, net of disposals	(32,271)	(29,789)
Financial capex, net of disposals	(1,120)	14,005
Change in net financial liabilities	27,722	17,743
Other changes	(18,049)	14,568
At 30 SEPTEMBER	**28,905**	**60,433**

The overall cash flows mainly reflect:

- a flow generated from current operations for € 26.9 million (against inflows of € 48.5 million at 30 September 2023);
- outflows from the use of provisions for future risks and charges and for employee termination benefits for € 6.7 million (€ 7.9 million at 30 September 2023);
- a cash flow used for changes in NWOC for € 44.4 million (€ 80.9 million at 30 September 2023) resulting from an outflow correlated to an increase in trade receivables for € 36.2 million (- € 5.7 million at 30 September 2023), a decrease in inventories for € 0.1 million (against an outflow of € 1.1 million at 30 September 2023), and a decrease in trade payables for € 8.4 million (against an outflow of € 74.1 million at 30 September 2023);
- a cash outflow of € 32.3 million used in industrial investments (€ 29.8 million during the first 9 months of 2023), net of disposals for € 3.8 million (€ 2.0 million in the same period of the previous year);
- a flow absorbed by financial investments and disinvestments of € 1.1 million during the first 9 months of 2024, due to the effects of deconsolidation of a consortium company put into liquidation in the first months of the year, and an increase in financial receivables relating to associates; on the contrary, at 30 September 2023 there had been the generation of cash flows from financial investments and disinvestments of € 14.0 million, mainly related to the sums pledged as cash collateral for gas supply contracts, of which an amount of € 4.5 million was repaid in the period, and an amount of € 12.4 million reclassified to short-term financial receivables, partly offset by outflows for the acquisition of the "Major Customers" business unit (€ 0.8 thousand), and the effects of deconsolidation of some consortium companies put in liquidation;
- an increase in net financial liabilities of € 27.7 million, mainly due to (i) net changes relating to the use of short-term credit lines for hot money and advances on invoices (+ € 9.7 million), reverse factoring (-€ 3.2 million), and assignments with recourse of trade receivables (- € 2.8 million); (ii) a higher liability recognized against factoring firms for amounts received on receivables that had been previously assigned without recourse, and returned to them in the subsequent quarter (+€9.9 million); (iii) a change in the balance of accrued interest (- € 7.3 million); (iv) a decrease in the amount of the loans following the repayment of the confirming credit line signed with SACE Fct for € 36.0 million, against entering into an additional credit facility agreement for € 12 million with Banca Sistema; (v) the use of the Revolving Credit Facility, which

showed a debt of €15 million at 30 September 2024; (vi) an increase in financial liabilities recognized on leases (+ € 1.4 million); (vii) the effects of the fair value adjustment of the contingent liability for put options on minority interests (+ € 19.1 million). During the same period of the previous year there had been an increase in net financial liabilities for € 17.7 million, which was mainly due to (i) net changes relating to the use of short-term credit lines for hot money and advances on invoices (+ € 13.7 million), reverse factoring (- € 22.2 million), and assignments with recourse of trade receivables (+ € 8.6 million); (ii) a lower liability recognized against factoring firms for amounts received on receivables that had been previously assigned without recourse and returned to them in the subsequent quarter (- € 12.7 million); (iii) a change in the balance of accrued interest (- € 5.8 million); (iv) an increase in the loans following the confirming credit line being signed with SACE Fct for € 48.3 million); (v) an increase in financial liabilities recognized on lease agreements (+€ 0.5 million); (vi) the short-term reclassification of sums pledged as cash collateral for gas supply contracts and not yet repaid (- € 12.4 million); (vii) the effects of the fair value adjustment of the contingent liability, at the end of the period, for put options on minority interests (+ € 0.1 million);

- an outflow arising from other changes recorded in the period for € 18.0 million, mainly due to the net effect of: (i) the cash flow absorbed by the performance of the net VAT credit balance for the Group companies, which increased by € 3.9 million during the period, against non-recourse assignments totaling € 20.0 million; (ii) the changes in debt balances for payments due to the members of the Temporary Business Grouping for (- € 2.9 million); (iii) an increase in payables for personnel for € 9.6 million; (iv) the payment of the fine imposed by the Competition Authority in relation to the Consip FM4 Tender (- € 12.3 million); (v) the partial repayment of receivables for guarantee deposits paid on new annual electricity and gas utility contracts (+ € 0.8 million). Other changes during the first 9 months of 2023 generated an inflow arising from other changes recorded in the period for € 14.6 million, mainly due to the net effect of: (i) the cash flow absorbed by the performance of the net VAT credit balance for the Group companies, which increased by € 3.6 million during the period, albeit against non-recourse assignments totaling € 20.7 million; (ii) the changes in debt balances for payments due to the members of the Temporary Business Grouping (+ € 5.7 million); (iii) an increase in payables for personnel for € 6.7 million; (iv) a decrease, among “Other operating current liabilities”, in the payable related to the fine imposed by the Competition Authority in relation to the Consip FM4 Tender (- € 8.5 million); (v) the use of tax credits, and specifically the tax credit on electricity and gas consumption (+ € 20.5 million); and (vi) a decrease in receivables for guarantee deposits paid on new annual electricity and gas utility contracts (+ € 2.9 million).

Industrial and financial capex

In the first 9 months of 2024 the Group made gross capital expenditure which totaled € 36.1 million (€ 31.8 million in the same period of the previous year) from which must be deducted disinvestments of € 3.8 million (€ 2.0 million in the same period of the previous year):

(in thousands of Euro)

	For the year ended 30 September	
	2024	2023
Acquisition of owned properties	47	56
Acquisition of owned plant and equipment	29,975	24,903
Acquisition of rights of use of properties[1]	280	883
Acquisition of rights of use of plant and equipment [1]	3,316	2,771
Other investments in intangible assets	2,498	3,167
INDUSTRIAL CAPEX	**36,115**	**31,781**

Acquisitions of company-owned plant and equipment included investments of € 8.1 million in the "centralized kitchens" project with Cook&Chill technology to support the catering services provided by the Polish sub-group (€ 10.0 million at 30 September 2023). The same sub-group was also engaged in the renovation of a sterilization facility near a hospital, which involved incurring investments of € 1.6 million in the period. In addition, during the first 9 months of 2024, Servizi Ospedalieri S.p.A. acquired linen for the linen rental and industrial laundering business, which requires periodic and frequent repairs, equal to € 9.7 million (€ 9.4 million at 30 September 2023), and surgical instruments for € 1.0 million (€ 1.7 million at 30 September 2023).
During the period investments in surgical instrumentation at Servizi Ospedalieri were also partly made under lease agreements (€ 0.6 million at 30 September 2024 and € 2.3 million at 30 September 2023).

Investments in intangible assets for the period amounted to € 2.5 million (€ 3.2 million at 30 September 2023), and mainly related to ICT investments on the part of the Parent Company for the upgrading and enhancement of its SAP infrastructure and other similar investments.

[1] Excluding increases in rights of use for lease and long-term hire agreements

Below is reported the breakdown of capital expenditure in terms of SBUs:

(in thousands of Euro) For the 9 months ended 30 September

	2024	2023
Facility Management	21,978	16,129
of which relating to International Markets	*13,591*	*10,955*
Laundering & Sterilization	14,138	15,652
INDUSTRIAL CAPEX	**36,115**	**31,781**

Financial investments made during the first 9 months of 2024, net of disinvestments, absorbed resources for € 1.4 million for the effects of the deconsolidation of a consortium company put in liquidation during the first months of the year, and the disbursement of loans to associates and joint ventures. On the other hand, there had been the recognition of generation of financial resources of € 14.0 million during the same period of the previous year, mainly related to the sums pledged as cash collateral for gas supply contracts, of which an amount of € 4.5 million was repaid in the period, and an amount of € 12.4 million was reclassified to short-term financial receivables, partly offset by cash outflows for the acquisition of the "Major Customers" business unit (€0.8 thousand), and for the deconsolidation of some consortium companies put in liquidation.

Change in net financial liabilities

The table below shows the changes that were recorded in the period in the items making up consolidated financial liabilities:

(in thousands of Euro)	31 December 2023	New loans	Refunds/ Payments	Buy-back/ Early redemption	Other changes	30 September 2024
Senior Secured Notes	366,179				1,308	**367,487**
Revolving Credit Facility (RCF)	0	107,000	(92,000)			**15,000**
Bank loans	37,152	12,000	(36,363)			**12,789**
Current bank overdraft, advance payments and hot money	27,549	37,218	(27,549)			**37,218**
Accrued expenses and deferred income on loans	11,628		(26,825)		19,504	**4,307**
BANK DEBTS	**442,508**	**156,218**	**(182,737)**	**0**	**20,812**	**436,801**
Lease liabilities	41,697	6,623	(3,617)	(1,442)	(153)	**43,107**

(in thousands of Euro)	31 December 2023	New loans	Refunds/ Payments	Buy-back/ Early redemption	Other changes	30 September 2024
Payables for assignments of trade receivables with recourse	18,183	37,375	(40,138)			**15,421**
Reverse factoring payables	16,633	13,474	(16,633)			**13,474**
Receipts on behalf of assignees of trade receivables without recourse	11,387	21,263	(11,387)			**21,263**
Fair value Put option	19,545				19,142	**38,687**
Other current financial liabilities	3,391	58	(1,014)			**2,435**
FINANCIAL LIABILITIES	**553,344**	**235,010**	**(255,526)**	**(1,442)**	**39,801**	**571,187**
Current financial assets	(15,545)	(3,318)	13,198			**(5,665)**
NET FINANCIAL LIABILITIES	**537,799**	**231,692**	**(242,327)**	**(1,442)**	**39,801**	**565,522**

The residual debt for principal relating to the Senior Secured Notes was equal to € 370.0 million at 30 September 2024, to which must be added the accounting adjustment on the issue premium and additional costs, accounted for according to the amortized cost method (€ 2.5 million). The financial amortization of this adjustment generated financial costs of € 1.3 million in the first 9 months of 2024. The facility also entailed the payment of periodic six-monthly interest, which affected the period for € 20.0 million (€ 19.7 million in the same period in the previous year).

At the same time as the issue of Notes the Parent Company also signed a new revolving loan agreement in a maximum amount of € 75 million. The facility was partially used in order to meet any possible temporary cash requirements, and showed a residual balance of € 15 million at 30 September 2024 (while in 2023 the facility used during the 9 months had been repaid in full at the reporting date for the period); the uses for the period led to financial interest costs being charged for € 1.2 million during the first 9 months of 2024 (€ 1.1 million at 30 September 2023).
The Super Senior Revolving loan agreement provides for compliance with a financial covenant, which is preliminary to the possible use of the line granted. This financial covenant is in line with the market practice for similar financing transactions and is recognized on a quarterly basis on the basis of the consolidated data relating to the last 12 months, as resulting from the financial position, results of operations and cash flows approved during the quarter prior to the date of the application for use of the credit facility. The financial parameters had been complied with as at the date of these financial statements.

Compared to the balance at 31 December 2023, bank loans showed a reduction of € 24.4 million at 30 September 2024. During the first 9 months of 2024, the Parent Company repaid in full the residual debt of the Confirming credit line made available by SACE Fct S.p.A. and Banca Sistema S.p.A. with counter-guarantee

from SACE S.p.A. for an initial nominal amount of € 60 million, repayable in 18 months as from 30 September 2023. On 15 May 2024, the Parent Company also entered into an additional credit line with a nominal value of € 12.0 million with Banca Sistema S.p.A. and with counter-guarantee from SACE S.p.A., repayable in 18 quarterly instalments as from 31 December 2024. The two lines had an impact of € 1.1 million on financial costs for the period, and showed a residual debt of € 12.0 million at the reporting date for the period. At 30 September 2024 the available credit amount for the second credit line to repay debts to its suppliers and subcontractors had also been used in full.

Furthermore, at 30 September 2024 there was the recognition of accrued expenses on loans in a total amount of € 4.8 million (almost entirely relating to the amount accrued on the bond coupon due 1 February 2025), and prepaid financial expenses of € 0.5 million, of which an amount of € 0.2 million relating to the remaining amount of costs to be amortized for obtaining the Revolving Credit Facility line, for an initial amount of € 1.3 million and amortized on a straight-line basis throughout the entire term of the credit facility (financial charges of € 0.2 million recognized during the period).

As at the reporting date for the period, short-term uncommitted credit lines had also been used for hot money and advance payments on invoices in order to meet peaks in temporary cash requirements linked to the normal performance of operations of € 37.2 million, against a balance of € 27.5 million at 31 December 2023. Furthermore, Rekeep S.p.A. and Servizi Ospedalieri S.p.A. used credit facilities for the assignment of trade receivables with recourse in place with Banca Sistema, concerning receivables from customers in the Public sector market. During the first 9 months of 2024 assignments were made in an overall nominal amount of € 37.4 million while the lines had been used for € 15.4 million at the end of the period (€ 18.2 million at 31 December 2023). The Parent Company also entered into reverse factoring lines in order to ensure a greater amount of cash on some significant suppliers, against which a liability of € 13.5 million was also recognized at 30 September 2024 (€ 16.6 million at 31 December 2023).

At 30 September 2024 the Group recorded receipts concerning receivables included in assignments without recourse for which the respective debtors have not made any payment to the bank accounts specified by the factor, for a value of € 21.3 million. These amounts constitute a financial liability for the Group, since it acts as an agent for the management of receipts on behalf of the factor, and, therefore, it proceeded with the payment of said amounts at the beginning of the subsequent quarter.

The financial liabilities relating to the present value of future lease payments to be made on leasing, property lease and operating leases amounted to € 43.1 million at 30 September 2024 (against € 41.7 million at 31 December 2023). During the period new agreements were entered into and rentals were revalued for a present value of € 6.6 million upon recognition while contracts were early terminated for a residual value of € 1.4 million.

Finally, contingent liabilities were recognized under financial liabilities for the acquisition of investments for a total amount of € 38.7 million (€ 19.5 million at 31 December 2023), relating to the Put option on the 20% minority interest in the share capital of Rekeep Polska under the Investment Agreement which led to its acquisition and of the group it controls, in addition to the Put option granted in favor of the minority shareholder of Rekeep France on the remaining 30% of the share capital, both of which had been already recognized at 31 December 2023. As noted above, the increase in contingent liabilities related to the adjustment to the value of the put option to the minority shareholder of subsidiary Rekeep Polska following the amendments to the agreements reached in the acquisition of the sub-group in June 2024.

Finally, "Other financial liabilities" include loans taken out by the Group companies with non-banking counterparties. The balance of € 2.4 million at 30 September 2024 showed a decrease during the period, mainly due to the partial repayment of the debt to the parent company MSC S.p.A. for the acquisition of the property lease agreement with MPS Leasing & Factoring S.p.A. concerning the registered office of the Parent Company Rekeep (a residual value of € 0.4 million at 30 September 2024).

The balance of short-term financial assets showed a decrease of € 9.9 million in the first 9 months of 2024, mainly as a result of the release on 9 February concerning the sums pledged as cash collateral for gas supply contracts, and not yet repaid for € 12.4 million at the reporting date for the period. At the end of the period, financial assets also included the balance of the current accounts subject to pledge used within the scope of the aforementioned agreements for the non-recourse assignment of trade receivables (€ 2.6 million).

3. Update on legal proceedings

The most significant updates are described below, which were reported at the date of approval of the Interim Report on Operations on the disputes described in the explanatory notes of the Consolidated Financial Statements, to which reference should be made for more details.

International arbitration of subsidiary Rekeep Saudi CO Ltd

On 10 April 2023, the subsidiary Rekeep Saudi CO Ltd, based in Saudi Arabia, received from its customer OPS LLC a formal notice of termination (Notice of Termination) due to a serious breach of the contract concerning the operation and maintenance services of four lines of the Riyadh Metro, which was promptly rejected. On 10 May 2023, the subsidiary challenged the Notice of Termination before the International Chamber of Commerce (ICC) in Paris, filing its request for arbitration in order to seek a decision declaring the illegality of the challenged act, and ordering OPS LLC to compensate for any and all damages, which was served on the opposing party on 30 May 2023. Subsequently, the opposing party OPS filed its counterarguments by submitting its own claim for damages, and asked and obtained to sue the Parent Company Rekeep S.p.A. in the proceedings; in October 2023, the constitution of the arbitration panel was

finalized with the appointment by ICC of the Chairperson. Finally, on 31 January 2024, Rekeep Saudi filed a brief on the status of the case with the Arbitration Court while on 1 May 2024 the opposing party OPS filed its defense brief. On 18 September 2024 Rekeep Saudi and Rekeep filed their statement of reply to the Statement of Defense - Counterclaim, contesting what the opposing party had filed. The opposing party OPS may file its statement of reply by 21 November 2024.

The Management believes that the subsidiary has fulfilled its obligations under the contract, and intends to defend its position. The Metro Riyadh contract was not included in the consolidated backlog as at 30 September 2024.

A detailed report on the administrative procedures in progress and further assessments made by the Directors at the end of the reporting period of the condensed Consolidated Interim Financial Statements at 30 September 2024 are included in the condensed explanatory notes (notes 13 and 14), to which reference is made.

4. Subsequent events

No significant events are reported which occurred after the end of the period.

5. Business outlook

In the coming months the Rekeep Group will continue to concentrate its efforts on putting the results achieved so far on a sound footing in a structured manner in all business sectors as far as the domestic perimeter is concerned, and to sustain business development in the foreign perimeter, thanks to new business opportunities in the Arabian peninsula, and the commissioning of the first centralized kitchen with the mew Cook&Chill technology for the production of meals in Poland, which is expected in the coming months. Therefore, the Group confirms the targets stated in the Group Plan 2024-2026, which was approved in February. Anyway, the Management continues to monitor developments in the international geo-political and economic scenario, in order to seize in good time any signs that might herald a change in the trend from that observed so far.

The Directors are still engaged in designing and put in place the best solutions to deal with the Group's situation, and ensure debt sustainability, including the possibility of partially refinancing the Senior Secured bond, procuring any other possible sources of financing and carve-outs (sale of assets or disposal of equity investments).

As at the date of preparation of this report, the work envisaged by the mandate given to leading national and international advisors in order to design and put the best strategy into practice, and select counterparties in

extraordinary transactions (if any), was still in progress. The advisors have reported prospects for both refinancing and disposals of assets, providing valuation elements of each disposable asset. The Group has received expressions of interest and offers from leading domestic and international operators on these assets, and is continuing its work on specific activities, in line with the time schedule shared with the advisors. Furthermore, the Directors are continuing their work on analyses to monitor the evolution of interest rates, and identify, with their advisors, the best terms and conditions for a partial refinancing of the Group.

Consolidated Interim Financial Statements

rekeep

Condensed consolidated financial statements and explanatory notes

Consolidated statement of financial position

(in thousands of Euro)	NOTES	30 September 2024	31 December 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**4**	123,632	117,543
Property, plant and equipment under lease	**4**	46,887	44,555
Goodwill	**5-6**	**406,550**	406,700
Other intangible assets	**5**	15,814	17,731
Investments accounted for under the equity method	**7**	11,375	11,758
Other investments	**8**	5,996	5,996
Non-current financial assets and other securities	**8**	8,088	6,929
Other non-current assets	**8**	3,885	4,607
Prepaid tax assets		17,110	16,472
TOTAL NON-CURRENT ASSETS		**639,337**	**632,291**
CURRENT ASSETS			
Inventories		13,294	13,373
Trade receivables and advances to suppliers	**9**	549,268	513,771
Current tax receivables		0	6,589
Other current assets	**9**	36,036	31,681
Current financial assets	**11**	5,665	15,545
Cash and cash equivalents	**11**	28,905	76,812
TOTAL CURRENT ASSETS		**633,168**	**657,771**
Non-current assets classified as held for sale		0	0
TOTAL NON-CURRENT ASSETS HELD FOR SALE		**0**	**0**
TOTAL ASSETS		**1,272,505**	**1,290,062**

(in thousands of Euro)	NOTES	30 September 2024	31 December 2023
SHAREHOLDERS' EQUITY			
Share capital		109,150	109,150
Reserves		6,692	7,769
Retained earnings		(60,467)	(48,212)
Profit (loss) attributable to equity holders of the Parent		(16,163)	(13,221)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**39,212**	**55,486**
Capital and reserves attributable to non-controlling interests		6,411	5,825
Profit (loss) attributable to non-controlling interests		708	690
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**7,119**	**6,515**
TOTAL EQUITY	**10**	**46,331**	**62,001**
NON-CURRENT LIABILITIES			
Employee termination indemnity	**12**	10,765	10,419
Provisions for risks and charges, non-current	**13**	29,231	31,692
Non-current loans	**11**	446,115	398,218
Deferred tax liabilities		14,747	14,619
Other non-current liabilities	**15**	36,687	85
TOTAL NON-CURRENT LIABILITIES		**537,545**	**455,033**
CURRENT LIABILITIES			
Provisions for risks and charges, current	**13**	21,217	22,707
Trade payables and contract liabilities	**16**	**414,200**	**422,958**
Current tax payables		979	142
Other current liabilities	**16**	127,161	172,095
Bank borrowings, including current portion of long-term debt, and other financial liabilities	**11**	125,072	155,126
TOTAL CURRENT LIABILITIES		**688,629**	**773,028**
Liabilities directly associated with assets held for sale		0	0
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH NON- CURRENT ASSETS HELD FOR SALE		0	**0**
TOTAL LIABILITIES		**1,272,505**	**1,290,062**

Consolidated statement of profit or loss

(in thousands of Euro)	NOTES	For the 9 months ended 30 September 2024	For the 9 months ended 30 September 2023
REVENUES			
Revenues from contracts with customers		891,591	867,004
Other revenues		4,413	3,193
TOTAL REVENUES		**896,004**	**870,197**
OPERATING COSTS			
Costs of raw materials and consumables		(187,046)	(178,935)
Change in inventories of finished and semi-finished products		291	(48)
Costs for services and use of third-party assets		(238,150)	(233,794)
Personnel costs		(379,187)	(360,684)
Other operating costs		(7,525)	(7,160)
Capitalization of lower internal construction costs		1,314	453
Amortization, depreciation, write-downs and write-backs of assets	**3-4-5**	(33,194)	(30,766)
Accrual of provisions for risks and charges	**13**	(1,743)	(11,248)
TOTAL OPERATING COSTS		**(845,240)**	**(822,182)**
OPERATING INCOME		**50,764**	**48,015**
FINANCIAL INCOME AND EXPENSES			
Share of net profit of associates	**7**	335	102
Dividends and income (loss) from sale of investments		255	312
Financial income		3,028	1,310
Financial charges		(59,203)	(39,630)
Profit (loss) on exchange rate		326	304
Profit (loss) before tax		**(4,495)**	**10,413**
Income taxes, current, prepaid and deferred		(10,960)	(9,998)
Net profit (loss) from continuing operations		**(15,455)**	**415**
Profit (loss) from discontinued operations		0	0
Profit (loss) for the period		**(15,455)**	**415**
Net profit (loss) for the period attributable to non- controlling interests		(708)	(745)
NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE GROUP		**(16,163)**	**(330)**

	For the 9 months ended 30 September 2024	For the 9 months ended 30 September 2023
Basic earnings per share	(0.148)	(0.003)
Diluted earnings per share	(0.148)	(0.003)
Basic earnings per share from continuing operations	(0.148)	(0.003)
Diluted earnings per share from continuing operations	(0.148)	(0.003)

Consolidated statement of other comprehensive income

(in thousands of Euro)	NOTES	For the 9 months ended 30 September 2024	For the 9 months ended 30 September 2023
NET PROFIT (LOSS) FOR THE PERIOD		**(15,455)**	**415**
Other components of the comprehensive income, which will be subsequently reclassified under profit/loss for the year:			
Differences from translation of foreign financial statements		350	(1,205)
Share of other comprehensive income of entities accounted for using the equity method, which will be subsequently reclassified under profit/loss for the year	**7**	(410)	208
Other components of the comprehensive income for the period, which will be subsequently reclassified under profit/loss for the year		**(60)**	**(998)**
Other components of the comprehensive income, which will not be subsequently reclassified under profit/loss for the year:			
Actuarial gains (losses) on defined benefit plans	**12**	**(424)**	**(38)**
Income taxes		117	41
Net effect on actuarial gains (losses)		**(307)**	**3**
Share of other comprehensive income of entities accounted for using the equity method, which will not be subsequently reclassified under profit/loss for the year		0	7
Other components of the comprehensive income, which will not be subsequently reclassified under profit/loss for the year		**(307)**	**11**
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAXES		**(367)**	**(987)**
COMPREHENSIVE INCOME (LOSS), NET OF TAXES		**(15,822)**	**(572)**
Equity holders of the Parent		(16,449)	(1,062)
Non-controlling interests		627	490

Consolidated statement of cash flows

(in thousands of Euro)	NOTES	For the 9 months ended 30 September 2024	For the 9 months ended 30 September 2023
Net result from continuing operations		**(15,455)**	**415**
Income taxes for the period		10,960	9,998
Profit before tax for the period		**(4,495)**	**10,413**
Amortization, depreciation, write-downs and (write-backs) of assets		33,194	30,766
Accrual (reversal) of provisions for risks and charges		1,743	11,248
Employee termination indemnity provision		1,201	1,240
Payments of employee termination indemnity		(1,279)	(1,332)
Utilization of provisions		(5,411)	(6,542)
Share of net profit of associates, net of dividends collected		(335)	(377)
Financial charges (income) for the period		55,570	37,850
Operating cash flows before movements in Working Capital		**80,188**	**83,266**
Decrease (increase) of inventories		79	(1,091)
Decrease (increase) of trade receivables and advances to suppliers		(36,155)	(5,715)
Decrease (increase) of other current assets		(3,768)	16,227
Increase (decrease) in trade payables		(8,363)	(74,134)
Increase (decrease) of other current liabilities		(10,671)	5,393
Change in Working Capital		**(58,878)**	**(59,320)**
Net interest received (paid) in the period		(34,772)	(40,295)
Income taxes paid in the period		(3,935)	(4,292)
Net cash flow from operating activities		**(17,397)**	**(20,642)**
(Purchase of intangible assets, net of sales)	**5**	(2,498)	(3,155)
(Purchase of property, plant and equipment)	**3-4**	(33,618)	(28,614)
Proceeds from sale of property, plant and equipment	**3-4**	3,845	1,980
Disposal (acquisition) of investments		164	(198)
Decrease (increase) of financial assets		10,421	2,812
Financial effects of business combinations		0	(1,975)
Net cash flow from (used in) investing activities		**(21,686)**	**(29,150)**
Lease payments	**11**	(3,617)	(2,768)
Medium- and long-term borrowings		12,000	60,000
Repayment of medium- and long-term borrowings	**11**	(36,314)	(12,120)
Net opening (repayment) of short-term bank credit lines	**11**	9,669	13,655
Other net changes in borrowings	**11**	8,989	(30,731)
Dividends distributed		(147)	(48)
(Purchase) /sale of subsidiaries' minority shareholdings		43	(801)

(in thousands of Euro)	NOTES	For the 9 months ended 30 September 2024	For the 9 months ended 30 September 2023
Differences arising from translation of financial statements in foreign currency		597	(1,201)
Net cash flow from / (used in) financing activities		**(8,778)**	**25,986**
Change in cash and cash equivalents		**(47,862)**	**(23,806)**
Cash and cash equivalents at the beginning of the period		76,812	84,243
Change in cash and cash equivalents		(47,862)	(23,806)
Translation differences on cash and cash equivalents		(45)	(4)
Cash and cash equivalents at the end of the period		**28,905**	**60,433**
Details of cash and cash equivalents:			
Cash and bank current accounts		28,905	60,433
TOTAL CASH AND CASH EQUIVALENTS		**28,905**	**60,433**

Supplementary information

(in thousands of Euro)	For the 9 months ended 30 September 2024	For the 9 months ended 30 September 2023
Interest paid	(37,797)	(41,.605)
Interest received	3,025	1,310
Dividends paid	(147)	(48)
Dividends received	156	157

Consolidated statement of changes in shareholders' equity

	Share Capital	Reserves	Retained Earnings	Net result of the period	Equity attributable to Equity holders of the Parent	Equity attributable to non-controlling interests	Total shareholders' equity
1 January 2024	**109,150**	**7,769**	**(48,212)**	**(13,221)**	**55,486**	**6,515**	**62,001**
Allocation of prior year results		(966)	(12,255)	13,221	**0**	0	**0**
Distribution of dividends					**0**	(147)	**(147)**
Currency appreciation due to hyperinflation		174			**174**	168	**342**
Acquisition/sale of minority interests in subsidiaries					**0**	(43)	**(43)**
Total comprehensive income (loss) for the period		(286)		(16,163)	**(16,449)**	627	**(15,822)**
30 September 2024	**109,150**	**6,691**	**(60,467)**	**(16,163)**	**39,211**	**7,120**	**46,331**

	Share Capital	Reserves	Retained Earnings	Net result of the period	Equity attributable to Equity holders of the Parent	Equity attributable to non-controlling interests	Total shareholders' equity
1 January 2023	**109,150**	**6,695**	**(76,115)**	**27,131**	**66,862**	**6,096**	**72,958**
Allocation of prior year results		33	27,098	(27,131)	**0**		**0**
Distribution of dividends					**0**	(48)	**(48)**
Business combinations "under common control"		(167)			**(167)**		**(167)**
Change in consolidation area			806		**806**		**806**
Acquisition/sale of minority interests in subsidiaries					**0**	(4)	**(4)**
Total comprehensive income (loss) for the period		(732)		(330)	**(1,062)**	490	**(572)**
30 September 2023	**109,150**	**5,830**	**(48,211)**	**(330)**	**66,439**	**6,534**	**72,973**

1. General information

The Interim Report on Operations of the Group controlled by Rekeep S.p.A. ("the Rekeep Group" or "the Group") for the 9 months ended 30 September 2024 consists of the Interim Report on Operations and of the condensed Consolidated Interim Financial Statements, which were prepared in the application of IAS 34 – Interim Financial Reporting. The publication of the Rekeep Group's Interim Report on Operations was authorized by a resolution passed by the Board of Directors' meeting of 14 November 2024.

On 30 September 2024 the share capital of Parent Company Rekeep S.p.A. was wholly held by the sole shareholder MSC Società di Partecipazione tra Lavoratori S.p.A., which carries out Management and Coordination activities.

2. Accounting standards and basis of presentation

The condensed consolidated interim Financial Statements at 30 September 2024 comprise the Consolidated Statement of financial position, the Consolidated Statement of profit or loss, the Consolidated Statement of other comprehensive income, the Consolidated Statement of cash flows, the Consolidated Statement of changes in Shareholders' Equity and the Condensed explanatory notes.

The balance sheet values recognized in the Statements and Condensed Explanatory Notes are compared to those relating to 31 December 2023 while the income statement values, included in the Consolidated Statement of Profit/(Loss) for the period, the Statement of other comprehensive income, and those reported in the Statement of Cash Flows, are compared to those relating to the first 9 months of 2023.

The Directors have deemed it appropriate to prepare the Consolidated Financial Statements at 30 September 2024 on a going concern basis, taking account of the actual results to date and the expected results for the current and subsequent financial periods, and after assessing the possible uncertainties regarding the Company's ability to continue as a going concern, mainly linked to the management of the Group's financial debt, as described in paragraph 2.3 below, "Discretionary assessments, assumptions and significant accounting estimates", including the financial risks described in note 18 and other market risks associated with the proceedings in progress described in note 13, and the actions that are currently in place to meet the substantial medium-term financial commitments.

The Consolidated Statement of Financial Position sets forth assets and liabilities distinguishing between current and non-current ones. The Consolidated Statement of profit or loss is classified by nature and the Statement of other comprehensive income sets forth the result for the period added with income and expenses that in accordance with IFRS are directly recognized in consolidated Equity. The Statement of Cash Flows has

been prepared on the basis of the indirect method and presented in accordance with IAS 7, distinguishing between cash flow from operating, investing and financing activities.
The condensed consolidated interim Financial Statements at 30 September 2024 have been presented in Euro, which is the Group's functional currency. All values showed in the statements and in the Explanatory Notes are in thousands of Euros, unless otherwise stated.

2.1. Statement of compliance with international accounting standards (IFRS)

The condensed consolidated interim Financial Statements at 30 September 2024 have been prepared in compliance with IAS 34 - *Interim Financial Reporting*. The condensed consolidated interim Financial Statements do not include all the information required for the complete annual financial statements prepared according to IAS 1, and must be read together with the Consolidated Financial Statements at 31 December 2023.

2.2. Changes in accounting standards and disclosures

The criteria adopted for the preparation of the condensed consolidated interim Financial Statements are consistent with those used to prepare the consolidated Financial Statements for the previous year, to which reference is made for their detailed presentation, with the exception of the standards and interpretations which are newly issued and applicable from 1 January 2024, in addition to the amendments to the standards that are already applicable, as specified below.

The Group has not proceeded with the early adoption of any standard, interpretation or improvement issued but not yet mandatorily in force.

New or revised IFRS, amendments and interpretations applied from 1 January 2024

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

- "*Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current*" (published by the IASB on 23 January 2020) and "*Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants*" (published by the IASB on 31 October 2022). The amendments are aimed at clarifying how to classify debts and other short- or long-term liabilities. In addition, the amendments also improve the information that an entity must provide when its right to defer settlement of a liability for at least 12 months is subject to meeting certain parameters (i.e., covenants).

- "*Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback*" (published by the IASB on 22 September 2022). The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction so as not to recognize any income or loss that relates to the retained right of use.
- "*Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements*" (published by the IASB on 25 May 2023). The document requires an entity to provide additional information on reverse factoring arrangements that may enable financial statement users to assess how financial arrangements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of such arrangements on the entity's exposure to liquidity risk.

All amendments became applicable from 1 January 2024, and their adoption had no material effect on the Group's consolidated Financial Statements.

New or revised IFRS, amendments and interpretations not yet endorsed by the European Union

As at the reporting date of this document, the competent bodies of the European Union had not yet completed the endorsement process required for the adoption of the amendments and standards described below:

- On 30 May 2024, the IASB published "*Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7*". The document clarifies some problematic issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon achievement of ESG objectives (i.e. green bonds). Specifically, the amendments aim:
  - to clarify the classification of financial assets with variable returns linked to environmental, social and corporate governance (ESG) objectives, and the criteria to be used for the SPPI test assessment;
  - to determine that the settlement date of liabilities through electronic payment systems is when the liability is discharged. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognized before delivering cash on the settlement date if certain specific conditions are met.

  With these amendments, the IASB also provided for additional disclosure requirements, in particular with respect to investments in equity instruments designated as FVOCI. The amendments shall apply to financial statements for financial years beginning on or after 1 January 2026. The directors do not expect any material effect on the Group's consolidated financial statements from the adoption of this amendment.
- On 9 May 2024, the IASB published a new standard IFRS 19 *Subsidiaries without Public Accountability: Disclosures*. The new standard provides for some simplifications with regard to the disclosures required by other IAS-IFRS standards. This standard can be applied by an entity that meets the following main requirements:
  - it is a subsidiary;

- it has not issued equity or debt instruments listed on a market, and is not in the process of issuing them;
- it has its own parent company that prepares consolidated financial statements in accordance with IFRS.

The new standard shall be applicable from 1 January 2027, with early adoption permitted. Since the Company does not comply with the abovementioned criteria, the directors do not expect any material effect on the Group's consolidated financial statements from the adoption of this amendment.

- On 9 April 2024, the IASB published a new standard IFRS 18 *Presentation and Disclosure in Financial Statements,* which will replace IAS 1 *Presentation of Financial Statements*. The new standard aims to improve the presentation of key financial statement formats, and provides for significant changes with regard to the income statement format. Specifically, the new standard requires:
  - the classification of revenues and costs into three new categories (operating, investing and financial activities), in addition to the tax and discontinued operations categories already present in the income statement format;
  - the presentation of two new sub-totals, operating result and earnings before interest and taxes (i.e. EBIT).

  The new standards also:
  - requires more information on performance indicators defined by management;
  - sets out new criteria for aggregating and disaggregating information;
  - provides for some changes in the format of the cash flow statement, including the requirement to use operating result as the starting point for the presentation of the cash flow statement prepared by using the indirect method, and the elimination of some classification options for some items that exist at present (such as, for example, interest paid, interest collected, dividends paid and dividends collected).

  The new standard shall be applicable from 1 January 2027, with early adoption permitted. At present the Directors are considering any possible effect of the adoption of this new standard on the Group's consolidated financial statements.
- On 15 August 2023 the IASB published "*Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.*" The document requires an entity to select a methodology to be applied consistently in order to verify whether one currency can be converted into another and, when this is not possible, provides guidance on how to determine the exchange rate to be used and the disclosure to be provided in the notes to the financial statements. The amendments shall apply from 1 January 2025, with early adoption permitted. The directors do not expect any material effect on the Group's Consolidated Financial Statements from the adoption of this amendment.
- On 30 January 2014 the IASB published the accounting standard "IFRS 14 – *Regulatory Deferral Accounts*", which only allows first-time adopters of IFRS to continue to recognize amounts relating to Rate-Regulated Activities according to the previous accounting standards adopted. The endorsement process of

the standard has not yet been started. This standard is not applicable since the Group is not a first-time adopter.

- On 18 July 2024, the IASB published "*Annual Improvements to IFRS Accounting Standards—Volume 11*" within the periodic update of the existing IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in:
  - IFRS 1 "*First-time Adoption of International Financial Reporting Standards."* The improvement resolves a potential source of error due to inconsistency in the text of IFRS 1 with the requirements for hedge accounting under IFRS 9 "*Financial Instruments*";
  - IFRS 7 "*Financial Instruments: Disclosures.*" The IASB provided for three amendments: (i) profits or losses recognized at the time of derecognition. The improvement resolves a potential source of confusion in relation to accounting for profits or losses at the time of derecognition because IFRS 7 included a reference to a paragraph deleted from the accounting standard when IFRS 13 "*Fair Value Measurement*" was issued; (ii) disclosures on differences between fair value and transaction price. The improvement corrects an inconsistency between IFRS 7 and its implementation guidance; (iii) introduction and disclosures on credit risk. The improvement resolves a potential source of confusion by clarifying that the implementation guidance does not necessarily explain all the requirements made explicit in the reference paragraphs of IFRS 7, and also simplifies some explanations.
  - IFRS 9 "*Financial Instruments.*" The IASB provided for two amendments: (i) derecognition by the lessor of a lease liability. The improvement resolves a potential lack of clarity in the application of the requirements laid down under IFRS 9 in relation to the lessee's accounting for the extinguishment of a lease liability; (ii) transaction price. The improvement resolves a source of potential confusion arising from a reference within Appendix A of IFRS 9 to the definition of "transaction price" stated in IFRS 15 "*Revenue from Contracts with Customers*" since the term "transaction price" is used in various places in IFRS 9 with a meaning that is not necessarily consistent with the definition stated within IFRS 15;
  - IFRS 10 "*Consolidated Financial Statements.*" The improvement resolves a source of potential confusion caused by an inconsistency present in the text of IFRS 10 regarding the investor's identification of a "*de facto*" agent;
  - IAS 7 "*Statement of Cash Flows.*" The improvement resolves a potential source of error in the application of IAS 7 arising from the use of the term "cost method", which is no longer defined within the International Financial Reporting Standards. With regard to the new standards and amendments set out above, the directors are currently assessing any possible effects on the Group's consolidated financial statements related to their introduction.

The amendments shall apply from 1 January 2026, with early adoption permitted. The directors do not expect any material effect on the Group's consolidated financial statements from the adoption of this amendment.

2.3. Discretionary assessments, assumptions and significant accounting estimates

The preparation of the condensed consolidated Financial Statements requires Directors to make discretionary assessments, estimates and assumptions that affect the amounts of revenues, costs, assets and liabilities, and the indication of contingent liabilities at the reporting date of the financial statements, as well as the assessment of whether the going concern requirement is met.
However, the uncertainty of these assumptions and estimates could lead to outcomes which may require a significant adjustment to the carrying amount of said assets and/or liabilities in the future.

Discretionary assessments

The main decisions taken by the Directors, on the basis of discretionary assessments (excluding those relating to accounting estimates), in the application of the accounting standards of the Group, with a significant effect on the values recognized in the accounts, relate to the assessment of the company's ability to continue as a going concern, and the sustainability of debt, as well as the recoverability of assets, with specific regard to goodwill, and the adoption of the continuity of values principle for the recognition of business combinations under common control. Application of this principle gives rise to the recognition in the statement of financial position of values equal to those that would be recorded if the companies involved in the business combination had always been combined. The net assets of the acquiree and of the acquiring entity are therefore recorded on the basis of the carrying amounts included in their respective accounts before the transaction.

Uncertainty of estimates and assumptions

The key assumptions regarding the future and other significant sources of uncertainty relating to estimates as at the period ending date of the condensed consolidated interim Financial Statements are detailed below.

ASSESSMENT OF THE GOING CONCERN BASIS

The Group ended the first 9 months of 2024 with total consolidated revenues of € 896.0 million (€ 870.2 million at 30 September 2023), EBITDA of € 85.7 million (corresponding to 9.6% of revenues), including non-recurring charges of € 2.3 million (€ 90.0 million at 30 September 2023, 10.3% of related revenues, including non-recurring charges of € 5.9 million), and a Group net loss of € 16.2 million (compared to a Group net loss of € 0.3 million at 30 September 2023). Due to the result for the year, the Group's consolidated equity at 30 September 2024 showed an overall reduction to € 39.2 million, for a total Equity, including minority interests, equal to € 46.3 million while the net financial position increased to € 536.6 million at 30 September 2024 (including a short- term debt of € 125.1 million). The growth of the Group, and the structural dynamics of the business, in addition to the increase in the procurement prices of energy, which characterized previous years,

and the effects of which do not yet appear to have been cancelled in full, have led to increasing pressure on net operating working capital. These circumstances, together with the events involving the subsidiary Rekeep Saudi culminating in the international arbitration proceedings, have led to an increase in the net financial debt in recent years, and consequently in the financial charges charged to the income statement (equal to € 59.2 million at 30 September 2024, and including, among others, the adjustment to the value of the contingent liability for put option to the minority shareholder of subsidiary Rekeep Polska following the amendments to the previous agreements concluded in the first half of 2024, which has an impact of € 19.7 million on the item).

At the time of preparing the condensed interim Consolidated Financial Statements, in order to verify whether the going-concern assumption requirement is met, the Directors have assessed both the actual results at 30 September 2024, in line with expectations at consolidated level, and the results expected by the Group for the current and subsequent years, characterized by a gradually increasing performance, estimated on the basis of historical experience and assumptions that are still considered to be reasonable and reliable by the Directors. The Directors themselves have also assessed the status of existing relationships with the Group's banks and other lenders, which have not changed significantly compared to the previous year, and have established that the Parent Company and other Group companies have actually the ability to generate sufficient cash flows from their core business activities over the next 12 months to meet their obligations regularly over that time frame. On the basis of the analyses carried out, although the assumptions on which the assessments are based inherently incorporate elements of discretion and uncertainty, the Directors have established that the aforementioned circumstances do not pose any threat to the Group's ability to continue as a going concern over the next 12 months.

Having stated this, the Directors have also noted that, during the first 9 months of 2024, the Group obtained a deferment of the payment of the Competition Authority's "FM4" fine debt through the Revenue Agency's issuance of a new installment payment plan expiring in May 2029, and a consequent reduction in the financial outlay expected over the next 12 months. However, over this timeframe, the Group will see a reduction in its liquidity following the expiry of the Revolving Credit Facility agreement on 1 August 2025, equal to € 75 million, which is on average used to meet short-term liquidity requirements for about 20% of total cash and cash equivalents.

With regard to the period after the next 12 months, both the Group's historical cash flow trends and the expectations of the projected cash flows set forth in the 2024-2026 Business Plan, including the repayments of the loans maturing in the coming months, and the continued payment of the Competition Authority's "FM4" fine according to the new installment payment plan, suggest that the cash flows generated by recurring operations alone are unlikely to be sufficient to ensure full repayment of the Bond maturing in February 2026. The Directors have therefore continued their analysis and initiatives in order to find the best solutions to cope with this situation, and ensure debt sustainability, including the possibility of partially refinancing the

aforementioned Bond, procuring any other possible sources of financing and carve-outs (sale of assets or disposal of equity investments).

As of the date of preparation of these condensed interim Consolidated Financial Statements, the aforementioned assessments were still in progress, given that in previous months a mandate had been given to leading national and international advisors in order to design and implement the best strategy and select the counterparties of extraordinary transactions (if any). The advisors reported on prospects for both refinancing and disposals of identified assets, providing information for the valuation of each asset involved in disposals. The Group has started concrete talks with leading domestic market players and international financial operators and put in place specific activities aimed at carrying out the extraordinary transactions required to sell assets and refinance remaining debt. In addition, the Directors are continuing their work of analysis to monitor the evolution of interest rates, and identify, with their advisors, the best terms and conditions for a partial refinancing of the Group.

Even on the basis of the above considerations, the Directors prepared the condensed interim consolidated Financial Statements on a going concern basis, confident that the actions to meet the substantial medium-term financial commitments produce the necessary cash flows and believing that the uncertainties surrounding the way and timing of the aforesaid extraordinary transactions, can be quickly resolved, and that the same actions will come to a successful conclusion in a timely manner. For further details about financial risk management, please refer to Note 18.

IMPAIRMENT TEST

Goodwill is subject to impairment test at least annually, or more frequently if there is an indication of potential impairment in the carrying amounts, as provided for by IAS 36. Specifically, the purpose of the impairment test is to verify the recoverability of goodwill by comparing the net book value of cash-generating units to which the goodwill has been allocated with the recoverable value of those units, The recoverable value of cash-generating units corresponds to the higher of fair value less costs to sell and value in use.

This requires an estimate of the value in use of the CGU (cash-generating unit) to which the goodwill is allocated, in turn based on an estimate of expected cash flows from the CGU and their discounting on the basis of a suitable discount rate. At 30 September 2024 the carrying amount of the goodwill was equal to € 406,550 thousand (€ 406,700 thousand at 31 December 2023). For more details, please refer to note 6.

RECOGNITION OF REVENUES AND COSTS RELATING TO CONTRACT ASSETS WITH CUSTOMERS

The Group uses the percentage of completion method to account for assets on long-term contracts concerning the construction and upgrading of properties or technological systems for which it carries out construction

works. The amount of profit margins recognized in the income statement depends on both the progress of work on the contract and the profit margins which it is believed will be recognized on the entire work upon its completion; therefore, the correct recognition of work in progress and profit margins relating to works that have not yet been completed assumes the Directors' correct estimate of final costs and the expected increases, as well as of the delays, additional costs and penalties which could reduce the expected margin. The use of the percentage of completion method requires the Group to estimate completion costs, which involves making estimates that depend on factors that may change over time and could therefore have a significant impact with respect to present values. If the actual cost differs from the estimated cost, this change will have an impact on the results of future financial periods.

PROVISIONS FOR RISKS AND CHARGES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Provisions representing the risk of negative outcomes of business issues have been set aside. The value of the provisions recognized in the accounts in relation to these risks is the best estimate made by the Directors at that date. Write-downs of trade receivables were recognized in an adjusting provision against failure to collect debts from clients. The value of the provisions recognized in the accounts in relation to these risks is the best estimate made by the Directors at that date. The estimates entail the adoption of assumptions depending on factors which could change in time and could therefore have a substantial impact on the Directors' current estimates used to prepare the Group's consolidated Financial Statements.

RECOGNITION OF THE PRESENT VALUE OF LIABILITIES FOR PUT OPTION ON MINORITY SHARES OF SUBSIDIARIES AND ON THE PRESENT VALUE OF LIABILITIES FOR EARN-OUTS FOR ACQUISITIONS MADE

The Group holds majority interests in subsidiaries in relation to which the minority shareholders hold Put options, which can be exercised in the future at prices determined on the basis of certain parameters that require estimates by management for the purposes of reliable valuation. In this case too, the correct recognition of the related liability in the financial statements requires the management to make some estimates to determine the relevant parameters.

MAIN ASSUMPTIONS APPLIED TO THE ACTUARIAL VALUATION OF THE TFR (EMPLOYEE TERMINATION INDEMNITY), SUCH AS THE FUTURE TURNOVER RATE AND DISCOUNT FINANCIAL RATES

The cost of defined-benefit pension plans and of any other post-employment medical benefit, as well as the present value of the defined-benefit liability, are determined on the basis of actuarial assumptions. Actuarial assessments require various assumptions to be made which can differ from actual developments in the future. These assumptions also include the calculation of the discount rate, future pay rises, the mortality rate and future increases in pensions. Owing to the complexity of the assessment and its long-term nature, these

estimates are extremely sensitive to changes in assumptions. All the assumptions are reviewed on an annual basis. See note 12 for details.

DEFERRED TAX ASSETS AND THEIR PROBABLE FUTURE REVERSAL

Deferred tax assets are recognized to the extent that it is probable that in the future there will be a taxed profit such as to allow the use of losses. A significant estimation activity is required of the management staff to calculate the amount of tax assets that can be recognized based on future taxable profits, the timing of their occurrence and tax planning strategies.

OTHER FINANCIAL STATEMENT ITEMS

The management has also used estimates in determining assumptions applied to the valuation of obligations arising from Rights of use, in particular with regard to the determination of the marginal lending rate and duration in the presence of renewal options.

Consolidation principles

The Condensed Consolidated Interim Financial Statements include the financial statements of Rekeep S.p.A. ("the Parent Company", "Rekeep S.p.A." or simply "Rekeep") and its subsidiaries, prepared as at 30 September 2024. The financial statements of the subsidiaries have been prepared by adopting for each closing date the same accounting standards as those applied for the parent company.

All Intra-Group balances and intercompany transactions, including unrealized profits and losses arising from intra-Group transactions, which are recognized under assets, are eliminated in full.

Subsidiaries are fully consolidated starting from the acquisition date, i.e. the date on which the Group acquires control, and are deconsolidated on the date in which control is transferred out of the Group. Acquisitions of subsidiaries, with the exception of those deriving from combinations of entities subject to common control, are accounted for using the purchase method. This involves the allocation of the cost of the business combination to the fair values of assets, liabilities and contingent liabilities acquired at the acquisition date and the inclusion of the result of the company acquired starting from the date of acquisition until the end of the financial year. If the Group loses control over a subsidiary, it eliminates the related assets (including goodwill), liabilities, minority interests and other equity components, while any profit or loss is recognized in the income statement. Any equity investment retained is recognized at fair value.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Minority interests represent the portion of profits or losses and net assets not held by the Group and are disclosed under a separate item in the consolidated Statement of profit or loss for the

year and in the Consolidated Statement of Financial Position under Equity items, separately from the Group's Equity.

Joint-ventures with other shareholders and associates are accounted for under equity method.

CONVERSION OF FINANCIAL STATEMENTS OF FOREIGN COMPANIES

The financial statements have been presented in Euro, which is the functional and reporting currency adopted by the Group. The income statements and balance sheets expressed in foreign currency are converted into Euros applying the year-end exchange rates for the items in the Statement of financial position and average exchange rates for the items in the Income Statement. Differences arising from the conversion of opening shareholders' equity at year-end exchange rates are charged to the currency conversion reserve, together with the difference arising from the conversion of the result for the period at average exchange rate with respect to year-end exchange rates.

At the time of disposal of the economic entity from which translation differences emerged, the accumulated exchange differences reported in the statement of other comprehensive income are reclassified in the Consolidated Statement of Profit/ Loss for the period.

Finally, the possible presence of hyperinflationary economies is taken into account in order to assess the need to apply the provisions of IAS 29 - *Financial Reporting in Hyperinflationary Economies*. This standard does not establish an absolute rate at hyperinflation is deemed to arise. The need to restate the values in the financial statements, as required by the standard, must be evaluated. Among the situations that indicate the existence of hyperinflation are:

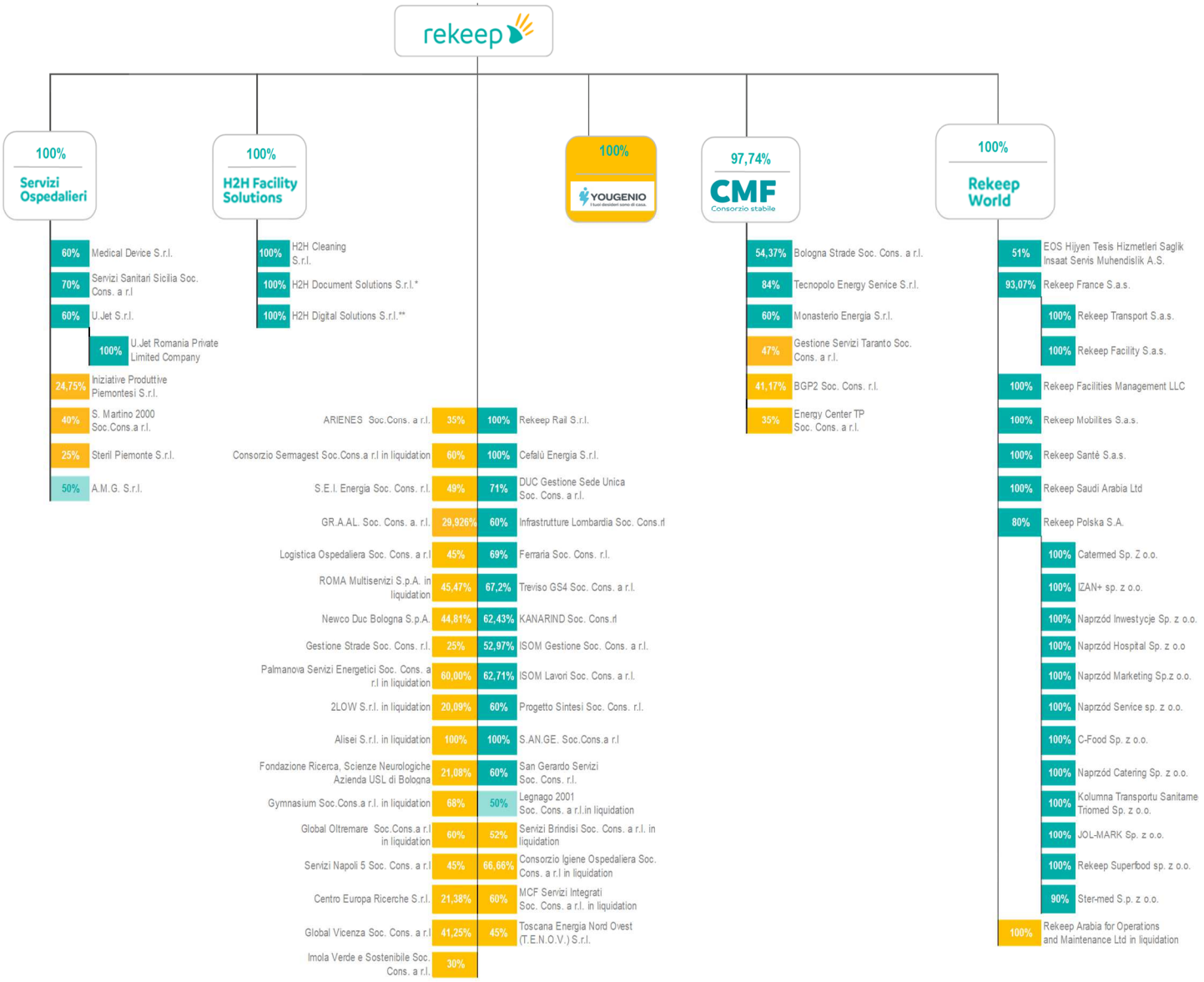
- the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency. Amounts of local currency held are immediately invested to maintain purchasing power;
- the general population regards monetary amounts not in terms of the local currency but in terms of a relatively stable foreign currency. Prices may be quoted in that currency;
- sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if the period is short;
- interest rates, wages, and prices are linked to a price index;
- the cumulative inflation rate over three years approaches, or exceeds, 100%.

If hyperinflation arises, non-monetary items in the statement of financial position are restated by applying the change in the general price index that has occurred between the date of recognition and the balance sheet date. Monetary items are not restated because they are already expressed at the measuring unit at the balance sheet date. All items on the income statement are expressed at the measuring unit at the reporting date.

Currency	Exchange rate at 30 September 2024	Average Exchange rate for the 9 months ended 30 September 2024	Exchange rate at 31 December 2023	Average Exchange rate for the 9 months ended 30 September 2023
United Arab Emirates Dirham (AED) – United Arab Emirates	4.0767	4.1985	4.0236	3.9778
Romanian Leu (RON) – Romania	4.9744	4.9753	4.9705	4.9394
Turkish Lira (TRY) – Turkey	38.2693	38.2693	32.5684	28.9172
Saudi Arabia Riyal (SAR) – Saudi Arabia	4.0767	4.1985	4.1085	4.0618
Zloty (PLN) – Poland	4.3053	4.2788	4.3708	4.5822

The financial statements of the Turkish consolidated company have been prepared by taking account of the application of IAS 29 in view of the cumulative Turkish inflation rate for the past three years, which is more than 100%. Therefore, in the consolidated financial statements at 30 September 2024, the accounts of the consolidated company that apply the Turkish lira as the local currency have been prepared in order to report operating results and the statement of financial position at purchasing power prevailing at the end of the reporting period. Accordingly, all items from the financial statements of the Turkish company have been translated by using the exchange rate as at the reporting date of the consolidated financial statements.

The consolidation area as at 30 September 2024 is shown below.



Legend:

- Associates and other companies consolidated for under the equity methoddel patrimonio netto
- Joint Ventures consolidated for under the equity method
- Subsidiaries consolidated on a line-by-line basis

(*) Formerly Telepost S.r.l.
(**) Formerly Rekeep Digital S.r.l.

During the first 9 months of 2024 we must note the following events:

- the winding-up of Servizi Brindisi Soc. Cons. a r.l. with effect from 17 January 2024, which, therefore, changed its name to Servizi Brindisi Soc. Cons. a r.l. in liquidation;
- the winding-up of Logistica Ospedaliera Soc. Cons. a r.l. with effect from 14 June 2024, which, therefore, changed its name to Logistica Ospedaliera Soc. Cons. a r.l. in liquidation;
- the incorporation of Energy Center TP Soc. Cons. a r l. on 24 July 2024, the quota capital of which is 25% held by Consorzio Stabile CMF.

Furthermore, it should be noted that as from 15 October 2024 Telepost S.r.l. and Rekeep Digital S.r.l. changed their name to H2H Document Solutions and H2H Digital Solutions, respectively.

3. Property, plant and equipment

The table below shows the changes in the company-owned property, plant and equipment in the period ended 30 September 2024.

	Property	Plant and equipment	Total
At 1 January 2024, net of accumulated depreciation and impairment	**37,435**	**80,108**	**117,543**
Additions from acquisitions	47	29,975	30,022
Disposals	(2,183)	(1,117)	(3,300)
Depreciation for the period	(1,866)	(17,957)	(19,823)
Others	2,977	(3,787)	(810)
At 30 September 2024	**36,410**	**87,222**	**123,632**
At 1 January 2024			
Historical cost	45,599	504,947	550,546
Accumulated depreciation and impairment losses	(8,164)	(424,839)	(433,003)
NET BOOK VALUE	**37,435**	**80,108**	**117,543**
At 30 September 2024			
Historical cost	46,440	530,018	576,458
Accumulated depreciation and impairment losses	(10,030)	(442,796)	(452,826)
NET BOOK VALUE	**36,410**	**87,222**	**123,632**

The additions from acquisitions that took place during the period mainly related to the linen, mostly in the Laundering & Sterilization segment, for € 9,655 thousand. An amount of € 8,063 thousand related to investments made by companies in the sub-group controlled by Rekeep Polska for the “centralized kitchens”

(with Cook&Chill technology) project to support catering services. The same sub-group is also engaged in the renovation of a sterilization facility near a hospital, which involved incurring investments amounting to € 1,589 thousand. In addition, the Group made purchases of other specific machinery and equipment amounting to € 10,668 thousand.

Decreases for the period, totaling € 3,300 thousand, mainly related to the sale of a property by subsidiary Servizi Ospedalieri S.p.A. (with a net book value sold equal to € 2,044 thousand), as well as to disposals made by the Parent Company Rekeep S.p.A., and the subsidiary Servizi Ospedalieri S.p.A., mainly arising from the completion of job orders and the replacement of linen.

Other changes mainly relate to the effect of a change in the exchange rate applied for the translation of balances relating to foreign companies with a currency other than the Euro.

4. Property, plant and equipment under lease

The table below shows the changes in property, plant and equipment under lease in the year ended 30 September 2024.

	Rights of use of properties	Rights of use of plant and equipment	Total
At 1 January 2024, net of accumulated depreciation and impairment	**25,853**	**18,702**	**44,555**
Additions from acquisitions	2,228	6,869	9,097
Disposals		(544)	(544)
Early termination	(1,080)	(362)	(1,442)
Depreciation for the period	(3,137)	(4,895)	(8,032)
Others	8	3,245	3,253
At 30 September 2024	**23,872**	**23,015**	**46,887**
At 1 January 2024			
Historical cost	61,871	62,054	123,924
Accumulated depreciation and impairment losses	(36,017)	(43,352)	(79,369)
NET BOOK VALUE	**25,853**	**18,702**	**44,555**
At 30 September 2024			
Historical cost	63,027	71,262	134,288
Accumulated depreciation and impairment losses	(39,154)	(48,247)	(87,401)
NET BOOK VALUE	**23,872**	**23,015**	**46,887**

Property, plant and equipment under leases reported changes during the year due to depreciation for the period, as well as to the execution of new lease agreements for a total of € 9,097 thousand. Of these an amount of € 2,228 thousand related to the execution of new real estate and property lease agreements. The new lease agreements and long-term hire of machinery, vehicles that make up the corporate fleets, and equipment amounted to € 6,869 thousand and included surgical instrumentation lease agreements for € 616 thousand, which were signed by subsidiary Servizi Ospedalieri S.p.A.. Finally, an amount of € 3,353 thousand related to the execution of new lease agreements entered into for the renewal of vehicles forming part of the company fleets.

Furthermore, there was the early termination of some lease and long-term hire agreements for a total of € 1,442 thousand during 2024.

Other remaining changes mainly relate to the effect of a change in the exchange rate applied for the translation of balances relating to foreign companies with a currency other than the Euro.

5. Other intangible assets and Goodwill

The table below shows the changes in intangible assets in the period ended 30 September 2024.

	Other intangible assets	Goodwill	Total
At 1 January 2024, net of accumulated amortization and impairment	**17,731**	**406,700**	**424,431**
Additions from acquisitions	2,498		2,498
Amortization for the period	(4,438)		(4,438)
Others	23	(150)	(127)
At 30 September 2024	**15,814**	**406,550**	**422,364**
At 1 January 2024			
Cost	139,831	409,017	548,848
Accumulated amortization and impairment losses	(122,100)	(2,318)	(124,417)
NET BOOK VALUE	**17,731**	**406,700**	**424,431**
At 30 September 2024			
Cost	142,352	408,867	551,220
Accumulated amortization and impairment losses	(126,538)	(2,318)	(128,856)
NET BOOK VALUE	**15,814**	**406,550**	**422,364**

Goodwill is tested annually for impairment. The balance of the item decreased from € 406,700 thousand at 31 December 2023 to € 406,550 thousand at 30 September 2024. For more details, see note 6.

Other intangible assets, amounting to € 15,814 thousand at 30 September 2024, mainly consist of investments in software carried out as part of the projects aimed at upgrading and enhancing the corporate information systems. The additions from acquisitions made in the period (€ 2,498 thousand) were mainly attributable to the Parent Company Rekeep S.p.A., and related to the implementation and upgrading of software platforms used by the Group.

6. Impairment of goodwill

The Group's Management believe that the Strategic Business Unit (SBU) structure described in the company reports, regardless of legal entities, should be reflected, consistently with the provisions of the accounting standards, also at the level of the CGUs used for impairment tests. The SBUs identified and their composition, in corporate terms, are defined as follows.

SBU – FACILITY MANAGEMENT

The SBU is identified with:

- Rekeep S.p.A.
- H2H Facility Solutions S.p.A.
- H2H Document Solutions S.r.l. (formerly Telepost S.r.l.), specialist in internal mailing services
- H2H Digital Solutions S.r.l. (formerly Rekeep Digital S.r.l.), active in high-tech services to companies
- Rekeep World S.r.l. and its foreign subsidiaries, dedicated to international business development
- other minor investee companies operating in the same segment.

SBU – LAUNDERING & STERILIZATION

The SBU is identified with:

- Servizi Ospedalieri S.p.A., operating in the linen rental and industrial laundering segment for hospitals and the sterilization of linen and surgical instruments
- Medical Device S.r.l., acquired during 2018 and specializing in the production of disposable kits containing all the devices needed to support the healthcare team in performing surgical procedures
- U.Jet S.r.l., acquired on 1 June 2021 and specializing in the production of non-woven fabric (TNT) devices mainly aimed at the healthcare market, as well as in the packaging and composition of disposable fabric surgical kits , which are also intended for the healthcare market
- other minor investee companies operating in the same sector In Italy.

The table below sets forth the carrying amounts of the goodwill recognized in the condensed consolidated interim Financial Statements as at 30 September 2024, broken down into the different CGUs.

	30 September 2024	31 December 2023
Goodwill allocated to Facility Management CGU	390,367	390,516
of which International markets	*35,730*	*35,880*
Goodwill allocated to Laundering & Sterilization CGU	16,183	16,183
CONSOLIDATED goodwill	**406,550**	**406,700**

At 30 September 2024 the balance of the item showed a decrease of € 149 thousand due to the change in the value of goodwill arising from the business combination of Stermed S.p. z.o.o., as resulting from the more detailed analysis of the transaction put in place by subsidiary Rekeep Polska, compared to the amount provisionally recognized at the end of the previous year (when it amounted to €1,366 thousand), as well as due to the fluctuation in Euro/Polish Zloty exchange rate during the period.

Goodwill is subject to impairment testing on an annual basis or more frequently if there are indications that the asset may have suffered an impairment loss.

As at 30 September 2024, following the analysis of any possible evidence of impairment, the Directors did not report, despite the economic situation existing at the reporting date of the condensed interim consolidated Financial Statements, any risk of impairment on the value of the cash generating units, including after considering the headroom noted in the sensitivity analyses and the stress tests conducted at the reporting date of the Consolidated Financial Statements at 31 December 2023, which support the recoverability of consolidated assets even in the presence of any possible risk of significant amount. Therefore, it was not deemed appropriate to proceed with any formal updating of the impairment tests arranged for at 31 December 2023, since it was considered that the assumptions and conclusions underlying them were applicable at 30 September 2024.

7. Investments accounted for under the equity method

The Group holds some investments that are accounted for under the equity method in the consolidated Financial Statements. These companies include associates, joint-ventures and subsidiaries in liquidation, as listed in Annex I attached to the Interim Report on Operations.

At 30 September 2024, the investments valued at Equity amounted to a net amount of € 11,250 thousand, against a net amount of € 11,349 thousand at the end of 2023; these values are already stated net of a provision for risks covering future outlays that are expected to be incurred by the Group on behalf of the associate/joint venture, reclassified under liabilities in the balance sheet (for more details, see note 13).

	Net assets 30 September 2024	Net assets 31 December 2023
Investments accounted for under the equity method	11,375	11,757
Provision for risks on investments	(126)	(408)
INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD	**11,250**	**11,349**

During the first 9 months of 2024 the valuation of investments according to the equity method entailed the recognition of a net income equal to € 335 thousand for the share attributable to the Group (against a profit of € 102 thousand at 30 September 2023) following the recognition of income from equity investments for € 562 thousand (€ 744 thousand at 30 September 2023), and charges from equity investments for € 228 thousand (€ 642 thousand at 30 September 2023). Furthermore, negative effects were recognized directly under consolidated Equity for a total of € 410 thousand (against positive effects equal to € 215 thousand at 30 September 2023).

8. Other non-current assets

The table below sets forth the breakdown of other non-current assets as at 30 September 2024 and as at 31 December 2023:

	30 September 2024	31 December 2023
Other investments	5,996	5,996
Non-current financial assets	8,088	6,929
Other non-current assets	3,885	4,607
OTEHR NON-CURRENT ASSETS	**17,969**	**17,532**

The financial assets accounted for as Other investments relate to investments in companies in which the Group has no significant or controlling interests and that have been acquired for strategic/production purposes. There are also investments in production sites, or in other minor activities such as industrial laundry services performed by minor companies that may also act as sub-contractors. Other investments are measured at purchase or establishment cost, as the best estimate of the fair value, since there is no active market in the securities concerned, which for the most part cannot be freely transferred to third parties due to limitations and restrictions preventing their free circulation.

Non-current financial assets, amounting to € 8,088 thousand as at 30 September 2024 (€ 6,929 thousand as at 31 December 2023), are composed of:

- € 2,295 thousand of Non-current financial receivables due from associates, affiliates or joint-ventures (€ 1,135 thousand at 31 December 2023). The face value of these receivables is € 2,326 thousand, while the discounting fund amounts to € 31 thousand (€ 1,170 thousand and € 35 thousand at 31 December 2023, respectively). Some of these are non-interest bearing since they were drawn down

from each consortium partner and are thus discounted on the basis of their expected residual maturity, applying EURIRS as the reference interest rate, plus a spread;

- € 4,693 thousand of non-current financial receivables from third parties (unchanged compared to 31 December 2023). The item included the balance of an escrow account for € 2,000 thousand, and the long-term portion, equal to € 2,357 thousand, of the deferred price relating to the sale of 95% of the quota capital of MFM Capital S.r.l. to 3i EOPF, which took place in December 2018, the collection of which is subject to the completion of the construction phase envisaged as per contract on some project financing companies subject to disposal;
- securities held to maturity for € 1,101 thousand (unchanged compared to 31 December 2023).

The item is made up of security deposits of € 2,773 thousand related to long-term income-generating manufacturing contracts (€ 2,757 thousand at 31 December 2023) and long-term deferrals of € 402 thousand relating to some contracts (€ 847 thousand at 31 December 2023).

9. Trade receivables, advances to suppliers and other current receivables

The following table includes the breakdown of Trade receivables, advances to suppliers and Other current operating receivables at 30 September 2024 and 31 December 2023:

	30 September 2024	of which from related parties	31 December 2023	of which from related parties
Contract assets	32,385	2,433	29,959	1,353
Trade receivables, gross	489,718		457,744	
Allowance for doubtful accounts	(20,155)		(20,683)	
Trade receivables due from third parties	**501,948**	**2,433**	**467,020**	**1,353**
Trade receivables from MSC	294	294	14	14
Trade receivables from Associates, Affiliates and Joint Ventures	39,438	39,438	39,776	39,776
Trade receivables from Group	**39,732**	**39,732**	**39,790**	**39,790**
Advances to suppliers	7,588	437	6,961	1
TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS	**549,268**	**42,602**	**513,771**	**41,144**
Current tax assets within 12 months	15,320		11,531	
Other current assets due from third parties	13,176		14,482	
Due from social security institutions	1,101		1,089	
Due from employees	202		165	
Other current assets from third parties	**29,799**	**0**	**27,267**	**0**
Current assets from MSC	317	317	317	317

	30 September 2024	of which from related parties	31 December 2023	of which from related parties
Current assets from Associates, Affiliates and Joint Ventures	152	152	244	244
Other current assets from Group	**469**	**469**	**561**	**561**
Accrued income	1,204		1,063	
Prepaid expenses	4,564		2,790	
Accrued income and prepaid expenses	**5,768**	**0**	**3,853**	**0**
OTHER CURRENT ASSETS	**36,036**	**469**	**31,681**	**561**

The balance of trade receivables and advances to suppliers, which also includes contract assets, amounted to € 549,268 thousand at 30 September 2024, up by € 35,497 thousand compared to 31 December 2023 (€ 513,771 thousand).

The change under consideration was the result of an increase of € 31,974 thousand in trade receivables from third parties while the allowance for doubtful accounts showed a decrease of € 528 thousand. There was also a decrease in the value of contract assets for € 2,426 thousand.

During 2024 the Group continued to hold contracts for the non-recourse assignment of trade receivables from third parties, including the maturity factoring agreement with BFF Bank S.p.A., expiring on 25 January 2028, which had been signed by the Parent Company Rekeep S.p.A. and other subsidiaries, and concerning the assignment on a revolving basis of receivables the companies claimed from Entities in the National Health System and Public Authorities, in an amount of up to € 300 million. These are accompanied by additional relationships with factoring companies for the disinvestment of specifically-agreed credit positions claimed both from Entities in the National Health System and Public Authorities, and from private entities and individuals.

During the year, the Group made assignments of trade receivables amounting to € 196,922 thousand (of which the balance amounting to € 51,963 thousand has not yet been collected from the customer on the part of factoring companies): in all assignments, the assigned trade receivables were subjected to derecognition according to IFRS 9 in consideration of the characteristics of the transactions, and entailed interest discount costs totaling € 2,880 thousand.

Finally, trade receivables from unconsolidated Group companies and other related parties amounted to € 42,602 thousand (€ 41,144 thousand at 31 December 2023). For more details, reference should be made to note 20 and to Annex III – Related-Party transactions.

A specific provision for bad debts was recorded against non-performing loans, which are difficult to recover in full, amounting to € 20,155 thousand at 30 September 2024 (at 31 December 2023: € 20,683 thousand). Changes in the provision during the period are detailed as follows:

	31 December 2023	Increases	Uses	Releases	Others	30 September 2024
Provision for bad debts	**20,683**	1,198	(1,404)	(297)	(26)	**20,155**

Other current assets of € 36,036 thousand (€ 31,681 thousand at 31 December 2023) showed an overall increase of € 4,355 thousand during the year.
The most significant entries in the breakdown of this item are made up of:

- tax receivables, mostly including receivables relating to the VAT payments made by the Group companies (€ 13,230 thousand compared to € 9,232 thousand at 31 December 2023), which continue to show a credit balance given the widespread application of the regulations governing “Split-payment” and “Reverse charge” to the cycle of purchasing and sales invoicing. Assignments without recourse of VAT receivables held by some Group companies were made during the first 9 months of 2024 for a total nominal amount of € 20,007 thousand;
- receivables for short-term security deposits on new annual electricity and gas utility contracts paid to suppliers for € 2,722 thousand (€ 3,505 thousand at the end of the previous year).

10. Share capital and reserves

	30 September 2024	31 December 2023
Share Capital – Ordinary shares	**109,150**	**109,150**

Ordinary shares have a nominal value of € 1 each. Ordinary shares issued and fully paid up at 30 September 2024 amounted to 109,149,600.

The Parent Company does not hold own shares.

Reserves and Retained earnings

The table below shows changes in shareholders’ equity reserves in the period.

	Share premium reserve	Legal reserve	SE reserves companies valued at SE	Translation reserve	SORIE reserve	Other reserves	Total reserves
31 December 2022	**145,018**	**21,830**	**4,409**	**(1,042)**	**(4,294)**	**(159,226)**	**6,696**
Allocation of profits of previous years				1,041	(394)	(613)	33
Business combinations "under common control"						(168)	(168)
Economic effects accounted for in equity			233	1,244	(269)		1,208
31 December 2023	**145,018**	**21,830**	**4,642**	**1,243**	**(4,958)**	**(160,006)**	**7,769**
Allocation of profits of previous years						(966)	(966)
Currency appreciation due to hyperinflation						174	174
Economic effects accounted for in equity			(410)	427	(303)		(286)
30 September 2024	**145,018**	**21,830**	**4,232**	**1,670**	**(5,261)**	**(160,798)**	**6,691**

The item *Other reserves* includes, among others, the balance of the following items:

- the reserve originating from the recognition of joint operations, which includes the differences between the purchase cost and the net carrying amount of the assets acquired under business combinations between jointly-controlled entities, for a loss of € 250,695 thousand. This reserve includes € 198,261 thousand for the effects of the reverse merger of CMF S.p.A. by incorporation into Rekeep S.p.A., which took place on 1 July 2018. Furthermore, the negative reserve showed an increase of € 6,866 thousand in 2022, due to the effects of the agreement signed by Rekeep S.p.A. with its parent company MSC Società di Partecipazione tra Lavoratori S.p.A. on 30 June 2022, relating to the acquisition of the "Personnel activities" business unit. Finally, the negative reserve showed an increase of € 168 thousand in 2023 due to the effects of the agreement signed by Rekeep S.p.A.. on 22 December 2022 with Sacoa S.r.l., a company in the same group controlled by the parent company MSC Società di Partecipazione tra Lavoratori S.p.A., concerning the acquisition of the "Major Customers" business unit;
- the Parent Company's extraordinary reserve equal to € 43,967 thousand.

The table below shows changes in *Retained earnings*:

	Retained earnings of the Parent Company	Consolidation reserve	Total retained earnings
31 December 2022	**3,809**	**(79,924)**	**(76,115)**
Allocation of profits of previous years		27,098	27,098
Change in consolidation area		805	805

	Retained earnings of the Parent Company	Consolidation reserve	Total retained earnings
31 December 2023	**3,809**	**(52,021)**	**(48,212)**
Allocation of profits of previous years		(12,255)	(12,255)
30 September 2024	**3,809**	**(64,276)**	**(60,467)**

Below is the breakdown of Shareholders' Equity attributable to minority shareholders. For a detailed list of the companies in which non-controlling interests are held, reference should be made to the paragraph on Consolidation Principles:

	30 September 2023	31 December 2023
Equity attributable to non-controlling interests	**7,119**	**6,515**
of which attributable to:		
Subsidiaries of Rekeep World S.r.l.	725	689
Subsidiaries of Servizi Ospedalieri S.p.A.	5,658	5,158
Other subsidiaries and consortia	736	668

	30 September 2023	31 December 2023
Profit for the year attributable to non-controlling interests	**708**	**690**
of which attributable to:		
Subsidiaries of Rekeep World S.r.l.	145	214
Subsidiaries of Servizi Ospedalieri S.p.A.	500	536
Other subsidiaries and consortia	63	(61)

The equity and the result for the financial year attributable to minority interests relate to the minorities present in some subsidiaries, the most significant of which are described below.

Rekeep World S.r.l., which is the Group's sub-holding company active in the development of international markets, holds a stake of 93.07% of the share capital of Rekeep France S.a.s. and a stake of 80% of the share capital of the Polish company Rekeep Polska. There is no recognition of equity attributable to the minority shareholders of these subsidiaries, since a Put Option is granted to the minority shareholders, which is recognized as a financial liability in the Consolidated Financial Statements.

Furthermore, the subsidiary Rekeep Polska holds a stake of 90% in the capital of Ster-med S.p. z.o.o.. However, it holds a Put option granted to the minority shareholder on the remaining portion of the capital, and, therefore, no item is stated for equity attributable to minority interests.

During 2018 EOS, a Turkish company in which Rekeep World S.r.l. acquired a majority stake against a stake of 49% held by local partners was consolidated for the first time. The valuation of the stake pertaining to minority shareholders was accounted for as an increase in the Shareholders' Equity of non-controlling interests for the financial year.

Finally, the Shareholders' Equity attributable to minority interests includes the shares pertaining to the non-controlling quotaholders of Medical Device S.r.l. (60% owned by Servizi Ospedalieri S.p.A.) and U.Jet S.r.l., which is also 60% owned by Servizi Ospedalieri S.p.A..

11. Financial indebtedness

Net financial indebtedness as of 30 September 2024 amounted to € 536,617 thousand, compared to € 460,987 thousand at 31 December 2023.

Below is the related breakdown by balance sheet lines:

	30 September 2024	31 December 2023
Long-term financial debt	446,115	398,218
Bank borrowings, including current portion of long-term debt, and other financial liabilities	125,072	155,126
Gross financial indebtedness	**571,187**	**553,345**
Cash and cash equivalents	(28,905)	(76,812)
Current financial assets	(5,665)	(15,545)
Financial indebtedness	**536,617**	**460,987**

Current and non-current financial liabilities

The tables below set forth the qualitative breakdown of current and non-current financial liabilities at 30 September 2024 and 31 December 2023.

	30 September 2024	within 1 year	from 1 year to 5 years	after 5 years
Senior Secured Notes	367,487		367,487	
Revolving Credit Facility (RCF)	15,000	15,000		
Artigiancassa loan	471	314	157	
Banca Sistema loan	12,000	2,667	9,333	
Banca di Bologna loan	318	68	250	
Prepaid interest expenses	(500)	(498)	(2)	
Accrued interest expenses	4,807	4,807		
Long-term bank borrowings and current portion of long-term bank borrowings	**399,583**	**22,358**	**377,225**	**0**
Current bank overdraft, advance payments and hot money	37,218	37,218		
Lease liabilities	43,107	11,505	25,290	6,312
Loans from syndicated shareholders	711	157	537	16
Loan from Parent Company MSC	74	74		
Other financial liabilities	1,328	1,328		
Obligations from assignments with recourse of trade receivables	15,421	15,421		
Amounts collected on behalf of assignees of trade receivables	21,263	21,263		
Obligations arising from reverse factoring transactions	13,474	13,474		
Options on subsidiaries' minority shareholdings	38,687	1,952	36,734	
Share capital to be paid into associates	315	315		
Debt for the acquisition of investments/business units	6	6		
TOTAL FINANCIAL LIABILITIES	**571,186**	**125,072**	**439,787**	**6,328**

	31 December 2023	within 1 year	from 1 year to 5 years	after 5 years
Senior Secured Notes	366,179		366,179	
Artigiancassa loan	785	314	471	
SACE/Banca Sistema loan	36,000	36,000		
Banca di Bologna loan	367	66	301	
Prepaid interest expenses	(671)	(509)	(163)	
Accrued interest expenses	12,299	12,299		
Long-term bank borrowings and current portion of long-term bank borrowings	**414,958**	**48,170**	**366,788**	**0**

	31 December 2023	within 1 year	from 1 year to 5 years	after 5 years
Current account overdrafts, advance payments and hot money	27,549	27,549		
Lease liabilities	41,697	10,978	25,604	5,115
Loans from syndicated shareholders	904	193	599	112
Loan from Parent Company MSC	16	16		
Other financial liabilities	2,073	2,073		
Obligations from assignments of trade receivables with recourse	18,183	18,183		
Amounts collected on behalf of assignees of trade receivables	11,387	11,387		
Obligations arising from reverse factoring transactions	16,633	16,633		
Options on subsidiaries' minority shareholdings	19,545	19,545		
Share capital to be paid into associates	315	315		
Debt for the acquisition of investments / business units	83	83		
TOTAL FINANCIAL LIABILITIES	**553,345**	**155,126**	**392,991**	**5,227**

SENIOR SECURED NOTES (REKEEP S.P.A.)

On 28 January 2021 Rekeep S.p.A. launched a high-yield bond issue named "€350,000,000 7.25% Senior Secured Notes due 2026", which is not convertible and not subordinated, for a total amount on account of principal of € 350 million, due 1 February 2026. The Notes, which were reserved for institutional investors, were admitted to listing on the EURO MTF multilateral trading facility managed by the Luxembourg Stock Exchange and on the ExtraMOT multilateral trading facility, PRO segment, organized and managed by Borsa Italiana S.p.A.. The issue took place at par, with a coupon at an annual fixed rate of 7.25% (payable on a six-monthly basis on 1 February and 1 August, as from 1 August 2021) and non-callable repayment until 1 February 2023. On 9 February 2021, the Company also issued additional Senior Secured Notes with a par value of € 20 million at an issue price of 102.75% plus an amount equal to the interest that would have accrued on the Notes until (and excluding) 9 February 2021 in the event of them being issued on 28 January 2021. These Notes are regulated by the same terms and conditions as those issued previously (annual rate of 7.25% and due 2026) and will be formally registered in the same series as the latter ones.

The rules of the bond issue provide for a system of guarantees and covenants to protect the Bondholders' investment. There are in fact some limitations on the financial operations of the Issuer and of its subsidiaries, while allowing the Group to operate freely, provided that the operations carried out contribute added value and cash flows to the Group, at least potentially. These covenants substantiate in some limitations on the possibility of incurring new indebtedness and making distribution of dividends, investments and some types of payments outside the Restricted Group (restricted payments). Furthermore, there are also rules governing the allocation

of sums obtained from the sale of fixed assets, the performance of non-recurring and related-party transactions and the release of collateral on corporate assets to third parties. The covenants in question substantiate in the compliance with certain financial parameters (incurrence base financial covenants), the fulfillment of some conditions or the application of a quantitative limit on the performance of the transactions referred to above rather than in a full prohibition on carrying out the aforesaid transactions. Finally note interim reporting obligations concerning the Group's financial position, results of operations and cash flows. The limits and provisions laid down in the rules of the bond issue are in line with market practice for similar operations. The failure by the Issuer to comply with one or more covenants, in addition to significant events that give rise to a state of insolvency, constitute default events. There is the possibility of remedying most of them within a certain period of time. The default event relating to the state of insolvency or the failure to remedy the other default events constitute grounds for acceleration, i.e. the beneficiary's forfeiture of the right to the time limit and the early redemption of the Notes. No default events had occurred at the reporting date of these Financial Statements.

As at 30 September 2024 the financial charges accrued on the bond coupons amounted to € 19,970 thousand against € 19,746 thousand in the first half of the previous year. The upfront fees relating to the issue of Senior Secured Notes, accounted for according to the amortized cost method in accordance with IFRS 9, entailed the recognition of financial amortization charges of € 1,308 thousand during the first 9 months of 2024 (€ 1,211 thousand during the first 9 months of 2023).

SUPER SENIOR REVOLVING CREDIT FACILITY (RCF)

At the same time as the issue of 28 January 2021, Rekeep S.p.A. signed a new revolving loan agreement that guarantees a senior secured line of credit ("RCF") for an amount of up to € 75 million, and due 1 August 2025, to be used for general purposes and to manage the working capital of the Issuer and its subsidiaries. The subsidiary Servizi Ospedalieri S.p.A. may also access this facility providing a specific personal security. The interest rate applicable to each use of the RCF loan for each interest period will be equal to the percentage rate resulting from the sum of the fixed margin (equal to 3.5) and the applicable EURIBOR parameter.

The Super Senior Revolving loan agreement provides for compliance with a financial covenant, which is preliminary to the possible use of the line granted. This financial covenant is in line with the market practice for similar financing transactions and is recognized on a quarterly basis on the basis of the data relating to the last 12 months, as resulting from the financial position, results of operations and cash flows approved during the quarter prior to the date of the application for use of the credit facility. On the reporting date of these financial statements the financial covenants had been complied with.

The facility was partially drawn down in order to meet temporary cash requirements (if any), and showed a residual balance of € 15 million at 30 September 2024 (while in 2023 the facility used during the 9 months had been repaid in full at the end of the year). The temporary partial uses of the facility entailed the charging of

financial costs equal to € 1,180 thousand accrued for the time being in the first 9 months of 2024 (€ 1,077 thousand at 30 September 2023).

PREPAID INTEREST EXPENSES

At 30 September 2024 the Parent Company Rekeep recognized prepaid interest expenses of € 500 thousand (€ 671 thousand at 31 December 2023). The item mainly relates to the arrangement fee initially incurred for the execution of the Super Senior Revolving (RCF) loan agreement, initially equal to € 1,260 thousand. These costs will be amortized on a straight-line basis throughout the term of the credit line and generated amortization charges of € 210 thousand in the first half of 2024 (in line with the same period of the previous year).

ACCRUED INTEREST EXPENSES

At 30 September 2024 accrued interest expenses were recognized for € 4,807 thousand (€ 12,299 thousand at 31 December 2023), of which € 4,545 thousand relating to the coupon of the Senior Secured Notes due 1 February 2025 (€ 11,401 thousand at 31 December 2023).

SACE/BANCA SISTEMA LOAN

On 20 April 2023 SACE Fct S.p.A., the SACE group factoring company, which is the lead manager of the transaction, and Banca Sistema S.p.A. made available a Confirming line of credit to the Parent Company Rekeep S.p.A., for a total nominal value of € 60 million intended for the payment of its supply chain of suppliers and subcontractors. The line of credit is backed by a SupportItalia Guarantee provided by SACE S.p.A., which is the extraordinary measure put in place to support liquidity of the Italian enterprises and limit the adverse economic effects arising from the Russia's military aggression against Ukraine, as envisaged in Decree Law no. 50 of 17 May 2022 ("Aid Decree", as converted by Law no. 91 of 15 July 2022), as supplemented. Within the transaction, Rekeep S.p.A. appointed SACE Fct S.p.A. and Banca Sistema S.p.A. to manage the payment of amounts claimed by its own suppliers and subcontractors throughout the country. The available line of credit, used to pay debts to its suppliers and subcontractors, had been used in full at 30 September 2024.
At 30 September 2024 the loan had been repaid in full. In the first 9 months of 2024 it entailed the payment of financial costs of € 1,146 thousand (€ 1,604 thousand at 30 September).

BANCA SISTEMA LOAN (REKEEP S.P.A.)

On 15 May 2024, the Parent Company Rekeep entered into an additional credit line with a nominal value of € 12 million with Banca Sistema S.p.A., which was also backed by the SupportItalia Guarantee from SACE S.p.A., and which was repayable in 18 quarterly installments as from 31 December 2024. The available line of credit, used to pay debts to its suppliers and subcontractors, had been entirely used at the end of the third quarter of 2024.
As at 30 September 2024, the residual debt for this loan amounted to € 12,000 thousand, and entailed the recognition of borrowing costs of € 317 thousand in the period.

ARTIGIANCASSA LOAN (REKEEP S.P.A.)

On 21 June 2018 the Company obtained a soft loan from the "Energy and Mobility Fund" of the Marche Regional Government, aimed at supporting the development of energy efficiency of healthcare units. This soft loan is disbursed partly in the form of an 8-year financing on the part of Artigiancassa S.p.A. for an initial amount of € 1,676 thousand, to which must be added an additional amount of € 186 thousand requested in December 2023, and a pre-amortization period of 12 months. The loan does not bear interest and provides for the payment of 14 six-monthly installments falling due on 31 March and 30 September of each year. As at 30 September 2024 the residual debt of this loan was equal to € 471 thousand (€ 785 thousand at 31 December 2023).

BANCA DI BOLOGNA S.P.A. LOAN (DUC GESTIONE SEDE UNICA SOCIETÀ CONSORTILE A R.L.)

The loan relating to DUC Gestione Sede Unica Società Consortile a r.l. showed a residual value of € 318 thousand at 30 September 2024 (€ 367 thousand at 31 December 2023). It was entered into by the subsidiary with Banca di Bologna S.p.A. to finance the construction of the PV system at the complex of the new headquarters of the unified services of the Municipality of Bologna. The bank disbursed the loan in 2008 for a total amount of € 1,020 thousand to be repaid in 20 years, in quarterly installments and at a rate equal to the IRS plus a spread of 0.70. The loan is not covered by covenants, and there are no derivatives attached to it.

OTHER BANK LOANS

No other loans with banks were reported at 30 September 2024 (unchanged compared to 31 December 2023).

CURRENT ACCOUNT OVERDRAFT, ADVANCE PAYMENTS AND HOT MONEY

As at 30 September 2024 this item showed a balance of € 37,218 thousand against an amount of € 27,549 thousand at the end of the previous year.
Bank overdrafts and advance payments are not backed by guarantees. Their management is linked to temporary cash requirements within inflows and outflows on the reporting date.

LEASE LIABILITIES

Obligations in place at 30 September 2024 for lease agreements, property and operating leases amounted to € 43,107 thousand against € 41,697 thousand at 31 December 2023.
During the year under review, new contracts were activated and lease payments were revalued for a present value, at the time of recognition, equal to € 6,623 thousand while contracts were early terminated for a residual value of € 1,442 thousand. The new contracts signed are related to motor vehicles, corporate fleet vehicles, equipment, plant and machinery (the latter mainly relating to Servizi Ospedalieri S.p.A., which uses them in

the laundering and sterilization production processes), in addition to property leases, including revaluations of rentals under already existing agreements.

SYNDICATED LOANS

This item refers to financing provided by the consortium members, which are minorities in the consortium companies included within the scope of consolidation, since they are owned or held in joint venture at 50%. In certain cases, these loans are non-interest-bearing loans and are repayable on request. In other cases, they have a contractually defined maturity and, in others, they do not have a contractually defined maturity but will essentially be repayable at the end of the long-term service contract, on the basis of which the consortium company was established. As at 30 September 2024 the overall balance of these loans amounted to € 711 thousand (€ 904 thousand at 31 December 2023).

DUE TO FACTORING AGENCIES

This item includes receipts from customers on receivables assigned within the factoring of trade receivables without recourse, for which the Group acts as the agent for the management of receipts on behalf of the factor. The amounts collected, equal to € 21,263 thousand at 30 September 2024 (€ 11,387 thousand at 31 December 2023), were transferred to the factor in the month after the end of the period.

OBLIGATIONS FROM ASSIGNMENTS OF RECEIVABLES WITH RECOURSE

Rekeep S.p.A. and Servizi Ospedalieri entered into an agreement for the assignment with recourse of trade receivables with Banca Sistema S.p.A. concerning receivables from Public Authorities during 2020.
In 2024 assignments with recourse were made with regard to trade receivables at a nominal value of receivables of € 37,375 thousand while the exposure was equal to € 15,421 thousand at 30 September 2024 (€ 18,183 thousand at 31 December 2023).

OBLIGATIONS ARISING FROM REVERSE FACTORING TRANSACTIONS

As from 2020 the Parent Company Rekeep S.p.A. entered into some reverse factoring lines, which ensure a greater amount of overdraft facilities with respect to payments to some suppliers. The overall exposure amounted to € 13,474 thousand at 30 September 2024 (€ 16,633 thousand at 31 December 2023).

OPTIONS ON SUBSIDIARIES' MINORITY SHAREHOLDINGS

The options on subsidiaries' non-controlling interests were recognized for an amount of € 38,687 thousand at 30 September 2024 (€ 19,545 thousand at 31 December 2023).

Of these an amount of € 36,734 thousand related to the fair value at the date of the Put option granted in favor of the minority shareholder of Rekeep Polska S.A. on 20% of the capital of the company acquired on 30

October 2019. The related strike price is calculated for an amount equal to the product between consolidated EBITDA on a 12-month basis for the quarter immediately preceding that exercise date by a multiple equal to 7.5x, as reduced by the consolidated net financial position and adjustments to Net Working Capital set out in the acquisition contract. Following the amendments to the investment agreements signed on 10 June 2024, this option may be exercised between 31 December 2027 and 31 December 2028, with the parties having the option to renew the agreement for an additional period of 3 years by exercising their right within 6 months of the expiry of the first period of exercise (deferring the period of exercise between 31 December 2030 and 31 December 2031). It should be noted that previously the period to exercise the option was set between 30 October 2024 and 30 October 2025.

As at 30 September 2024 there also was the recognition of the estimated liability linked to the Put option held by the minorities of Rekeep France S.a.s., whose shareholding of 30% was transferred to third parties on 15 January 2018 under an Investment Agreement signed in 2017.

DEBTS FOR THE ACQUISITION OF INVESTMENTS/BUSINESS UNITS

This item amounted to € 6 thousand at 30 September 2024 (€ 83 thousand at 31 December 2023). The item showed a decrease of € 77 thousand compared to the end of the previous year, following the payment of the residual debt of Rekeep Polska S.A. for the acquisition of the Polish company Ster-med S.p. z.o.o., which took place in 2023.

OTHER FINANCIAL LIABILITIES

As at 30 September 2024 other financial liabilities were recorded for € 1,328 thousand, against € 2,073 thousand at 31 December 2023. The balance of this item includes, among others, the price that the Parent Company Rekeep has paid to its controlling company MSC against the acquisition of the property lease agreements involving its registered office, in place with MPS Leasing & Factoring S.p.A., for a residual value of € 370 thousand at 30 September 2024 (against an initial debt of € 5,370 thousand, including VAT, € 1,550 thousand at 31 December 2023), as determined according to the positive differential between the value of the real estate complex and the residual debt resulting from the amortization schedules envisaged under the lease agreements.

Current and other financial assets

As at 30 September 2024 Current and other financial assets amounted to € 5,665 thousand (€ 15,545 thousand at 31 December 2023) and mainly included:

- the balance of pledged current accounts dedicated to the operation of the service for managing receipts within the scope of assignments of trade receivables without recourse, equal to € 2,604 thousand (€ 779 thousand at 31 December 2023);

- receivables for short-term loans and financial accounts held with non-consolidated Group companies for a total of € 1,024 thousand (€ 643 thousand at 31 December 2023);
- the balance of restricted current accounts stood at € 265 thousand (€ 12,350 thousand at 31 December 2023). On 9 February 2024 the Parent Company Rekeep S.p.A. obtained the full release of the sums paid and pledged as cash collateral for contracts for the supply of gas, in place at 31 December 2023 for € 12,350 thousand;

financial receivables for the assignment of the residual balance of tax credits for electricity and gas to the parent company MSC by some subsidiaries, amounting to € 630 thousand at 31 December 2023, were collected in full during the first quarter of 2024.

12. Employee termination indemnity

Below are the changes in the liabilities relating to Employee Termination Indemnity (TFR) in the first 9 months of 2024, compared with changes in the same period of the previous year.

	For the 9 months ended	
	30 September 2024	**30 September 2023**
AT 1 JANUARY	10,419	**9,970**
Additions for business combinations		75
Current service cost	969	976
Interest costs on benefit obligations	232	264
Benefits paid	(1,279)	(1,332)
Net actuarial (gains)/ losses	424	38
At 30 September	**10,765**	**9,991**

Below is reported the breakdown of the net cost of employee benefits relating to the Employee Termination Indemnity (TFR):

	For the 9 months ended	
	30 September 2024	**30 September 2023**
Current service cost	969	976
Interest costs on benefit obligations	232	264
Net cost of the benefit recognized in the statement of profit or loss	**1,201**	**1,240**
Net actuarial (gains)/ losses recognized in the period (on shareholders' equity)	424	38
Total cost of the benefit	**1,625**	**1,278**

Below are reported the data relating to the average number of the Group's employees:

For the 9 months ended

	30 September 2024	30 September 2023
Executives	79	68
Office workers	1,792	1,775
Manual workers	23,244	23,872
AVERAGE STAFF	**25,114**	**25,715**

13. Provisions for risks and charges

Below are reported the breakdown and changes in provisions for risks and charges for the period ended 30 September 2024:

	Risks on investments	Risks on job orders	Pending disputes	Tax litigation	Severance provisions	Other provisions	Total
At 1 January 2023	**408**	**16,465**	**25,900**	**447**	**638**	**10,541**	**54,398**
Accruals	0	542	2,499			197	3,238
Uses	0	(523)	(1,479)		(32)	(3,377)	(5,411)
Reversals	(269)	(145)	(439)			(643)	(1,495)
Others	(13)	749				(1,018)	(282)
At 30 September 2024	**126**	**17,088**	**26,482**	**447**	**606**	**5,700**	**50,448**
At 30 September 2024:							
Current	126	15,611	232	447	606	4,194	21,217
Non-current		1,476	26,249			1,505	29,231
At 31 December 2023:							
Current	408	14,989	272	447	638	5,953	22,707
Non-current		1,476	25,628			4,587	31,692

PROVISION FOR RISKS ON INVESTMENTS

The item, amounting to € 126 thousand (€ 408 thousand at 31 December 2023), includes the provision for unrecoverable future losses of Group companies and related for € 126 thousand to the subsidiary Alisei S.r.l.. In the first 9 months of 2024 reversals were also recorded for € 269 thousand, relating to Yougenio S.r.l. in

liquidation, since it exceeded the recoverable value from the winding-up of the company, which took place on 21 October 2024.

PROVISION FOR RISKS ON CONTRACTS

This provision includes, at consolidated level:

- estimated risks relating to potential disputes with customers, on the report of works;
- estimated penalties charged by customers;
- estimated costs to complete job orders, in respect of which no additional revenues will be paid.

The balance at 30 September 2024 was equal to € 17,088 thousand (€ 16,465 thousand at 31 December 2023), up by € 623 thousand against accruals of € 542 thousand, uses and releases of € 668 thousand, and other changes of € 749 thousand.

PROVISIONS FOR PENDING LEGAL DISPUTES

At the reporting date of the financial statements, the risk was assessed for the Group to be required to pay future compensation in the event of losing cases in legal actions pending with customers, suppliers, employees and others. During the period ended 30 September 2024, the provision, totaling € 26,482 thousand (€ 25,900 thousand at 31 December 2023), reported increases for accruals for € 2,499 thousand, and decreases for uses and releases, totaling € 1,917 thousand.

Accruals were mostly recognized to cover risks of Parent Company Rekeep S.p.A. for € 1,670 thousand. Uses for the period, most of which were attributable to the Parent Company, relate to the use of provisions set aside in previous years against the settlement of disputes with suppliers and of actions with other parties.

On 20 January 2016 the Competition Authority (“AGCM”) imposed on the Parent company Rekeep S.p.A. (formerly Manutencoop Facility Management S.p.A.) a fine of € 48.5 million due to the breach of competition rules on the part of some companies which had taken part in a European Union tender for cleaning services in school buildings called by CONSIP in 2012 (“Consip Scuole”). The fine was subsequently reduced to € 14.7 million and paid in full by the Company already during 2019.
On 7 January 2017 the Company served a writ of summons on the entity, asking the Ordinary Court of Rome to establish the unlawfulness of the notice of termination of the agreements and order Consip S.p.A. to compensate for any damage suffered by the Company. By a judgment filed on 30 May 2022, the Civil Court of Rome rejected our summons while declaring that the termination of the "Consip Scuole" agreements pursuant to Article 1456 of the Italian Civil Code ordered by Consip was legitimate. The Company, through its legal counsels, submitted an application for appeal, with the first hearing scheduled on 31 January 2023, which was rescheduled *ex officio* to 16 October 2023, and is currently retained for decision. The tender performance bond (initially equal to € 24.5 million) might also be actually enforced in part if the Company loses the case against Consip S.p.A.. ANAC has proceeded with the entry of the contract termination in its computerized records.

Subsequently, on 16 June 2017, Consip officially informed Rekeep S.p.A. of its own decision concerning the exclusion of the Company from the tenders for new agreements relating to cleaning services of barracks ("Consip Caserme") and to cleaning services with health service providers ("Consip Sanità"), with the intention also to confiscate, in this last case, the surety given by the Company during the tender for the amount of approximately € 10.4 million (known as "bid bond"). Both the Regional Administrative Court and the Council of State have confirmed the order of exclusion and, finally, by the Supreme Court, which, by an order published on 22 December 2021, rejected the judicial appeal submitted by the Company. In the meantime, Consip S.p.A. asked the guarantors to enforce the guarantees (bid bonds) provided in the interest of Rekeep for the Consip Sanità tender (equal to € 10.4 million) and Consip Caserme (equal to € 3.4 million). Rekeep S.p.A., with independent appeals and additional grounds, challenged these measures before the Lazio Regional Administrative Court, which rejected the appeals. By an order dated 22 March 2021 the Council of State suspended the enforcement of the judgment that had been appealed against; at the hearing on the merits held on 7 October 2021 the Council of State suspended the proceedings pending a decision on the part of the Constitutional Court as to a dispute regarding Consip's enforcement of provisional deposits against a competitor, during which objections were raised regarding constitutional legitimacy. On 26 July 2022, the Constitutional Court rejected the objections concerning constitutional legitimacy by judgment no. 198/2022. Therefore, following a request to schedule a hearing, the Council of State met for discussion on 2 February 2023 and ordered the suspension of the proceedings, pending a decision on the part of the European Court of Justice on preliminary issues submitted in another appeal (but overlapping with those raised by the defense counsels to the Company) and referred by the Council of State by order to the European Court. On 21 October 2024 the Council of State itself specified that it did not intend to maintain said referral, given that in the meantime the European Court of Justice had issued a ruling, on 26 September 2024, in joined cases C-403/23 and C-404/24, in which it had dealt with part of the preliminary issues submitted by the Council of State. Following that decision, the Company filed an application to set a hearing before the Council of State. However, a single-member board's Presidential decree suspending the challenged judgments was obtained in the meantime.

Finally, on 28 July 2020, one of the guarantors (Atradius) served on Rekeep an appeal before the Civil Court of Rome under Article 702-bis in order to obtain the payment of the sums relating to the sureties issued for the participation in the Consip Sanità tender, pending the enforcement on the part of Consip. At the first appearance hearing scheduled on 24 March 2021, the Court ordered for the summary procedure to be converted into ordinary procedure and for the parties to appear at the hearing scheduled on 21 September 2022: on that occasion further preliminary motions submitted by the opposing party were rejected and a hearing was set for the specification of conclusions on 21 June 2023; as a result of which, on 27 November 2023, the Court of Rome issued a ruling accepting in part the opposing party's claims, ordering Rekeep to provide in its favor a guarantee equal to the amount of the surety enforced by Consip and providing, in case of failure or delay in providing the guarantee, the application of a penalty ("astreinte") of € 500/day. On 19 April

2024 the Company submitted an appeal against the aforesaid judgment, and, on 23 May 2024 Atradius appeared in court. In an order filed on 3 October 2024, the Court of Appeals rejected the petition to stay the enforceability of the first-instance ruling and set a hearing for discussion on 3 June 2025.

Finally, on 6 March 2020 Consip S.p.A. informed the Company of the exclusion from the tender for the cleaning of museum premises ("Consip Musei"), with the intention of sending the document to ANAC, which may proceed with the entry in the electronic criminal records of "Useful information". On 13 March 2020 a request was also sent for the enforcement of the bid bond relating to this tender (equal to € 2.8 million). The Company challenged these orders before the Regional Administrative Court, which rejected the appeal. However, by an order of 11 March 2021 the Council of State granted the preliminary request submitted by the Company and suspended the enforcement of the judgment that had been appealed against. At the hearing held on 7 June 2022, the Council of State suspended the proceedings pending the filing of the Constitutional Court's decision, which, on 26 July 2022, rejected the objections on constitutional legitimacy by judgment no. 198/2022. Therefore, following a request to schedule a hearing, the Council of State met for discussing the substance of the matter on 29 November 2022 while considering the lawfulness of the order of exclusion from the Consip Musei tender and of enforcement of the bid bond. The Company filed an appeal for review before the Council of State, which ordered the suspension of the challenged order limited to the enforcement of sureties under an order dated 24 March 2023. At the hearing held on 23 May 2024 the Council of State suspended the proceedings.

The Consip Sanità, Consip Caserme and Consip Musei tenders did not generate consolidated Revenues until 30 June 2024 and were not included in the consolidated backlog at 30 June 2024.

In the Consolidated Financial Statements at 30 June 2024 the Directors already decided to maintain the provisions for future charges (equal to € 17.5 million), also taking account of the risk of enforcement of the abovementioned performance bond and bid bonds and despite the fact that Rekeep S.p.A. could submit sound arguments against the enforcement of the bonds in court.

The dispute concerning the fine imposed in relation to the FM4 Tender still continued during the year.
On 23 March 2017, the Competition Authority notified Rekeep S.p.A. (Manutencoop Facility Management S.p.A. at the time) of the start of an investigation procedure against the Company itself, as well as against CNS – Consorzio Nazionale Servizi Società Cooperativa, Dussmann Service S.r.l., Engie Servizi S.p.A. (formerly Cofely Italia S.p.A.), ManitalIdea S.p.A., Romeo Gestioni S.p.A. e STI S.p.A. and subsequently extended to Exitone S.p.A., Manital Società Consortile per i Servizi Integrati per Azioni Consorzio Stabile, Manital S.c.p.a., Gestione Integrata S.r.l., Kuadra S.r.l. in Liquidation, Esperia S.p.A., Engie Energy Services International SA, Veolia Energie International SA, Romeo Partecipazioni S.p.A., Finanziaria Bigotti S.p.A., Consorzio Stabile Energie Locali S.c.a.r.l. to ascertain whether those companies put in place a possible anti-

competitive agreement whose subject matter consisted of the coordination of the procedures for taking part in the tender called by Consip in 2014 for awarding the Facility Management services intended for properties mainly for office use of the Public Administration (known as “FM4 Tender”). On 9 May 2019, after the completion of the abovementioned proceedings, the Competition Authority served the final order, considering the existence of the agreement restricting competition between some of the abovementioned companies and imposing a sanction of € 91.6 million on the Company.

The Lazio Regional Administrative Court’s judgment of 27 July 2020 partially granted the appeal submitted by the Company: albeit confirming the Competition Authority’s Order as regards the merits, the Regional Administrative Court granted the request for redetermination of the fine, setting the relevant parameters. Subsequently, the Competition Authority therefore again set the new fine at € 79.8 million. The Company challenged both the Regional Administrative Court’s judgment before the Council of State and the order for the new calculation of the fine before the Regional Administrative Court. Finally, on 22 December 2020 the Competition Authority served on the Company its appeal against the abovementioned Lazio Regional Administrative Court’s order, while requesting the confirmation of the order on the FM4 tender, including the initial fine equal to € 91.6 million. On 20 January 2022, discussion on the merits was held before the Council of State, which rejected the appeal submitted by the Company by a judgment filed on 9 May 2022. Against the ruling, the Company filed an appeal for review before the Council of State on 10 June 2022, and an appeal before the Supreme Court on 8 July 2022, both of which were declared as being inadmissible. The Company, through its attorneys, brought an appeal before the European Court of Human Rights in connection with the judgment of the Council of State that settled the appeal by review, which, in a decision adopted on 25 January 2024, declared the appeal to be inadmissible. An appeal was also brought to the Court of Cassation against the judgment of the Council of State dismissing the appeal for review: at the end of the hearing, which was held on 11 June 2024, the Court declared the appeal to be inadmissible.

Rekeep S.p.A., also on the basis of what has been agreed with its lawyers and maintaining the position it has always taken on the matter, believes that the sanctioning order is completely groundless. The Company therefore considers that the measure is unjustified and declares that it is sure of the absolute correctness of its conduct and of having always acted in compliance with the market rules applicable to the Consip FM4 Tender.

As regards the effects on the financial statements, the Directors recognized the debt and the related cost associated with the expected financial outlay for an amount of € 79,800 thousand as early as from the financial statements at 31 December 2020, given the enforceability of the fine and while continuing to rely on the reasonableness of the defense arguments, as stated in the final order of the Competition Authority and entered in the taxpayers’ list on the part of the Revenue Agency. For the payment of the debt, the Company applied for and obtained from the Revenue Agency a plan initially providing for 72 monthly instalments, and expiring in December 2025, and finally updated on 19 April 2024, with the extension of the previous instalment payment plan obtained through the submission of a new plan of 62 monthly instalments expiring in May 2029. At 30

September 2024 the residual debt amounted to € 42,840 thousand, of which an amount of € 6,238 thousand expiring within 1 year. See notes 15 and 16 below for more details on the stated liability.

Furthermore, on 28 June 2019 Consip S.p.A. served on Rekeep S.p.A. the order providing for its exclusion from the FM4 Tender due to the breach of Article 38, paragraph 1.f, of Legislative Decree 163/2006, as well as of Article 68 of Royal Decree 827/1924 and of Article 38, paragraph 2, of Legislative Decree 163/2006, while notifying the enforcement of the provisional guarantees provided by Rekeep S.p.A. in tendering (equal to € 3.9 million). With regard to this exclusion, ANAC initiated a procedure under Article 38, paragraph 1-ter, of Legislative Decree no. 163/2006. On 3 July 2019 Rekeep S.p.A. filed an appeal with the Lazio Regional Administrative Court in order to seek the annulment of the acts of Consip S.p.A., scheduling the hearing in chambers for the decision on the preliminary request on 11 September 2019. On that occasion the Lazio Regional Administrative Court partially granted the preliminary request against the order issued by Consip S.p.A., providing on 10 July 2019 for the suspension of only the enforcement of the temporary guarantees until the hearing on the merits scheduled on 15 July 2020, and subsequently postponed on several occasions until 13 July 2022. On 18 July 2022 a partial judgment was filed, in which the Regional Administrative Court found that the Company's exclusion from participation in the FM4 tender was legitimate, while it suspended the proceedings regarding the enforcement of the surety bond pending the filing of the aforesaid decision of the Constitutional Court, which, on 26 July 2022, ruled by rejecting the issue of constitutional legitimacy by judgment no. 198/2022: therefore, the Regional Administrative Court set the hearing on the merits for the discussion about the enforcement of the surety bond for the hearing on 9 November 2022. On 16 November 2022 the Rome Regional Administrative Court rejected the appeal by “final” judgment no. 15201/22. On 18 January 2023 the Company filed an appeal against this judgment: following the granting of the request for precautionary measures for the suspension discussed at the hearing on 2 February 2023, the Council of State, by an order dated 30 August 2023, ordered, at the hearing on 18 May 2023, a stay of proceedings until the outcome of the decisions of the European Court of Justice on preliminary questions raised in another appeal. However, the Council of State set a new hearing on 8 February 2024, which was postponed to 9 May 2024 and, then, further postponed to 9 January 2025, in order to discuss the legality of the suspension by referral to the European Court, since it occurred at a hearing other than the one at which the question of legality had arisen. On 21 October 2024 the Council of State itself specified that it did not intend to maintain said referral, given that in the meantime the European Court of Justice had issued a ruling, on 26 September 2024, in joined cases C-403/23 and C-404/24, in which it had dealt with part of the preliminary issues submitted by the Council of State. Following that decision, the Company filed an application to set a hearing before the Council of State.

At the same time, on 9 November 2022 the Company appealed against the partial judgment whereby the Regional Administrative Court ruled on the lawfulness of the order of exclusion from the tender: the hearing for the discussion of the merits, finally scheduled on 9 November 2023, was adjourned by the Council of State to 20 June 2024 and then retained for decision.

On 4 November 2019 the Company submitted an appeal to the Lazio Regional Administrative Court against the proceedings initiated by ANAC, which, at present, have been removed from the docket in consideration of

the fact that on 24 January 2020 ANAC ordered to suspend the proceedings while waiting for the settlement of the disputes brought in first instance before the Regional Administrative Court for the Competition Authority's Consip FM4 orders and the exclusion from the Consip FM4 tender. In this regard, in a decision dated 5 November 2024, the Lazio Regional Administrative Court declared that the appeal was inadmissible because the challenged act, i.e. the initiation of the procedure by ANAC, is only a preparatory act that is carried out before the final measure. Potential revenues relating to the FM4 Tender have never been included in the Rekeep Group's backlog.

In assessing the going-concern assumption, the Directors took into account what has been described regarding the Competition Authority's order, finding no uncertainties. For more details, please refer to paragraph 2.3 above, "Discretionary assessments, assumptions and significant accounting estimates".

As things stand as regards the abovementioned proceedings, there are no impediments for the Rekeep Group companies to the participation and being awarded new calls for tenders launched by Public Authorities, and, moreover, any other awarding procedure of contracts with private customers still remains valid.

PROVISION FOR TERMINATION EMPLOYEE BENEFITS

This provision has been set aside to include the amounts due for severance and employee redundancy costs, as part of various restructuring plans implemented by some Group companies over the last few years. The provision recorded a balance equal to € 606 thousand at 30 September 2024 (€ 638 thousand at 31 December 2023) against uses of € 32 thousand for the period.

PROVISION FOR TAX DISPUTES

At 30 September 2024 the provision amounted to € 447 thousand, unchanged compared to the previous year.

OTHER PROVISIONS FOR RISKS AND CHARGES

The provision, amounting to € 5,700 thousand at 30 September 2024, showed a decrease of € 4,841 thousand compared to 31 December 2023 (€ 10,541 thousand) as a result of provisions for € 197 thousand, uses for € 3,377 thousand, and releases and other changes totaling € 1,661 thousand.

The balance of the item includes, among others, the provision for charges recognized in 2023 by subsidiary Rekeep Saudi CO Ltd for charges that are expected to be incurred due to the opening of international arbitration proceedings against its customer OPS LLC in May 2023, and the conclusion of the Metro Riyadh service agreement in July 2023 and the resulting reduction in the workforce and business operations that will be implemented gradually until the completion of the arbitration procedure, which is expected to take place in the 2025 financial year). The residual provision amounted to € 2,717 thousand at 30 September 2024 (€ 6,107 thousand at 31 December 2023), following uses of € 3,259 thousand in the period.

On 10 April 2023, our subsidiary Rekeep Saudi CO Ltd, based in Saudi Arabia, received from its customer OPS LLC a formal notice of termination (Notice of Termination) due to a serious breach of the contract concerning the operation and maintenance services for four lines of the Riyadh Metro. On 12 April 2023, Rekeep Saudi CO Ltd rejected the notice since it claimed that the alleged serious breach underlying the Notice of Termination was unfounded; on 10 May 2023, it challenged the Notice of Termination by filing its request for arbitration before the International Chamber of Commerce (ICC) in Paris in order to seek a decision declaring the illegality of the challenged act and ordering OPS LLC to compensate for any and all damages. The request for arbitration was served on the counterparty on 30 May 2023. On 1 August 2023, OPS filed its counterarguments by submitting its own claim for damages and asked the ICC to authorize it to sue the Parent Company Rekeep S.p.A. in the proceedings. In October 2023, the constitution of the arbitration panel was finalized with the appointment by ICC of the Chairperson, which gave impetus to a series of procedural activities preparatory to the pre-trial investigation. On 31 January 2024, Rekeep Saudi filed a brief on the status of the case with the Arbitration Court while on 1 May 2024 the opposing party OPS filed its statement of defense. On 18 September 2024 Rekeep Saudi and Rekeep filed thier statement of reply to the Statement of Defense - Counterclaim, contesting what the opposing party had filed. The opposing party OPS may file its statement of reply by 21 November 2024.

The Group's management believes that the subsidiary has fulfilled its obligations under the contract and intends to defend its position. Therefore, at present, any risk that might arise from arbitration litigation regarding the counterclaim for damages submitted by the opposing party is considered to be remote.

The item also includes the provision recorded by subsidiary Servizi Ospedalieri, amounting to € 451 thousand at 30 September 2024, in consideration of the sums that are considered likely to have to be paid to certain Regional Governments in application of the provisions laid down in Article 17 of Law no. 111 of 2011, and Article 9 of Decree Law no. 78 of 2015, as converted by Law no. 125 of 2015, which became applicable in 2022 under the Ministry of Health's Decree of 6 July 2022 (published on 15 September 2022), and the Aid-bis Decree (as converted by Law no. 142 of 21 September 2022), the so-called "Medical device payback". First of all, the legislation set, as from 2015, an expenditure ceiling for the Regions in relation to the purchase of medical devices, amounting to 4.4% of the National Health Fund (NHS), while obliging the relevant supplier companies to bear excess expenses, certified by each Regional Government, through the payment of a sum proportional to the share of the spending overrun. On 22 July 2024, the Constitutional Court, called upon by the Lazio Regional Administrative Court to assess the constitutional legality of the relevant provisions, rejected the appeals while declaring the legislation unconstitutional in the part that obliged companies to waive litigation in order to obtain a 48% discount on the amount claimed, extending the benefit to all businesses affected by the legislation. Following this ruling, the case will have to be resumed before the Lazio Regional Administrative Court in the coming months. In the meantime, it should be noted that the orders already issued by the Regional Governments to claim the amounts due under the regulations are suspended. The provision recognized in the

financial statements is Management's best estimate of the amounts accrued in previous years, which are expected to be reimbursed to each Regional Government.

In addition to the “Medical Device Payback”, the Ministerial Decree of 29 December 2023, issued by the Ministry of Health in agreement with the Ministry of Economy and Finance, added a new form of contribution to be paid by companies producing or distributing medical devices, and large in-vitro diagnostic medical equipment and devices, which are required, from 1 November to 31 December of each year, to pay an annual fee equal to 0.75% of the annual turnover (net of VAT) from the sale of such products to the National Health System, subject to self-declaration by 31 December of each year. The subsidiary Servizi Ospedalieri, as well as other market players, filed an appeal with the Regional Administrative Court on 9 April 2024, which set a “pilot” hearing on 2 December 20024. The amounts due in relation to this regulatory provision are set aside by the subsidiary in a specific provision amounting to € 124 thousand at 30 September 2024. For the sake of completeness, it should be noted that the subsidiaries Medical Device and UJET are also subject to the same regulatory provision, and have lodged an appeal, setting aside a provision for a total amount of € 8 thousand at 30 September 2024.

14. Contingent liabilities

As at the date of approval of the Consolidated Interim Financial Statements at 30 September 2024, contingent liabilities had not arisen for the Rekeep Group which had not been recognized in the accounts, for which the Management believes that the related financial risks can be regarded as possible but unlikely or for which these risks cannot be quantified and recognized in the financial statements at 30 September 2024.

15. Other non-current liability items

Below is the breakdown of other non-current liabilities at 30 September 2024 and at 31 December 2023:

	30 September 2024	31 December 2023
Other non-current liabilities	36,687	85
Other non-current liability items	**36,687**	**85**

The item mainly includes the medium- to long-term portion of the residual debt of the liability stated by the Parent Company Rekeep S.p.A. following the service of the updated Competition Authority’s sanctioning order regarding the Consip FM4 tender, and the Revenue Agency’s subsequent registration, in the taxpayer’s list, of the amounts requested, subject to an installment payment plan, as lastly updated on 19 April 2024, and consisting of 62 monthly installments due in May 2029. Before changing the pre-existing installment payment plan, in April 2024 the Parent Company arranged for the payment of some of the overdue and unpaid

installments by virtue of the suspension provided for by the legislative measures enacted during the Covid-19 emergency (Decree Law no. 18 of 17 March 2020, governing "Measures to strengthen the National Health Service and to provide financial support to households, workers and businesses related to the COVID-19 epidemic emergency", "Cure Italy Decree") and became due on 31 August 2021, incurring a total outlay of € 7.2 million (€ 6.8 million on account of principal and € 0.4 million in collection charges). The additional suspended installments, remaining as of 19 April 2024, were rescheduled under the new installment payment plan mentioned above.

Therefore, the total residual debt at 30 September 2024 was € 42,840 thousand, of which an amount of € 36,602 thousand is due after 1 year from the reporting date for the third quarter of 2024, as reflected in the latest installment payment plan received. The remainder, due within 1 year from the end of the period, is reclassified under "Other current payables", for which see Note 16 below. It should be noted that as of the date of this document, the Parent Company had no overdue and unpaid installments with regard to the Competition Authority's FM4 fine.

16. Trade payables, contract liabilities and other current liabilities

The table below sets forth the breakdown of the item at 30 September 2024 and 31 December 2023:

	30 September 2024	of which to related parties	31 December 2023	of which to related parties
Trade payables	334,686		358,781	
Trade payables due to third parties	**334,686**	**0**	**358,781**	**0**
Trade payables to **MSC S.p.A.**	2,712	2,712	1,983	1,983
Trade payables to associates, affiliates and joint ventures	34,856	34,734	35,342	35,342
Trade payables to the Group	**37,568**	**37,446**	**37,325**	**37,325**
Advances from customers, including contract liabilities	41,946	61	26,852	603
Trade payables and contract liabilities	**414,200**	**37,507**	**422,958**	**37.928**
Fees due to directors and statutory auditors	474		289	
Tax payables	8,003		8,997	
Payables to social security institutions within 12 months	16,678		16,597	
Other payables to TJA ("*Associazione Temporanea di Imprese*")	4,281		7,114	
Payables to employees within 12 months	70,702		59,420	
Other payables within 12 months	23,965		76,512	
Property collection on behalf of customers	2,176		2,176	

	30 September 2024	of which to related parties	31 December 2023	of which to related parties
Other current operating payables to third parties	**126,279**	**0**	**171,105**	**0**
Other current payables to **MSC S.p.A.**	48	48	48	48
Other payables to associates, affiliates and joint ventures	40	40	42	42
Other current payables to the Group	**88**	**88**	**90**	**90**
Accrued expenses	409		801	
Deferred income	385		99	
Accrued expenses and deferred income	**794**	**0**	**900**	**0**
Other current liabilities	**127,161**	**88**	**172,095**	**90**

Trade payables do not accrue interest and are settled for, on average, 90/120 days from the invoice date. The other payables are non-interest bearing and are settled, on average, after 30 days, excluding payables due to employees for accrued year-end and summer bonuses and holidays paid at 6 months on average, and the amounts due to the Tax Authorities for VAT payments.

Trade payables and contract liabilities at 30 September 2024 amounted to € 414,200 thousand against a balance of € 422,958 thousand at 31 December 2023, showing a decrease of € 8,758 thousand in the first 9 months.

These amounts include trade payables to the Group, amounting to € 37,446 thousand (€ 37,325 thousand at 31 December 2023), as well as advances of € 61 thousand (€ 603 thousand at 31 December 2023). For more details, reference should be made to Annex III – Related-Party transactions.

Other current operating payables showed a balance of € 127,161 thousand at 30 September 2024 (€ 172,095 thousand at 31 December 2023) and are mainly made up of the following items:

- payables to employees of € 70,702 thousand (€ 59,420 thousand at 31 December 2023) including the current monthly salaries to be paid in the months after the end of the financial year, as well as payables for additional monthly salary to be paid (a portion of the 14th salary, to be paid every year in the month of July, and of the 13th salary, to be paid every year in December). Furthermore, the corresponding payables to social security institutions were recognized for € 16,678 thousand (€ 16,597 thousand at 31 December 2023);
- payables due to tax authorities for € 8,003 thousand mainly relating to the balance of payables for VAT payments on the part of some Group companies and of the IRPEF (Personal Income) tax payable for employees (€ 8,997 thousand at 31 December 2023);
- collections on behalf of Temporary Associations of Companies (TJA) for € 4,281 thousand, which relate to the amounts collected by the Group, on behalf of third parties, mainly relating to job orders under CONSIP agreement (€ 7,114 thousand at 31 December 2023);

- the short-term portion, amounting to € 6,238 thousand, of the residual debt at 30 September 2024 for the Competition Authority's FM4 fine totaling € 42,840 thousand. The remaining portion, maturing more than 1 year from the end of the period, is reclassified under "Other non-current liabilities" (see Note 15 above for more details). As at 31 December 2023, the item included instead the entire amount of the residual debt resulting from the previous installment payment plan of the fine, amounting to € 55,172 thousand.

17. Commitments and guarantees

The Group has commitments in place which arise from the execution of lease agreements.

Specifically, the Group signed lease agreements primarily for plant and machinery used in the production processes of the Laundering & Sterilization SBU, as well as property lease agreements and commitments to the execution of property lease agreements for the Group's offices, long-term hire agreements for the Group companies' corporate fleets and agreements for the hiring of equipment used in performing some work contracts, accounted for in accordance with IFRS16.

The tables below report the breakdown of the amounts of future payments under lease agreements and their present value at 30 September 2024 and 31 December 2023:

	30 September 2024		31 December 2023	
	Lease payments	Present value of lease payments	Lease payments	Present value of lease payments
Within one year	13,074	11,505	12,287	10,978
From one year to five years	27,840	25,290	28,668	25,604
After five years	7,437	6,312	5,586	5,115
TOTAL LEASE FEES	**48,351**	**43,107**	**46,540**	**41,697**
Financial costs	(5,244)		(4,843)	
PRESENT VALUE OF LEASE FEES	**43,107**	**43,107**	**41,697**	**41,697**

Furthermore, as at 30 September 2024, the Group granted sureties to third parties for:

- guarantees against financial obligations amounting to € 1,671 thousand (€ 4,326 thousand at 31 December 2023), of which € 627 thousand issued in the interest of associates for bank overdrafts and other financial obligations (€ 697 thousand at 31 December 2023);

- sureties granted to third parties to ensure the proper fulfillment of contract obligations in place with customers, amounting to € 340,013 thousand (31 December 2023: € 349,981 thousand), of which € 7,736 thousand issued in the interests of associates (€ 3,904 thousand at 31 December 2023);
- other guarantees granted by third parties in favor of associates, joint ventures and other equity investments for € 11,074 thousand (€ 7,454 thousand at 31 December 2023);
- other guarantees granted to third parties to replace security deposits required to activate utilities or to execute lease agreements, as well as to customers as security for contract advances, and to the Revenue Agency for VAT refunds, for a total amount of € 59,058 thousand (€ 105,341 thousand at 31 December 2023).

GUARANTEES ARISING FROM THE SENIOR SECURED NOTES ISSUE LAUNCHED IN 2021 AND FROM THE SUPER SENIOR REVOLVING LOAN AGREEMENT

As reported in note 11 above, in 2021 Rekeep S.p.A. launched a bond issue of Senior Secured Notes for a total nominal amount of € 370 million, due 2026, an annual fixed coupon of 7.25% (payable on a six-monthly basis on 1 February and 1 August, as from 1 August 2021), and non-callable repayment until 1 February 2023. At the same time as the launch of the bond issue, Rekeep S.p.A. signed a new revolving loan agreement that will guarantee a senior secured line of credit ("RCF") for an amount of up to € 75 million, to be used for general purposes and to manage the working capital of the Issuer and Servizi Ospedalieri S.p.A..

The payment obligations connected to both the Bond Issue and the Super Senior Revolving (RCF) facility are backed by the following collateral provided:

- a first-degree pledge over the total shares of Rekeep S.p.A., paid by the controlling company MSC Società di Partecipazione tra Lavoratori S.p.A.;
- a pledge over the total shares of subsidiary Servizi Ospedalieri S.p.A.;
- an assignment, by way of security, involving receivables held by Rekeep S.p.A., arising from intercompany loans granted by it to some of its subsidiaries.

Rekeep S.p.A. has also provided, in favor of the subscribers of the Super Senior Revolving facility only, a special lien pursuant to Article 46 of Legislative Decree 385 of 1 September 1993 on some of the personal properties held by it.

The guarantees listed above may be called by the counterparties only in the case that one of the events of default envisaged in the abovementioned contracts occurs; up to the occurrence of the same, the assets covered by the guarantee are fully available to the Rekeep Group companies. No events of default had occurred as at 30 September 2024.

18. Risk management

FINANCIAL RISK MANAGEMENT

Management of financial requirements and the relative risks (mainly interest rate and liquidity risk) is performed centrally by the Group's finance function on the basis of guidelines approved by the Parent Company's Board of Directors which are reviewed periodically. The main objective of these guidelines is to guarantee the presence of a liability structure that is balanced with the composition of the balance sheet assets, in order to maintain a high level of capital strength.

On 18 January 2021, Rekeep S.p.A. completed the issue at par of Senior Secured Notes for a total nominal amount of € 350 million, due 1 February 2026, an annual fixed coupon of 7.25% (payable on a six-monthly basis on 1 February and 1 August, as from 1 August 2021) and non-callable repayment until 1 February 2023. The stock was admitted for listing on the EURO MTF multilateral trading facility managed by the Luxembourg Stock Exchange and on the ExtraMOT multilateral trading facility, PRO segment, organized and managed by Borsa Italiana S.p.A.. On 9 February 2021, the Company also issued additional Senior Secured Notes with a par value of € 20 million at an issue price of 102.75% plus an amount equal to the interest that would have accrued on the Notes until (and excluding) 9 February 2021 in the event of them being issued on 28 January 2021. These Notes are regulated by the same terms and conditions as those issued previously (annual rate of 7.25% and due 2026) and will be formally registered in the same series as the latter ones.

The other traditional financing instruments used by the Group Companies are made up of:

- short-term loans and revolving assignments of trade receivables without and with recourse, as well as reverse factoring, with the aim of funding working capital;
- very short-term credit lines used for contingent cash requirements;
- medium and long-term loans with long-term amortization plans to cover investments in non-current assets and in acquisitions of companies and business units.

The Group also uses trade payables deriving from operations as financial instruments. It is not Group policy to trade in financial instruments.

The Group's debt was € 536,617 thousand at 30 September 2024, up compared to 31 December 2023 (€ 460,987 thousand) and 31 December 2022 (€ 449,776 thousand) due to the gradual growth of the Group, as well as the structural and economic trends observed in the business in which it operates. Furthermore, in the first half of 2024, the increase in net financial debt was mainly attributable to two factors: (i) an increase in the value of the contingent liability for the Put option on the acquisition of the additional 20% stake in the share capital of subsidiary Rekeep Polska, following the adjustment to its fair value according to the new business plan, attached to the amendment to the agreements with the minority shareholder, which show an improvement in the sub-group's expected results; and (ii) the recovery of certain overdue and unpaid installments in relation to the debt for the Competition Authority's "FM4" fine, upon the issuance of a new installment payment plan

on the part of the Revenue Agency. For more details regarding the Directors' assessments of the level of debt at 30 September 2024, detailed in Note 11 above, and its evolution, as well as the going concern assumption, please refer to paragraph 2.3 “Discretionary assessments, assumptions and significant accounting estimates” above.
The Directors monitor current cash flows and the Parent Company and other Group companies’ ability to generate prospective cash flows on an ongoing basis in order to effectively and efficiently meet the commitments they have undertaken.

The Group’s financial instruments involve a classification at the three levels stated in IFRS 7. The fair value hierarchy has the following three levels:

- Level 1: prices quoted on active markets for similar liabilities and assets;
- Level 2: prices calculated through information obtained from observable market data;
- Level 3: prices calculated through information other than observable market data.

The table below shows the hierarchical levels for each class of financial asset measured at fair value on 30 September 2024 and 31 December 2023:

		Hierarchy levels				Hierarchy levels		
	30 September 2024	Level 1	Level 2	Level 3	31 December 2023	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss								
Financial assets, securities and other non-current financial assets	**1,101**	101		1,000	**1,101**	101		1,000
- of which securities	**1,101**	101		1,000	**1,101**	101		1,000
Available for sale financial assets								
Financial assets and other current financial assets	**159**		159		**211**		211	
- of which securities	**159**		159		**211**		211	
- of which hedging derivatives	**0**				**0**			
- of which non-hedging derivatives	**0**				**0**			
TOTAL FINANCIAL ASSETS	**1,260**	**101**	**159**	**1,000**	**1,312**	**101**	**211**	**1,000**

Any additional financial assets resulting from the Statement of Financial Position were not measured at fair value. The Group had no financial liabilities measured at fair value as at 30 September 2024 and 31 December

2023. During the financial year under consideration, there were no transfers from one fair value measurement level to another.

There were no changes in the destination of financial assets that entailed any being classified differently. The Group has no credit security instruments to mitigate credit risk. The carrying amount of the financial assets, therefore, represents its potential credit risk.

CAPITAL MANAGEMENT

The main objective of the Group's policy for the management of its capital is to ensure that a solid credit rating and sound capital ratios are maintained in order to support its activities and maximize shareholder value.

The Group manages and modifies capital structure according to changes in economic conditions. In order to maintain or adjust capital structure, the Group may change the amounts of shareholder dividends, repay capital or issue new shares.

The Group checks its indebtedness ratio comparing its net debt with the sum of its total assets and its net liabilities: interest-paying loans, trade payables, other payables and the employee termination indemnity, net of cash and cash equivalents.

	30 September 2024	31 December 2023
Employee termination indemnity	10,765	10,419
Interest-bearing financial loans	491,546	493,222
Trade payables and contract liabilities	414,200	422,958
Other current liabilities	127,161	172,095
Other current financial liabilities	79,641	60,122
Cash and cash equivalents	(28,905)	(76,812)
Other current financial assets	(5,665)	(15,545)
Net financial indebtedness	**1,088,743**	**1,066,459**
Equity attributable to the Group	39,212	55,486
Undistributed net result	16,163	13,221
Total capital	**55,375**	**68,707**
EQUITY AND NET DEBT	**1,144,118**	**1,135,166**
INDEBTEDNESS RATIO	**95.2%**	**93.9%**

The debt ratio at 30 September 2024 was equal to 95.2%, showing an increase compared to 31 December 2023, due to the effect of an increase in net debt (+22.3%), and the concurrent decrease in consolidated equity (-13.3%).

19. Operating segments

The services provided by the Rekeep Group can be divided into two primary areas of business, which coincide with the Strategic Business Units (SBU) where business is channeled. The latter is not affected by significant seasonality factors. The SBUs identified coincide with the CGUs where the Group's activities are conducted. See note 7 for more details.

FACILITY MANAGEMENT SBU

The facility management Segment offers a collection of logistic and organizational support services targeted at users of properties and aimed to optimize the management of property-related activities.

The so-called "traditional" facility management services provided by the Rekeep Group include the following activities:

- cleaning;
- technical services;
- landscaping;
- energy management;
- healthcare logistics.

Cleaning activity includes cleaning and hygiene services, sanitation, disinfection, pest control and rat extermination, collection, transport and disposal of hospital waste and employs the highest number of Group employees.
The so-called "technical services" encompass the management, running and maintenance services of property-related systems (including heating and air conditioning systems, electrical systems, fire prevention and safety systems), including therein:

- design and implementation of redevelopment and adjustment work in line with the safety legislation;
- design and installation of devices for energy saving and for the reduction of emissions of polluting agents into the atmosphere.

Finally, a third type of activities attributable to the facility management service rendered by the Group is the so-called landscaping, i.e. a service for the maintenance of green spaces, which includes both the design and implementation and maintenance of properties' green areas, and services for the area.

Again, within the scope of the operation of buildings, energy management activities are carried out, i.e. technical design, construction and operation of cogeneration plants and operation and maintenance of the same plants to provide customers with energy efficiency solutions.

Finally, healthcare logistics activities are developed, i.e., in-house and third-party logistics services for drugs and medical devices offered through an end-to-end management system.

The Group also expanded its range of services, providing certain specialist facility management services alongside its ‘‘traditional’’ facility Management services, through business combinations or by reorganizing specific business areas. In particular, it operates in the sector of:

- mailing and document management services (H2H Document Solutions S.r.l., formerly Telepost S.r.l.);
- facility services in the field of applications, management and sourcing (H2H Digital Solutions S.r.l., formerly Rekeep Digital S.r.l.);
- facility services in the field of infrastructure and transport (Rekeep Rail S.r.l.).

Finally, the internationalization process led to the start-up of facility operations in France (through the sub-group controlled by Rekeep France S.a.S. and other two subsidiaries), Turkey (through EOS) and in Saudi Arabia (through Rekeep Saudi Arabia Ltd): these companies mainly deliver cleaning services in the transport and healthcare sectors. In 2019 the acquisition of the Polish company Rekeep Polska S.A., the parent company controlling the group with the same name, served to expand and strengthen the market position in the field of facility management in the healthcare sector, particularly cleaning and disinfection of healthcare facilities, specialist hospital services of maintenance of medical areas and instruments, assistance to patients in bed arrangement, transport, medical operations and procedures, as well as catering services, i.e., preparation and distribution of meals to patients and operation of hospital canteens, and medical transportation services, i.e., ambulance hire and transport of people with disabilities.

LAUNDERING & STERILIZATION SBU

Laundering/sterilization is an industrial activity given in support of public and private healthcare facilities. In Italy, the Rekeep Group operates in this sector in particular through Servizi Ospedalieri S.p.A. and its subsidiaries, which provide the following services:

- collection and distribution of linen in the individual departments;
- management of the linen rooms in the health care facilities;
- supply of disposable items and kits;
- rental of linen with special materials for operating rooms;
- acceptance, treatment, sterilization and redelivery of surgical instruments;
- rental of surgical instruments;
- creation and management of sterilization systems.

The results of operations by segment for the periods ended 30 September 2024 and 30 September 2023:

	Facility Management	Laundering & Sterilization	Eliminations	Total
Segment Revenues	798,682	109,750	(12,428)	896,004
Segment costs	(751,961)	(105,708)	12,428	(845,241)
Operating income (loss) by segment	**46,721**	**4,042**	**0**	**50,763**
Share of net profit of associates	423	(88)		335
Net financial income (charges)				(55,593)
Profit before tax				**(4,496)**
Income taxes				(10,959)
NET RESULT FOR THE PERIOD ENDED 30 SEPTEMBER 2024				**(15,455)**

	Facility Management	Laundering & Sterilization	Eliminations	Total
Segment Revenues	769,314	113,766	(12,884)	870,197
Segment costs	(726,860)	(108,206)	12,884	(822,182)
Operating income (loss) by segment	**42,454**	**5,560**	**0**	**48,014**
Share of net profit of associates	(120)	222		102
Net financial income (charges)				(37,705)
Profit before tax				**10,412**
Income taxes				(9,997)
NET RESULT FOR THE PERIOD ENDED 30 SEPTEMBER 2022				**415**

Below are reported the data related to assets and liabilities by operating segments of the Group at 30 September 2024 and 31 December 2023:

	Facility Management	Laundering & Sterilization	Eliminations	Total
Assets allocated to the segment	647,825	148,080	(10,974)	784,930
Goodwill	390,366	16,183		406,550
Investments	13,851	3,521		17,372
Other assets not allocated and related taxes				63,654
SEGMENT ASSETS AT 30 SEPTEMBER 2024	**1,052,042**	**167,784**	**(10,974)**	**1,272,505**

	Facility Management	Laundering & Sterilization	Eliminations	Total
Liabilities allocated to the segment	550,745	62,806	(10,974)	602,577
Other liabilities not allocated and related taxes				623,597
SEGMENT LIABILITIES AT 30 SEPTEMBER 2024	**550,745**	**62,806**	**(10,974)**	**1,226,175**

	Facility Management	Laundering & Sterilization	Eliminations	Total
Assets allocated to the segment	597,171	153,697	(12,214)	738,653
Goodwill	390,516	16,183		406,700
Investments	13,914	3,841		17,755
Other assets not allocated and related taxes				126,955
SEGMENT ASSETS AT 31 DECEMBER 2023	**1,001,601**	**173,721**	**(12,214)**	**1,290,062**
Liabilities allocated to the segment	605,306	66,779	(12,214)	659,871
Other liabilities not allocated and related taxes				568,190
SEGMENT LIABILITIES AT 31 DECEMBER 2023	**605,306**	**66,779**	**(12,214)**	**1,228,061**

20. Related-party transactions

Related party transactions were performed under normal market conditions, i.e. in line with conditions that would be applied between aware and independent parties. Market prices are applied to both commercial and financial transactions.

Non-interest bearing loans are only disbursed in the case of pro-quota financing granted by syndicated shareholders to consortium companies. These loans were, however, discounted in the financial statements of the Parent Company Rekeep S.p.A..

The Parent Company has some sub-lease agreements in place with its parent company MSC Società di Partecipazione tra Lavoratori S.p.A..

Finally, in certain cases the Parent Company provides and performs technical services and works for individuals who hold top management positions within the Group, according to contracts entered into at arm's length. Contract assets against these services were recognized at 30 September 2024, totaling € 2,433 thousand (€ 1,353 thousand at 31 December 2023).

The main contracts in place with other Rekeep Group companies, controlled by MSC Società di Partecipazione tra Lavoratori S.p.A., with the latter and its subsidiaries, are shown below:

- MSC S.p.A. sub-leased to Rekeep S.p.A. the part of the property located in Mestre (VE), via Porto di Cavergnago no. 6, for office use. The lease has a term of six years and is tacitly renewable; as from 1 January 2023, it was added to by a further agreement with a term of 5 years. Annual rent is equal to a total of € 364 thousand, to be paid in 12 monthly installments.
- Rekeep S.p.A. signed agreements with MSC and the other Group companies for the provision of tax consultancy services;
- in January 2024, some Group companies also entered into a contract for the provision of accounting, administrative and tax consulting services with Bologna Service Consulting STP S.r.l., which is invested in by Sacoa S.r.l., a company forming part of the Group of parent company MSC S.p.A..

The breakdown of the balances relating to the transactions carried out by the Group's Companies with related parties is provided in Annex III attached to the Interim Report on Operations.

The Rekeep Group is subject to the management and coordination activities of MSC Società di Partecipazione tra Lavoratori S.p.A..

Zola Predosa, 14 November 2024

The Chairman

Claudio Levorato

Annex I

Group companies

Parent company

	Currency	Registered Office	City
Rekeep S.p.A.	Euro	Via Ubaldo Poli no. 4	Zola Predosa (BO)

Subsidiaries consolidated on a line-by-line basis

Name	Registered Office	City	% Held	Currency
Bologna Strade Soc. Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	54.37%	Euro
C-Food Polska Sp. z o.o.	ul. Traktorowa 126/201, 91-204	Lodz (Poland)	100%	PLN
Catermed Sp. z o.o.	ul. Traktorowa n. 126/201, 91-204	Lodz (Poland)	100%	PLN
Cefalù Energia S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
Consorzio Stabile CMF	Via Bolzano no. 59	Trento (TN)	98.72%	Euro
DUC Gestione Sede Unica Soc.cons.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	71%	Euro
EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S.	Üniversiteler Mahallesi, Bilkent Plaza, A3 Blok, n. 4	Çankaya/ Ankara	51%	TRY
Ferraria Soc. cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	69%	Euro
H2H Cleaning S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
H2H Facility Solutions S.p.A.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
H2H Digital Solutions S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
H2H Document Solutions S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
Infrastrutture Lombardia Servizi Soc.Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	60%	Euro
I.SO.F. S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
ISOM Lavori Soc.Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	62.71%	Euro
ISOM Gestione Soc.Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	52.97%	Euro
IZAN+ sp. z o.o.	ul. Żabiniec n. 46, 31-215	Krakow (Poland)	100%	PLN
JOL-MARK sp. z o.o.	ul. Portowa n. 16G, 44-100	Gliwice (Poland)	100%	PLN
KANARIND Soc.Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	62.43%	Euro

Name	Registered Office	City	% Held	Currency
Kolumna Transportu Sanitarnego Triomed sp. z o.o.	ul. Probostwo n 4	Lublin (Poland)	100%	PLN
Medical Device S.r.l.	Via della Tecnica no.52	Montevarchi (AR)	60%	Euro
Monasterio Energia S.r.l.	Via dei Colatori no. 12	Sesto Fiorentino (FI)	60%	Euro
Naprzód Catering sp. z o.o.	ul. Stefana Banacha 1A, 02-097	Warsaw (Poland)	100%	PLN
Naprzód Hospital sp. z o.o.	ul. Traktorowa 126/301, 91-204	Lodz (Poland)	100%	PLN
Naprzód Inwestycje sp. z o.o.	ul. Traktorowa 126/301, 91-204	Lodz (Poland)	100%	PLN
Naprzód Marketing sp. z o.o.	ul. Traktorowa 126/301, 91-204	Lodz (Poland)	100%	PLN
Naprzód Service sp. z o.o.	ul. Traktorowa 126/202, 91-204	Lodz (Poland)	100%	PLN
Progetto Sintesi Soc. Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	60%	Euro
Rekeep Facility S.a.s.	52, Boulevard de Sebastopol	Paris	100%	Euro
Rekeep Facilities Management LLC	Rasis Business Centre, Makani No, 18353 78040 - Al Barsha First	Dubai (United Arab Emirates)	100%	AED
Rekeep France S.a.s.	52, Boulevard de Sebastopol	Paris	93.07%	Euro
Rekeep Mobilites S.a.s.	11 bis Rue de Moscou	Paris	100%	Euro
Rekeep Santè S.a.s.	11 bis Rue de Moscou	Paris	100%	Euro
Rekeep Polska S.A.	ul. Traktorowa 126/301, 91-204	Lodz (Poland)	80%	PLN
Rekeep Rail S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
Rekeep Saudi Arabia Ltd	P.O Box 230888, K.S.A., 28th floor, Kingdom Tower	Riyadh (Saudi Arabia)	100%	SAR
Rekeep Superfood sp. z o.o.	91-204 Lodz, ul. Traktorowa 126	Krakow (Poland)	100%	PLN
Rekeep Transport S.a.s.	4 place Louis Armand-Tour de l'Horloge	Paris	100%	Euro
Rekeep World S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
S.AN.GE S.c.a.r.l.	Viale Sarca no. 336 – Strada Privata Breda – Edificio 12	Milan	100%	Euro
San Gerardo Servizi Soc. Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	60%	Euro
Servizi Ospedalieri S.p.A.	Via Calvino no. 33	Ferrara	100%	Euro
Servizi Sanitari Sicilia Soc. Cons. a r.l.	Via Calvino no. 33	Ferrara	70%	Euro
Ster-med sp. z o.o.	ul. Plk. Stanislawa Dabka 16,30-372	Krakow (Poland)	90%	PLN
Tecnopolo Energy service S.r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	84%	Euro
Treviso GS4 Soc. Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	67.20%	Euro
U.Jet Romania Private Limited Company	str. Garii n. 10	Sighetu Marmatiei (Romania)	100%	RON
U.Jet S.r.l.	Via San Francescuccio dè Mietitori no. 32	Bastia Umbra (PG)	60%	Euro

Joint ventures accounted for under the equity method

Name	Registered Office	City	% Held	Currency
AMG S.r.l.	SS Laghi di Avigliana no. 48/a	frazione Roata Raffo Busca (CN)	50%	Euro
Legnago 2001 Soc. cons. a.r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	50%	Euro

Associated and other companies accounted for under the equity method

Name	Registered Office	City	% Held	Currency
2LOW S.r.l. in liquidation	Via Farini no. 6	Bologna	20.09%	Euro
Alisei S.r.l. in liquidation	Via Cesari no. 68/1	Modena	100%	Euro
ARIENES Soc. Cons. a r.l.	Via Nubi di Magellano no. 30	Reggio Emilia	35%	Euro
BGP2 Soc. Cons. r.l.	Via Giovanni Papini no. 18	Bologna	41.17%	Euro
Centro Europa Ricerche S.r.l.	Via G. Zanardelli no. 34	Rome	21.38%	Euro
Consorzio Igiene Ospedaliera Soc. Cons. a r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	66.66%	Euro
Consorzio Sermagest Soc. Cons. a r.l. in liquidation	Via Filippo Corridoni no. 23	Rome	60%	Euro
Energy Center TP Soc. Cons. a r.l.	Via della Cooperazione no. 16	Bologna	35%	Euro
Fondazione Ricerca, Scienze Neurologiche Azienda USL di Bologna	Via Altura no. 3	Bologna	21.08%	Euro
Gestione Servizi Taranto Soc. Cons.a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	47%	Euro
Gestione Strade Soc. Cons.a r.l.	Strada Manara no. 64/B	Parma	25%	Euro
Global Oltremare Soc. Cons. r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	60%	Euro
Global Vicenza Soc. Cons. a r.l.	Via Grandi no. 39	Concordia Sulla Secchia (MO)	41.25%	Euro
Gymnasium Soc. Cons. r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	68%	Euro
GR.A.AL. Soc. Cons. a. r.l.	Via Guelfa no. 76	Bologna	29.926%	Euro
Imola Verde e Sostenibile Soc. Cons. a r.l.	Via S. Allende no. 39	Bologna	30%	Euro
Iniziative Produttive Piemontesi S.r.l.	Corso Einaudi no. 18	Turin	24.75%	Euro
Logistica Ospedaliera Soc. Cons. a r.l. in liquidation	Via C. Alberto Dalla Chiesa no. 23/I	Caltanissetta (CL)	45%	Euro
Logistica Sud Est Soc.Cons. a r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	60%	Euro
MCF servizi Integrati Soc. Cons. a r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	60%	Euro
Newco Duc Bologna S.p.A.	Via M.E. Lepido no. 182/2	Bologna	44.81%	Euro

Name	Registered Office	City	% Held	Currency
Palmanova Servizi Energetici Soc. Cons. a r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	60%	Euro
Rekeep Arabia for Operations and Maintenance Ltd in liquidation	P.O Box 230888, Riyadh, 11321, K.S.A., 28th floor, Kingdom tower.	Riyadh (Saudi Arabia)	100%	SAR
Roma Multiservizi S.p.A. in liquidation	Via Tiburtina no. 1072	Rome	45.47%	Euro
San Martino 2000 Soc. Cons. a r.l.	Via al Molo Vecchio	Calata Gadda (GE)	40%	Euro
S.E.I. Energia Soc. Cons. a r.l.	Via Emilia no. 65	Palermo (PA)	49%	Euro
Servizi Brindisi Soc. Cons. a r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	52%	Euro
Servizi Napoli 5 Soc. Cons. a r.l.	Via Ubaldo Poli no. 4	Zola Predosa (BO)	45%	Euro
Steril Piemonte S.r.l.	Corso Einaudi no. 18	Turin	25%	Euro
Toscana Energia Nord Ovest (T.E.N.O.V.) S.r.l.	Via dei Colatori no.12	Sesto Fiorentino (FI)	45%	Euro
Yougenio S.r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro

Annex II

Equity-accounted investments

	%	Net assets 31 December 2023	Changes in the period					Net assets 30 September 2024	Book value	Provision for risks
			Financial effects	Dividends	Revaluations / Write-downs	Provision for risks	Effects on shareholder s' equity			
2LOW S.r.l. in liquidation (formerly 2 HIGH S.r.l.)	20.09%	90			11			101	101	0
Alisei S.r.l. in liquidation	100%	(126)						(126)	0	(126)
A.M.G. S.r.l.	50%	2,615		(232)	(216)			2,167	2,167	
Arienes Soc. Cons. a r.l.	35.00%	18						18	18	
BGP 2 Soc. Cons. a r.l.	41.47%	62						62	62	
Bologna Global Strade Soc. Cons. a. r.l. in liquidation	59.65%	60	(60)					0	0	
Centro Europa Ricerche S.r.l.	21.38%	64			(11)			51	51	
Consorzio Igiene Ospedaliera Soc. Cons. a r.l. in liquidation	66.66%	7						7	7	
Co. & Ma. Soc. Cons. a r.l. in liquidation	50.00%	5	(5)					0	0	
Consorzio Sermagest in liquidation	60.00%	0						0	0	
Energy Center TP Soc. Cons. a r.l.	35.00%	0	4					4	4	
Fondazione Ricerca, Scienze Neurologiche Azienda USL di Bologna	21.08%	35						35	35	
Gestione Servizi Taranto Soc.Cons.a r.l.	47.00%	9						9	9	
Gestione Strade Soc.Cons. a r.l.	25.00%	13						13	13	
Global Oltremare Soc.Cons. r.l. in liquidation	60.00%	6						6	6	
Global Vicenza Soc.Cons. a r.l.	41.25%	4						4	4	
GR.A.AL Soc. Cons. a r.l.	29.93%	3						3	3	
Gymnasium soc. Cons. a r.l. in liquidation	68.00%	7						7	7	

	%	Net assets 31 December 2023	Changes in the period					Net assets 30 September 2024	Book value	Provision for risks
			Financial effects	Dividends	Revaluations / Write-downs	Provision for risks	Effects on shareholder s' equity			
Imola Verde e Sostenibile Soc. Cons. a r.l. (IVES)	30.00%	6						6	6	
IPP S.r.l.	24.75%	534			86			620	620	
Legnago 2001 Soc. Cons. a r.l. in liquidation	50.00%	5						5	5	
Logistica Ospedaliera Soc. Cons. a r.l	45.00%	5						5	5	
Manutencoop International Services LLC	49.00%	(114)	(14)		14	114		0	0	
MCF Servizi integrati Soc. Cons. a r. l. in liquidation	60.00%	6						6	6	
MSE Soc. Cons. a r.l. in liquidation	56.00%	6	(6)					0	0	
Newco DUC Bologna S.p.A.	44.81%	6,232			328		(410)	6,150	6,150	
Palmanova Servizi Energetici Soc. Cons. a r.l. in liquidation	60.00%	6						6	6	
Rekeep Arabia for Operations and Maintenance Ltd in liquidation	100.00%	(0)						0	0	
ROMA Multiservizi S.p.A. in liquidation	45.47%	1,234			62			1,295	1,295	
San Martino 2000 Soc.Cons. a r.l.	40.00%	4						4	4	
S.E.I. Energia Soc. Cons. a r.l.	49.00%	5						5	5	
Servizi Brindisi Soc. Cons. a r.l.	52.00%	0	5					5	5	
Servizi Napoli 5 Soc. Cons. a r.l.	45.00%	5						5	5	
Steril Piemonte S.r.l.	25.00%	246			41			287	287	
Toscana Energia Nord Ovest (T.E.N.O.V.) S.r.l.	45.00%	468			21			489	489	
Yougenio S.r.l. in liquidation	100.00%	(169)				169		0	0	
NET BOOK VALUE		**11,349**	**(75)**	**(232)**	**335**	**283**	**(410)**	**11,249**	**11,375**	**(126)**

Annex III

Related-party transactions

Parent companies

	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
MSC S.p.A.	30-Sept-23	35	2,123		366	31-Dec-23	14	5,772	1,983	5,426
	30-Sept-24	35	2,481	1	165	30-Sept-24	294	5,395	2,712	7,945

Associated and joint-ventures

	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
2HIGH S.r.l.	30-Sept-23	3	135	1		31-Dec-23	2	21	225	
	30-Sept-24	3	131			30-Sept-24	4		25	
2LOW S.r.l. in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24		44			30-Sept-24			44	
Alisei s.r.l. in liquidation	30-Sept-23					31-Dec-23	3			1
	30-Sept-24					30-Sept-24	3			1
AMG S.r.l.	30-Sept-23		657			31-Dec-23			880	
	30-Sept-24		673			30-Sept-24			892	
ARIENES Soc. Cons. a r.l.	30-Sept-23	13,131	13,177			31-Dec-23	19,013		16,715	
	30-Sept-24	13,182	14,147			30-Sept-24	21,745		20,504	
Bologna Gestione Patrimonio 2 Soc.Cons. a r.l.	30-Sept-23		201			31-Dec-23		25	450	
	30-Sept-24		224			30-Sept-24	(28)	25	383	
Bologna Global Strade Soc. Cons. a r.l. in liquidation	30-Sept-23	14				31-Dec-23				60
	30-Sept-24					30-Sept-24				
Centro Europa Ricerche S.r.l.	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
	30-Sept-23					31-Dec-23				

	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
CO.GE.F. Soc. Cons. a r.l. in liquidation	30-Sept-24					30-Sept-24				
Consorzio Igiene Ospedaliera Soc. Cons. a r.l. in liquidation	30-Sept-23		(2)			31-Dec-23			65	
	30-Sept-24					30-Sept-24			66	
Consorzio Sermagest Soc.Cons.a r.l in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
CO.& MA. Soc. Cons. a r.l	30-Sept-23					31-Dec-23				5
	30-Sept-24					30-Sept-24				
Energy Service TP Soc. Cons. a r.l.	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Fondazione Ricerca, Scienze Neurologiche Azienda USL di Bologna	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Gestione Servizi Taranto Soc.Cons.a r.l.	30-Sept-23	3,234	2,693	60		31-Dec-23	9,514	41	7,140	
	30-Sept-24	3,675	3,254			30-Sept-24	4,916	65	2,483	
Gestione Strade soc.cons.r.l.	30-Sept-23	51	873			31-Dec-23	65	63	881	
	30-Sept-24	49	939			30-Sept-24	48	63	639	
Global Oltremare Soc.Cons.a r.l in liquidation	30-Sept-23		4			31-Dec-23			106	
	30-Sept-24		6			30-Sept-24			111	
Global Vicenza Soc.Cons. a r.l.	30-Sept-23					31-Dec-23		10	17	
	30-Sept-24					30-Sept-24		10	17	
GR.A.AL. Soc. Cons. a. r.l.	30-Sept-23					31-Dec-23	15			
	30-Sept-24					30-Sept-24	15			
Gymnasium Soc. cons. a r.l in liquidation	30-Sept-23					31-Dec-23	1	8	33	
	30-Sept-24					30-Sept-24	1	8	33	
Imola Verde e Sostenibile Soc. Cons. a r.l. (IVES)	30-Sept-23	163	158			31-Dec-23	79		58	
	30-Sept-24	180	174			30-Sept-24	53		45	
IPP S.r.l.	30-Sept-23		165	1		31-Dec-23	2	36	207	
	30-Sept-24		228	1		30-Sept-24		36	262	
Legnago 2001 Soc. Cons. r.l. in liquidation	30-Sept-23		2			31-Dec-23	158		81	
	30-Sept-24		3			30-Sept-24	158		84	
Logistica Ospedaliera Soc. Cons. a r.l. in liquidation	30-Sept-23		1			31-Dec-23			17	
	30-Sept-24		6			30-Sept-24			24	

	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Logistica Sud-Est Soc. Cons. a r.l. in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Manutencoop International Services LLC in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
MCF Servizi integrati Soc. cons. a r.l. in liquidation	30-Sept-23					31-Dec-23	365		5	
	30-Sept-24					30-Sept-24	365		5	
MSE Soc. cons. a r.l. in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Newco DUC Bologna S.p.A.	30-Sept-23	42	5			31-Dec-23	3,730	6	159	
	30-Sept-24	158	24			30-Sept-24	3,311	1,067	58	
Palmanova Servizi Energetici Soc. Cons. a r.l. in liquidation	30-Sept-23		3			31-Dec-23	75		10	
	30-Sept-24		4			30-Sept-24	75		14	
Rekeep Arabia for Operations and Maintenance Ltd in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Roma Multiservizi S.p.A. in liquidation	30-Sept-23	386	219			31-Dec-23	582		165	
	30-Sept-24	166	180			30-Sept-24	639		236	
SA.N.CO. Soc. Cons. a r.l. in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
San Martino 2000 Soc.Cons. r.l.	30-Sept-23	1,057	1,656			31-Dec-23	930		1,537	
	30-Sept-24	1,067	1,578			30-Sept-24	784		1,808	
S.E.I. Energia Soc. Cons. a r.l.	30-Sept-23	43	4,160	35		31-Dec-23	121	904	4,314	
	30-Sept-24	27	3,269	41		30-Sept-24	557	946	5,108	
Servizi Brindisi Soc. Cons. a r.l. in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24		28			30-Sept-24	264	6	(134)	
Servizi Napoli 5 Soc.Cons. a r.l.	30-Sept-23					31-Dec-23	3,439		2,038	
	30-Sept-24					30-Sept-24	3,439		2,038	
Steril Piemonte S.r.l.	30-Sept-23					31-Dec-23		550	32	
	30-Sept-24					30-Sept-24		125		
Toscana Energia Nord Ovest (T.E.N.O.V.) S.r.l.	30-Sept-23	520				31-Dec-23	1,618		655	315
	30-Sept-24	5,565				30-Sept-24	3,469		(10)	315

	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Yougenio S.r.l. in liquidation	30-Sept-23	16	(2)	161		31-Dec-23	28		2	40
	30-Sept-24	9		183		30-Sept-24		222	2	40

Subsidiaries of MSC S.p.A.

	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Cerpac S.r.l. in liquidation	30-Sept-23					31-Dec-23	1			
	30-Sept-24					30-Sept-24	1			
Nugareto Società Agricola Vinicola S.r.l.	30-Sept-23					31-Dec-23	1	6	121	
	30-Sept-24					30-Sept-24	1	8		
Sacoa S.r.l.	30-Sept-23		3			31-Dec-23				
	30-Sept-24					30-Sept-24				
Segesta servizi per l'Ambiente S.r.l. in liquidation	30-Sept-23	4				31-Dec-23	2	1		
	30-Sept-24					30-Sept-24				

Associates of MSC S.p.A. or other related parties

Associates of MSC S.p.A. or other related parties	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Bologna Service Consulting STP Srl	30-Sept-23					31-Dec-23				
	30-Sept-24		50			30-Sept-24			47	
Consorzio Karabak Soc. Cooperativa	30-Sept-23	60				31-Dec-23	31		1	
	30-Sept-24	100				30-Sept-24	54		1	
Consorzio Karabak Due Società Cooperativa	30-Sept-23	13				31-Dec-23	2			
	30-Sept-24	3				30-Sept-24	1			
Consorzio Karabak Quattro Società Cooperativa	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				

Associates of MSC S.p.A. or other related parties	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Consorzio Karabak Cinque Società Cooperativa	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Consorzio Karabak Sei Società Cooperativa	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Holmo S.p.A. in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Puglia Multi Servizi S.r.l. in liquidation	30-Sept-23					31-Dec-23				
	30-Sept-24					30-Sept-24				
Sacoa Servizi Telematici S.r.l.	30-Sept-23		13			31-Dec-23			31	
	30-Sept-24		11			30-Sept-24			10	

	Period	Revenues	Costs	Financial income	Financial charges	Period	Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
TOTAL	**30-Sept-23**	**18,772**	**26,244**	**258**	**366**	**31-Dec-23**	**39,791**	**7,443**	**37,928**	**5,847**
	30-Sept-24	**24,219**	**27,454**	**226**	**165**	**30-Sept-24**	**40,169**	**7,976**	**37,507**	**8,301**

Annex IV

statement of reconciliation of the reclassified statement of cash flows and the statutory schedule items

For the 9 months ended 30 September

	2024	2023
Cash and cash equivalents at the beginning of the period	**76,812**	**84,243**
Cash flow from current operations:	**26,940**	**48,478**
Profit before taxes	(4,495)	10,413
Amortization, depreciation, write-downs (write-backs) of assets	33,194	30,766
Accruals (reversals) of provisions	1,743	11,248
Employee termination benefits provision	1,201	1,240
Share of net profit of associates, net of dividends collected	(335)	(377)
Financial charges (income) in the period	55,570	37,850
Net interest received (paid) in the period	(34,772)	(40,295)
Taxes paid in the period	(3,935)	(4,292)
Reclassifications:		
Non-cash net financial charges accounted for under the Statement of Profit/Loss for the period	(21,231)	1,925
Uses of provisions for risks and charges and payments of the employee termination indemnity:	**(6,690)**	**(7,874)**
Uses of employee terminations benefits	(1,279)	(1,332)
Uses of provisions for risks and charges	(5,411)	(6,542)
CHANGE IN NWOC:	**(44,439)**	**(80,941)**
Decrease (increase) in inventories	79	(1,091)
Decrease (increase) in trade receivables	(36,155)	(5,715)
Changes in trade payables	(8,363)	(74,134)
INDUSTRIAL AND FINANCIAL CAPEX:	**(33,391)**	**(15,784)**

	For the 9 months ended 30 September	
(Purchase of intangible assets, net)	(2,498)	(3,155)
(Purchase of property, plant and equipment)	(33,618)	(28,614)
Sale of property, plant and equipment	3,845	1,980
(Acquisition of investments, net)	164	(198)
Decrease (increase) of financial assets	10,421	2,812
Financial effects of business combinations	0	(1,975)
Reclassifications:		
Net change in the balance of short-term financial assets	(11,705)	13,533
Payables for acquisition of investments and business combinations	0	(167)
CHANGE IN NET FINANCIAL LIABILITIES:	**27,722**	**17,743**
Change in lease debt	(3,617)	(2,768)
Acquisition of non-current borrowings	12,000	60,000
Repayment of non-current borrowings	(36,314)	(12,120)
Proceeds from/(repayment of) short-term bank debt	9,669	13,655
Other changes in financial debt	8,989	(30,731)
Reclassifications:		
Non-cash net financial charges accounted for under the Statement of Profit/Loss for the year	21,231	(1,925)
Net change in the balance of short-term financial assets	11,705	(13,533)
Non-cash elements on net acquisitions of fixed assets	4,059	4,998
Payables for acquisition of investments and business combinations	0	167
OTHER CHANGES:	**(18,049)**	**14,568**
Decrease (increase) in other current assets	(3,768)	16,227
Change in other current liabilities	(10,671)	5,393
Dividends distributed	(147)	(48)
Acquisition/assignment of minority interests of subsidiaries	43	(801)
Differences arising from translation of financial statements in foreign currency	552	(1,205)
Reclassifications:		
Non-cash elements on net acquisitions of fixed assets	(4,059)	(4,998)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**28,905**	**60,433**



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