Consolidated financial statements

at 31 december



rekeep

Consolidated financial statements

Consolidated statement of financial position

(in thousands of Euro)	NOTES	31 December 2024	31 December 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	127,468	117,543
Property, plant and equipment under lease	4	46,661	44,555
Goodwill	6	406,686	406,700
Other intangible assets	5	15,042	17,731
Investments accounted for under the equity method	7	11,264	11,758
Other investments	8	3,915	5,996
Non-current financial assets	8	8,098	6,929
Other non-current assets	8	3,825	4,607
Deferred tax assets	30	18,699	16,472
TOTAL NON-CURRENT ASSETS		**641,658**	**632,291**
CURRENT ASSETS			
Inventories	9	12,432	13,373
Trade receivables and advances to suppliers	10	517,579	513,771
Current tax receivables	30	1,510	6,589
Other current assets	10	69,047	31,681
Current financial assets	11	3,873	15,545
Cash and cash equivalents	11	35,427	76,812
TOTAL CURRENT ASSETS		**639,868**	**657,771**
Assets held for sale		0	0
TOTAL NON-CURRENT ASSETS HELD FOR SALE		**0**	**0**
TOTAL ASSETS		**1,281,526**	**1,290,062**

(in thousands of Euro)	NOTES	31 December 2024	31 December 2023
SHAREHOLDERS' EQUITY			
Share capital		109,150	109,150
Reserves		6,277	7,769
Retained earnings		(60,467)	(48,212)
Profit/(loss) for the year attributable to equity holders of the Parent		301	(13,221)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**55,261**	**55,486**
Capital and reserves attributable to non-controlling interests		6,477	5,825
Profit/(loss) for the year attributable to non-controlling interests		864	690
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		7,341	6,515
TOTAL SHAREHOLDERS' EQUITY	12	**62,602**	**62,001**
NON-CURRENT LIABILITIES			
Employee termination indemnity	13	11,227	10,419
Provisions for risks and charges, non- current	14	30,429	31,692
Long-term financial debt	16	463,912	398,218
Deferred tax liabilities	29	15,161	14,619
Other non-current liabilities	18	34,955	85
TOTAL NON-CURRENT LIABILITIES		**555,684**	**455,033**
CURRENT LIABILITIES			
Provisions for risks and charges, current	14	11,544	22,707
Trade payables and contract liabilities	19	417,722	422,958
Current tax payables	29	448	142
Other current liabilities	19	130,968	172,095
Bank borrowing, including current portion of long-term debt, and other financial liabilities	16	102,558	155,126
TOTAL CURRENT LIABILITIES		**663,240**	**773,028**
Liabilities directly associated with non-current assets held for sale		0	0
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE		**0**	**0**
TOTAL LIABILITIES		**1,281,526**	**1,290,062**

Consolidated statement of profit or loss

(in thousands of Euro)	NOTES	For the year ended 31 December 2024	For the year ended 31 December 2023
REVENUES			
Revenues from contracts with customers	20	1,227,806	1,182,372
Other revenues	21	32,335	4,397
TOTAL REVENUES		**1,260,141**	**1,186,769**
OPERATING COSTS			
Costs of raw materials and consumables	22	(251,540)	(253,764)
Change in inventories of finished and semi-finished products	22	241	207
Costs for services and use of third-party assets	23	(340,383)	(319,607)
Personnel costs	24	(511,253)	(485,972)
Other operating costs	25	(8,514)	(9,860)
Capitalization of lower internal construction costs		1,056	957
Amortization, depreciation, write-downs and write-backs of assets	26	(52,512)	(47,721)
Accrual of provisions for risks and charges	14	(4,370)	(14,964)
TOTAL OPERATING COSTS		**(1,167,275)**	**(1,130,724)**
OPERATING INCOME		**92,866**	**56,045**
FINANCIAL INCOME AND EXPENSES			
Share of net profit of associates	7	404	(24)
Dividends and income (loss) from sale of investments	27	6,117	312
Financial income	28	5,341	2,282
Financial charges	29	(87,198)	(56,509)
Profit (loss) on exchange rate		(165)	(1,529)
Profit (loss) before tax		**17,365**	**577**
Income taxes, current, prepaid and deferred	30	(16,200)	(13,108)
Net profit (loss) from continuing operations		**1,165**	**(12,531)**
Profit (loss) from discontinued operations		0	0
Profit (loss) for the year		**1,165**	**(12,531)**
Net profit (loss) for the year attributable to non- controlling interests	12	(864)	(690)
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP		**301**	**(13,221)**

	For the year ended 31 December 2024	For the year ended 31 December 2023
Basic earnings per share	0.003	(0.121)
Diluted earnings per share	0.003	(0.121)
Basic earnings per share from continuing operations	0.003	(0.121)
Diluted earnings per share from continuing operations	0.003	(0.121)

Consolidated statement of other comprehensive income

(in thousands of Euro)	NOTES	For the year ended 31 December 2024	For the year ended 31 December 2023
NET RESULT FOR THE YEAR		**1,165**	**(12,531)**
Other comprehensive income, which will be subsequently reclassified under profit/loss for the year:			
Differences from translation of foreign financial statements		244	949
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	(491)	226
Other comprehensive income, which will be subsequently reclassified under profit/loss for the year		(247)	1,174
Other comprehensive income, which will not be subsequently reclassified under profit/loss for the year:			
Actuarial gains (losses) on defined benefit plans		(764)	(376)
Income taxes		203	97
Net effect on actuarial gains (losses)	13	**(561)**	**(280)**
Share of other comprehensive income for the year of entities accounted for using the equity method, which will not be subsequently reclassified under profit/loss for the year	7	0	7
Other comprehensive income for the year, which will not be subsequently reclassified under profit/loss for the year		**(561)**	**(273)**
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		**(808)**	**902**
COMPREHENSIVE INCOME (LOSS), NET OF TAXES		**357**	**(11,629)**
Equity holders of the Parent		(455)	(12,013)
Non-controlling interests		812	384

Consolidated statement of cash flows

(in thousands of Euro)	NOTES	For the year ended 31 December 2024	For the year ended 31 December 2023
Net result from continuing operations for the year		**1,165**	**(12,531)**
Income taxes for the year		16,200	13,108
Profit before taxes		**17,365**	**577**
Amortization, depreciation, write-downs and (write-backs) of assets		52,512	47,721
Accrual (reversal) of provisions for risks and charges		4,370	14,964
Employee termination indemnity provision		1,739	1,777
Payments of employee termination indemnity		(1,695)	(1,780)
Utilization of provisions		(17,554)	(7,764)
Share of net profit of associates, net of dividends collected		(172)	299
Financial charges (income) for the year		81,732	55,538
Operating cash flows before movements in Working Capital		**138,297**	**111,332**
Decrease (increase) of inventories		941	(1,285)
Decrease (increase) of trade receivables		(12,569)	19,442
Decrease (increase) of other current assets		(36,849)	26,042
Increase (decrease) in trade payables		(4,841)	(59,653)
Increase (decrease) of other current liabilities		(9,396)	(190)
Change in Working Capital		**(62,713)**	**(15,645)**
Net interests received (paid) in the year		(44,650)	(44,999)
Income taxes paid in the year		(12,305)	(10,526)
Net cash flow from operating activities		**18,629**	**40,162**
(Purchase of intangible assets, net of sales)	5	(3,147)	(5,356)
(Purchase of property, plant and equipment)	3 - 4	(45,838)	(41,432)
Proceeds from sale of property, plant and equipment	3 - 4	4,679	2,310
(Acquisition) of investments		2,111	(604)
Decrease (increase) of financial assets		12,755	4,510
Financial effects of business combinations		0	(3,447)
Net cash flow from (used in) investing activities		**(29,440)**	**(44,019)**
Lease payments	16	(5,294)	(13,048)
Opening of medium- and long-term borrowings	16	12,000	60,186
Repayment of medium- and long-term borrowings	16	(36,981)	(24,240)
Net opening (repayment) of short-term bank credit lines	16	6,460	12,256
Other net changes in borrowings	16	(7,150)	(39,398)
Dividends distributed		(147)	(122)
(Purchase) /sale of subsidiaries' minority shareholdings		22	(155)
Differences arising from translation of financial statements in foreign currency		443	937
Net cash flow from / (used in) financing activities		**(30,646)**	**(3,583)**
Change in cash and cash equivalents		**(41,457)**	**(7,441)**
Cash and cash equivalents at the beginning of the year		76,812	84,243

(in thousands of Euro)	NOTES	For the year ended 31 December 2024	For the year ended 31 December 2023
Change in cash and cash equivalents		(41,457)	(7,441)
Translation differences on cash and cash equivalents		72	10
Cash and cash equivalents at the end of the year		**35,427**	**76,812**
Details of cash and cash equivalents:			
Cash and bank current accounts		35,427	76,812
TOTAL CASH AND CASH EQUIVALENTS		**35,427**	**76,812**

Supplementary information

(in thousands of Euro)	For the year ended 31 December 2024	For the year ended 31 December 2023
Interest paid	(49,986)	(47,281)
Interest received	5,337	2,282
Dividends paid	(147)	(122)
Dividends received	407	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 result		(966)	(12,255)	13,221	**0**		**0**
Distribution of dividends					**0**	(147)	**(147)**
Currency appreciation due to hyperinflation		230			**230**	182	**412**
Acquisition/sale of minority interests in subsidiaries					**0**	(21)	**(21)**
Total comprehensive income (loss) for the period		(756)		301	**(455)**	812	**357**
31 December 2024	**109,150**	**6,277**	**(60,467)**	**301**	**55,261**	**7,341**	**62,602**

	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 result		33	27,098	(27,131)	**0**		**0**
Distribution of dividends					**0**	(122)	**(122)**
Business combinations "under common control"		(168)			**(168)**		**(168)**
Change in consolidation area			805		**805**		**805**
Acquisition/sale of minority interests in subsidiaries					**0**	156	**156**
Total comprehensive income (loss) for the period		1,208		(13,221)	**(12,013)**	384	**(11,629)**
31 December 2023	**109,150**	**7,769**	**(48,212)**	**(13,221)**	**55,486**	**6,515**	**62,001**

Explanatory notes

1. General information

The publication of the Consolidated Financial Statements of the Rekeep Group for the year ended 31 December 2024 was authorized by resolution of the Board of Directors of 28 March 2025.

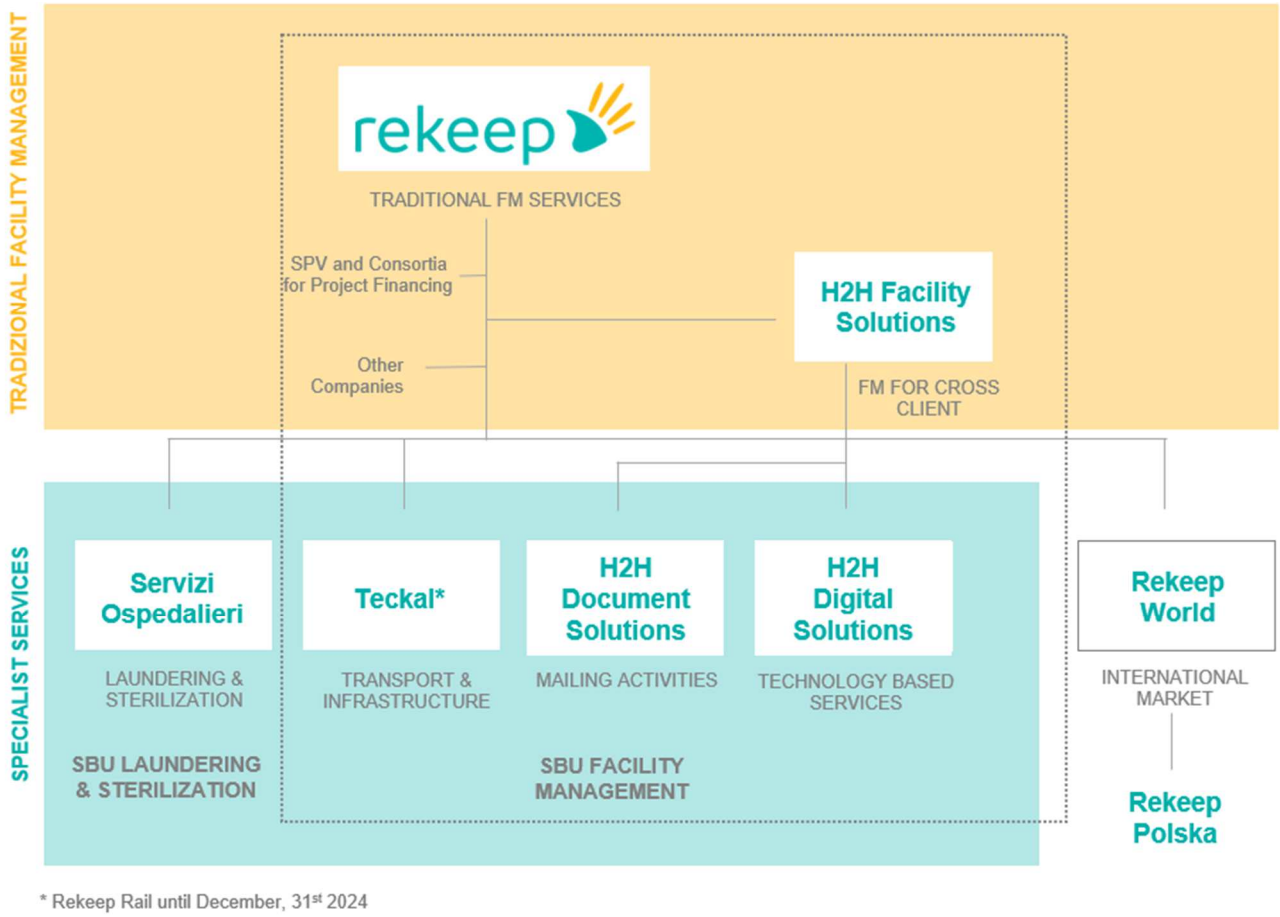
As at 31 December 2024 the share capital of Parent Company Rekeep S.p.A. was wholly held by the sole shareholder MSC Società di Partecipazione tra Lavoratori S.p.A., which also carries out Management and Coordination Activities.

1.1. The business

The Group is active in the management and provision of integrated services to public and private customers, targeted at people, buildings and cities (so-called “Integrated Facility Management”) health care activities. In particular, the Rekeep Group provides a wide and coordinated range of integrated services, aimed at rationalizing and improving the quality of the non-strategic and auxiliary activities of major private groups, public authorities and health care facilities.

At present the Rekeep Group is structured into a single operating holding company which combines so-called “traditional” facility management production resources with those related to supporting the whole Group’s business. a strategy has been pursued by the central holding functions to diversify operations, also through a series of company acquisitions, with some “specialist” facility management services (document management, logistics services, energy management, 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 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., which has already been operating for a few years in France, Turkey and Saudi Arabia through its subsidiaries, and, as from 2019, also in Poland, following the acquisition of Rekeep Polska S.A., a local leading company in the field of facility management in the healthcare sector, which is the parent of the group with the same name.

Therefore, the Group now operates through specific companies for each sector:



The Facility management segment offers a collection of logistic and organizational support services targeted at users of properties and aimed at optimizing 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, which employs the highest number of Group employees, includes cleaning and hygiene services, sanitation, disinfection, pest control and rat extermination, collection, transport and disposal of hospital waste.

The so-called Technical Services encompass the management, operation 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 into 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.

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 planning and implementation of maintenance of properties' green areas, and services for the area.

Property management also includes energy management activities, 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 have been developed, i.e. internal and external logistics services for drugs and medical devices offered through an end-to-end management system.

The Group, through a series of acquisitions, has 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.);
- facility services in the field of applications, management and sourcing (H2H Digital Solutions S.r.l.);
- facility services in the field of infrastructure and transport (Rekeep Rail S.r.l., which changed its name to Teckal S.p.A. on 27 February 2025).

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.

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 Co Ltd): these companies mainly perform cleaning services in the field of transport and healthcare, and sterilization services. 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, especially cleaning and

disinfection of healthcare facilities, specialist hospital services for the maintenance of spaces and medical instruments, assisting 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 rental and transport of persons with disabilities, and sterilization services.

2. Accounting standards and basis of presentation

The consolidated Financial Statements at 31 December 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 related Explanatory Notes.

The balance sheet and income statement values reported in the Statements, the Statement of Cash Flow and the Explanatory Notes are compared with those at 31 December 2023. The consolidated Financial Statements at 31 December 2024 were prepared on a historical cost basis, except for the financial instruments that have been measured at fair value.

The Directors have deemed it appropriate to prepare the Consolidated Financial Statements at 31 December 2024 based on the going-concern assumption, taking into account the actual results achieved to date and the results expected for the current and next financial years, as well as the estimated cash flows expected for the next 12 months from the Parent Company and other Group companies, which are sufficient to regularly meet its obligations over that time horizon and, after assessing any possible uncertainties surrounding the Group'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 "Discretionary assessments and significant accounting assumptions" below, including financial risks described in note 35 and other market risks associated with the proceedings in progress described in note 15, 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. The Statement of profit or loss classifies costs by nature, while the consolidated 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 Shareholders' 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 arising from operating, investing and financing activities.

The Financial Statements at 31 December 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 Euro, unless otherwise stated.

2.1. Statement of compliance with international accounting standards

The Consolidated Financial Statements at 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards ("IFRS"). The Rekeep Group is subject to Letter f) of Article 2 under the Italian Legislative Decree no. 38 of 28 February 2005, which rules the exercise of the options provided for by the Article 5 of Regulation (EC) 1606/2002 about the International Financial Reporting Standards and, therefore, pursuant to Article 3, paragraph 2, and Article 4, paragraph 5, of theaforesaid Italian Legislative Decree, the Parent Company has applied the IFRS as adopted by the European Union in thepreparation of its consolidated and separate Financial Statements as from the year ended 31 December 2005.

2.2. Changes in accounting standards and disclosures

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

The Group did not provide for the early adoption of any standard, interpretation or improvement issued but still not obligatorily 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 management-defined performance measures;
  - 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 and significant accounting assumptions

The preparation of the 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 date of the financial statements, as well as the assessment of the going-concern assumption. 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 assumptions and estimates as at the period ending date of the Consolidated Financial Statements are detailed below.

ASSESSING THE GOING-CONCERN ASSUMPTION

The Group ended the 2024 financial year with consolidated revenues totaling € 1,260.1 million (€1,186.8 million at 31 December 2023), EBITDA of €149.7 million equal to 11.9% of revenues, including non-recurring charges of €6.2 million (€118.7 million at 31 December 2023, 10.0% of related revenues, including non-recurring charges of €9.3 million), and a Group’s net profit of €0.3 million (against a Group’s net loss of €13.2 million at 31 December 2023). Following the result for the year, the Group’s consolidated equity stood at a total of €55.3 million at 31 December 2024 for a total Equity, including the share attributable to minority interests, equal to €62.6 million while the net financial position increased to €527.2 million at 31 December 2024 (including a short-term debt of €102.6 million). The growth of the Group and the structural dynamics of the business, in addition to the increase in the procurement prices of energy that characterized previous years and whose effects are still partially felt, 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 procedure, 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 €75.9 million at 31 December 2024, and including, among other things, the adjustment to the value of the contingent liability for put options to the minority shareholder of the subsidiary Rekeep Polska as a result of the amendments to the previous agreements concluded during the first half of 2024, which affects the item by €34.1 million).

During 2024, the Directors continued their evaluation aimed at finding the best solution for regularly meet short-to medium-term debt, particularly in view of the approaching maturity date in February 2026 on the Senior Secured Notes issued in January 2021 with a nominal value of €370 million. To this end, in February 2025, the Parent Company Rekeep S.p.A. proceeded with the issue of a new Senior Secured bond, with a total nominal value of €360 million and due September 2029, the proceeds of which, together with the Cash and Cash Equivalents already shown on the Company's balance sheet, were used to extinguish the aforementioned Senior Secured Notes due February 2026. The new bond issue is also linked to a new Revolving Credit Facility (RCF) line for a maximum amount of €55.5 million, which ensures financial elasticity to cover financial resource needs in the very short term. In addition, on 16 December 2024, the subsidiary Rekeep Saudi CO Ltd signed a settlement agreement with the former customer OPS LCC as a final settlement of the disputes that originated between the parties and obtained an award of compensation in the amount of €30 million, which was paid by the counterparty on 29 January 2025.

In preparing the Consolidated Financial Statements, in order to verify whether the going-concern assumption requirements was met, the Directors assessed the elements reported above, and in particular (i) the actual results at 31 December 2024, in line with expectations at consolidated level, (ii) the results expected by the Group for the current and subsequent years, characterized by a gradually increasing performance, estimated on the basis of past experience and assumptions that are regarded as being reasonable and reliable by the Directors as reflected in the Business Plan approved by the Board of Directors, (iii) the status of existing relationships with the Group's banks and other lenders, which have not changed significantly since the previous year, (iv) the successful conclusion in February 2025 of the refinancing that enabled the Group to prepay the bond due February 2026, (v) the positive effects on cash flows in 2025 resulting from the settlement of the litigation with the former customer OPS LCC, as well as (vi) the Parent Company and other Group companies' ability to generate sufficient cash flows from their core business activities over the next 12 months to meet their obligations on a regular basis , including commitments relating to the due payment of interest on the bond issue, over that time horizon.

On the basis of the analyses carried out, although the assumptions on which the evaluations are based inherently incorporate elements of discretion and uncertainty, the Directors deemed it appropriate to prepare the Consolidated Financial Statements on a going-concern basis.

With regard to the period beyond the next 12 months, the Directors believe that they will maintain the Group's focus on deleveraging, to be achieved through extraordinary transactions based on the disposal of assets. As at the date of preparation of these Consolidated Financial Statements, a mandate was given to leading national and international advisors in order to identify and implement the best strategy and select counterparties for any possible divestment transactions, providing valuation elements of each asset that can be sold. The Group has started concrete talks with leading domestic market operators and international financial operators, and put in place specific activities aimed at carrying out the extraordinary transactions necessary to dispose of the identified assets. As at the date of preparation of these Consolidated Financial Statements, the aforementioned activities were still in progress and the company was preparing sensitivity analyses for the evaluation of the various strategic scenarios for the disposal of the available assets, analyzing the effects, in terms of results of operations, financial position and cash flows, which the materialization of these transactions may determine, including any potential effects on the recoverability of the asset values stated among intangible assets.

Based on the above considerations, the Consolidated Financial Statements have therefore been prepared on a going-concern basis while being aware of the actions currently in place to meet the substantial medium-term financial commitments. For further details, please refer to Note 35.

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, which 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 31 December 2024 the carrying amount of Goodwill was equal to €406,686 thousand (€406,700 thousand at 31 December 2023). See note 7 for details.

RECOGNITION OF REVENUES AND COSTS FROM CONTRACTS WITH CUSTOMERS

The Group uses the percentage of completion method to account for activities on long-term contracts for the building and improvement of properties or technological plants for which it does construction work. The margins recognized in profit and loss depend both on the progress of the works and the margins on the entire work when completed; therefore, if work in progress and margins on work not yet completed are to be recognized correctly, the Directors must make correct estimates of the costs of completion, possible increases in cost, delays, extra costs and penalties which could reduce the expected margin. The use of the percentage of completion method requires the Group to estimate the costs of completion, which entails the adoption of assumptions depending on factors which could change in time and could therefore have a substantial impact

on current estimates. Should actual costs be different from estimated costs, this change will impact on the results for future 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 OPTIONS ON MINORITY SHARES OF SUBSIDIARIES AND OF THE PRESENT VALUE OF LIABILITIES FOR EARN-OUTS ON ACQUISITIONS MADE

The Group held majority interests in subsidiaries in past years in relation to which the minority shareholders held PUT options, which can be exercised in the future at prices determined on the basis of certain parameters that require estimates from management for the purposes of reliable valuation. In this case, the correct recognition in the financial statements of the related liability requires management to make some estimates to determine the expected 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 14 for details.

DEFERRED TAX ASSETS AND LIKELIHOOD OF THESE BEING REVERSED IN THE FUTURE

Deferred tax assets are recognized to the extent that there is a likelihood of there being sufficient future taxable profit for the losses to be utilized. This means that the management must make a strong commitment to working out a correct estimate of the amount of tax assets which can be recognized on the basis of the level of future taxable profit, the timing of the receipt of the profits and tax planning strategies.

OTHER ITEMS OF FINANCIAL STATEMENTS

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 Consolidated Financial Statements include the financial statements of Rekeep S.p.A. (“the ‘Parent Company””, “Rekeep S.p.A.” or “Rekeep”) and its subsidiaries, prepared as at 31 December 2024. The financial statements of 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 or losses arising from intra-Group transactions, which are recognized under assets, are eliminated in full.

Subsidiaries are consolidated on a line-by-line basis 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 joint 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 acquiree starting from the date of acquisition until the end of the fiscal year. If the Group loses control over a subsidiary, it eliminates the related assets (including goodwill), liabilities, minority interests and other components of equity, while any gain or loss is recognized in the income statement. Any shareholding that is possibly retained is recognized at fair value.

Joint-ventures with other shareholders and associates are accounted for under equity method. Changes in the Group's shareholding in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

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.

CONVERSION OF FINANCIAL STATEMENTS OF FOREIGN COMPANIES

The financial statements are presented in Euro, the Group’s functional currency. Statements of financial position and income statements stated in foreign currency are converted to Euro using the year-end exchange

rates for the items of the Statement of Financial Position and average exchange rates for 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 or 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 which 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:

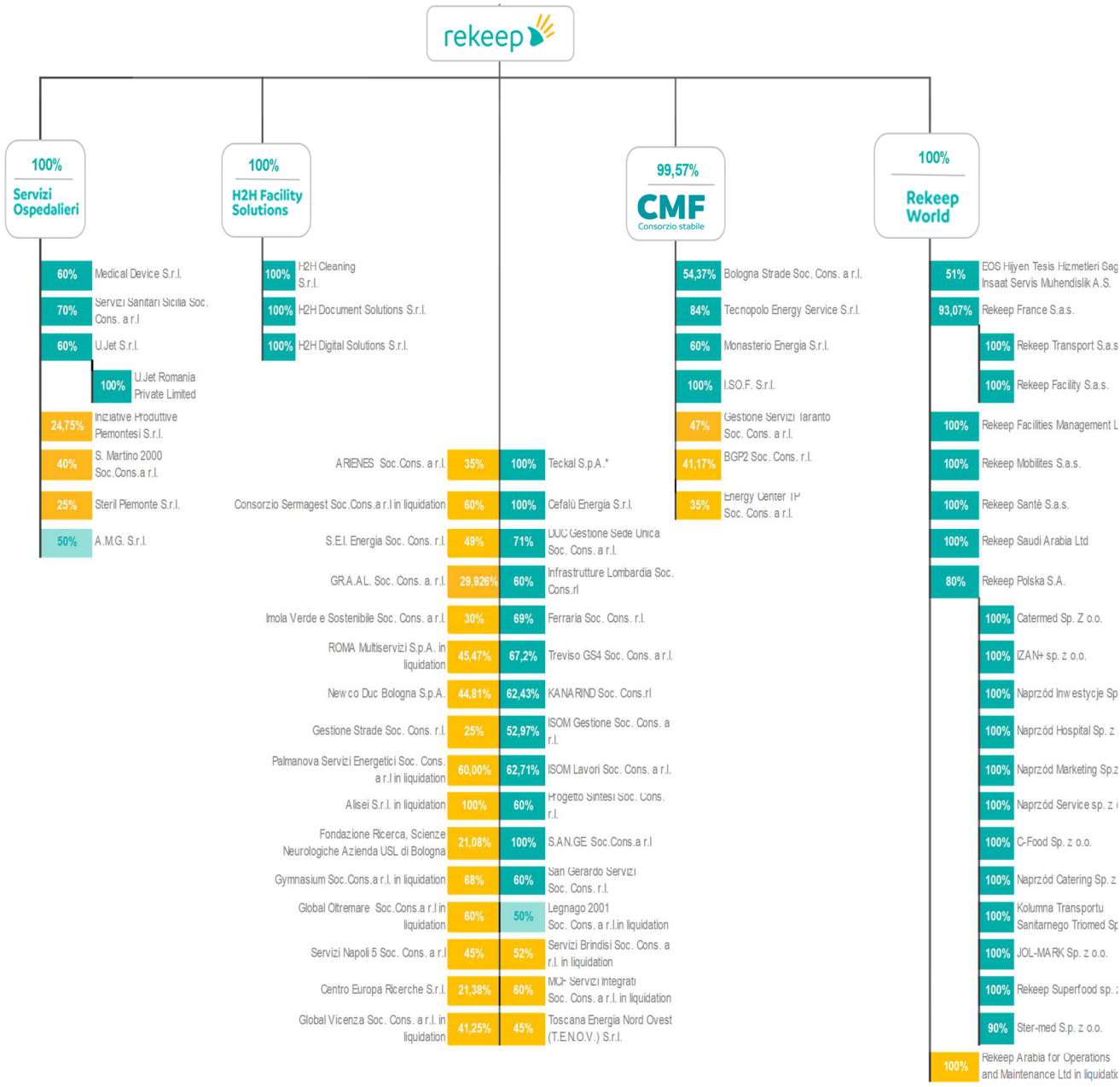
- the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency. Amounts of local currency held are immediately invested to maintain purchasing power;
- the general population regards monetary amounts not in terms of the local currency but in terms 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 extension 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 in the accounts and the reporting date. Monetary items are not restated because they are already expressed at the measuring unit at the reporting date. All items on the income statement are expressed at the measuring unit at the reporting date.

Currency	Exchange rate at 31 December 2024	Average exchange rate for the year ended 31 December 2024	Exchange rate at 31 December 2023	Average exchange rate for the year ended 31 December 2023
United Arab Emirates Dirham (AED) – United Arab Emirates	3.8154	3.9750	4.0236	3.9712
Romanian Leu (RON) – Romania	4.9743	4.9746	4.9705	4.9468
Turkish Lira (TRY) – Turkey	36.7372	36.7372	32.5684	32.5684
Saudi Arabia Riyal (SAR) – Saudi Arabia	3.8959	4.0589	4.1085	4.0550
Zloty (PLN) – Poland	4.2750	4.3058	4.3708	4.5413

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 31 December 2024 the accounts of the consolidated company applying 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 Turkish company have been translated by using the exchange rate as at the reporting date of the consolidated financial statements.

Scope of consolidation at 31 December 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 Rekeep Rail S.r.l.

During 2024:

- Servizi Brindisi Soc. Cons. a r.l. was put into liquidation from 17 January 2024, which therefore changed its name to Servizi Brindisi Soc. Cons. a r.l. in liquidation;
- Logistica Ospedaliera Soc. Cons. a r.l. was put into liquidation from 14 June 2024, which therefore changed its name to Logistica Ospedaliera Soc. Cons. a r.l. in liquidation;
- Rekeep S.p.A.'s acquisition of an additional 17.10% investment in the quota capital of Treviso GS4 Soc. Cons. a r.l;
- Energy Center TP Soc. Cons. a r l. was established on 24 July 2024, with 25% of its quota capital being held by Consorzio Stabile CMF;
- I.SO.F. S.r.l. was established on 11 November 2024, with 100% of its quota capital being held by Consorzio Stabile CMF.

It should also be noted, that as of 15 October 2024, Telepost S.r.l. and Rekeep Digital S.r.l. changed their names to H2H Document Solutions and H2H Digital Solutions, respectively, while Rekeep Rail S.r.l. changed its name to Teckal S.r.l. as of 1 January 2025, and to Teckal S.p.A. as of 27 February 2025.

2.4. Summary of the main accounting policies

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognized at historical cost, net of the associated accumulated depreciation and accumulated impairment losses. This cost includes the costs for the replacement of part of the plant and equipment at the moment they are incurred if they conform to the recognition criteria.

Depreciation is calculated on a straight-line basis in line with the estimated useful life of the asset, starting from the date the asset becomes available for use, until the date it is sold or disposed of. The carrying amount of property, plant and equipment is subject to impairment test when events or changes suggest that the carrying amount may not be recoverable. A tangible asset is derecognized from the financial statements at the moment of sale or when no future economic benefits are expected from its use or disposal. Any profits or losses (calculated as the difference between net proceeds from the sale and the carrying amount) are included in the income statement in the year of the aforementioned derecognition. The residual value of the asset, useful life and method applied are reviewed annually and adjusted, if necessary, at the end of each financial year.

The useful life of the various classes of tangible assets is estimated as shown below:

Types of plant and equipment	**Useful life**
Plant and equipment, maintenance and landscaping	11 years
Plant and equipment, maintenance and construction of properties	From 6.5 to 10 years
Telephone systems	4 years
Properties	33 years
Equipment for cleaning/landscaping activities	6.5 years
Equipment for technological system management	3 years
Equipment for building construction and maintenance	2.5 years
Other industrial and commercial equipment	10 years
Laundry equipment	8 years
Linen	From 2.5 to 4 years
Vehicles	From 4 to 5 years
Office furniture and equipment	From 5 to 8 years
Leasehold improvements (including under plant and equipment)	< between useful life and lease term

The item property, plant and equipment in the statement of financial position includes not only property, plant and equipment in the strictest sense, but also machinery, motor vehicles, office machines and furniture.

Financial costs arising from the purchase are charged to the income statement except in the case in which they are directly attributable to the acquisition, construction or production of an asset which justifies their capitalization (qualifying asset), in which case they are capitalized. A qualifying asset is an asset that requires a certain period to be ready for use.

The capitalization of financial costs ceases when all the activities needed to make the qualifying asset ready for use have been completed.

Extraordinary maintenance expenses are only included in the carrying amount of the asset when the company is likely to receive the associated economic benefits in the future and the cost can be reliably measured. The costs of repairs, maintenance or other operations to ensure the functioning of the assets are charged to the income statement in the year in which they are incurred.

Leasehold improvements are classified, on the basis of the nature of the cost incurred, under property, plant and equipment when they meet the capitalization criteria set forth by IAS 16. The period for depreciation corresponds to the lower of the residual useful life of the tangible asset and the residual lease term.

BUSINESS COMBINATIONS

Business combinations are recognized according to the acquisition method. Under this method, the consideration transferred in a business combination is measured at fair value, calculated as the sum of the fair values of the assets transferred and liabilities assumed by the Company at the acquisition date and the equity

instruments issued in exchange for control over the acquiree. Additional transaction costs are generally recognized through profit or loss when they are incurred.

At the acquisition date, the identifiable assets acquired and liabilities assumed are recognized at fair value applicable on the acquisition date, except for the following items that are instead measured in accordance with their relevant standard:

- Deferred tax assets and liabilities;
- Assets and liabilities for employee benefits;
- Liabilities or equity instruments relating to payments based on the acquiree's shares or share-based payments relating to the Company, issued to replace the acquiree's contracts;
- Assets held for sale and Discontinued Operations.

Goodwill is determined as the excess of the sum of the consideration transferred in the business combination, the value of the shareholders' equity attributable to non-controlling interests and the fair value of any previously-held equity interest in the acquiree compared to the acquisition-date fair value of the net assets acquired and liabilities assumed. If the acquisition-date value of the net assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the value of shareholders' equity attributable to non-controlling interests and the fair value of any previously-held equity interest in the acquiree, this excess is immediately recognized in the income statement as a profit arising from the transaction that has been completed.

Any consideration subject to the conditions set out in the business combination agreement is measured at acquisition-date fair value and included in the value of the consideration transferred in the business combination for the purpose of determining goodwill. Any subsequent fair value changes, which can be qualified as adjustments arising during the measurement period, are included in the goodwill on a retrospective basis, since they are determined by more information about facts and circumstances that existed at the acquisition date, obtained during the period of measurement (which may not exceed 1-year period after the business combination).

In the event of business combinations that occurred in stages, the equity interest previously held by the Company in the acquiree is remeasured at fair value at the date control is acquired and any resulting gain or loss is recognized in the income statement. Any values arising from the previously-held equity interest recognized in Other Comprehensive Income or Losses are reclassified in the income statement as if the investment had been sold.

If the initial values of a business combination are incomplete on the reporting date when the business combination took place, the Company reports in its financial statements the provisional values of the items for which recognition cannot be completed. These provisional values are adjusted in the measurement period in order to take account of new information gathered on facts and circumstances existing at the acquisition date which, if known, would have affected the value of assets and liabilities recognized at that date.

GOODWILL

Goodwill arising in a business combination, is initially valued at cost, represented by the excess of the cost of the business combination with respect to the share pertaining to the Group in the net fair value relating to the identifiable values of assets and liabilities acquired and contingent liabilities. After the initial recognition, goodwill is valued at cost less any accumulated impairment losses. Goodwill is subject to an analysis of fairness on an annual basis, or more frequently if events or changes are identified which may give rise to any evidence of possible impairment losses.

For the purposes of this analysis of fairness, goodwill is allocated, from the date of acquisition, when the allocation is possible without arbitrariness, to each of the cash-generating units of the Group which believe that they will benefit from the synergies of the acquisition, irrespective of the allocation of other assets or liabilities to said units. Each unit to which goodwill is allocated:

- represents the lowest level, within the Group, at which goodwill is monitored for internal management purposes; and
- is not larger than the segments identified on the basis of either the primary of secondary presentation layout as regards disclosures on the Group's operating segments, based on IFRS 8 - Operating Segments.

Impairment is determined as the difference between the recoverable value of the cash-generating unit (or group of units) to which goodwill is allocated ("impairment test") and the book value of goodwill allocated thereto.

When the recoverable value of the cash-generating unit (or group of units) is lower than the carrying amount, an impairment loss is recognized. The value of goodwill previously written down cannot be restored.

OTHER INTANGIBLE ASSETS

Intangible assets acquired separately are initially capitalized at cost, while those acquired through business combinations of companies not subject to joint control are capitalized at fair value on the date of acquisition. After initial recognition, intangible assets are recorded at cost net of amortization and accumulated impairment losses.

The useful life of the intangible assets is finite or indefinite. Intangible assets with a finite useful life are amortized over their useful life and subject to fairness tests whenever there is evidence of potential impairment losses. The period of amortization and method applied thereto are reviewed at the end of each financial year or more frequently if necessary. Changes in the expected useful life or the methods with which the future economic benefits of the intangible asset are achieved by the Group are recorded by modifying the period or method of amortization, and treated as changes in the accounting estimates. The amortization charges of intangible assets with a finite useful life are recorded in the income statement under the cost item of "amortization, depreciation, impairment losses and write-backs of assets".

The Group did not record any intangible assets with an indefinite useful life, with the exception of goodwill.

The principles the Group applied for intangible assets are summarized below:

	Concessions, licenses, trademarks and similar rights	Other intangible assets
Breakdown of composition	Software and Trademarks	Contractual customers relations
Useful Life	Finite	Finite
Method used	Amortization on a straight-line basis over the shortest time span between: > legal term of the right > expected financial period of use	Amortization in proportion to consumption of related backlog
Produced internally or purchased	Purchased	Acquired in business combination
Impairment tests / tests on recoverable value	Yearly or more frequently when there is evidence of impairment	Yearly or more frequently when there is evidence of impairment.

Profits or losses arising from the disposal of an intangible asset are measured as the difference between the net sales revenue and the carrying amount of the asset, and are recognized in the income statement at the moment of disposal.

EQUITY INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

According to the equity method, the equity investment is recognized in the balance sheet at cost increased by changes, after the acquisition, in the Group's share of the investee's net assets. Goodwill relating to the associate is included in the carrying amount of the equity investment and not subject to amortization. Following application of the equity method, the Group determines whether it is necessary to recognize any additional impairment losses with reference to the Group's net equity investment in the investee. The income statement reflects the Group's share of the investee's result for the year. In the event in which the investee recognizes adjustments directly in shareholders' equity, the Group recognizes its share, and presents this, where applicable, in the statement of changes in shareholders' equity.

In the majority of cases, the end of the investees' financial year is the same as that of the Group. Where this does not occur, in most cases, the investees prepare accounting statements at the reporting date of the Group's financial year. The accounting standards used conform to those used by the Group.

IMPAIRMENT OF ASSETS

At the reporting date of the financial statements, the Group assesses whether there is any evidence of impairment of assets. In this case, or in the event an annual impairment test is required, the Group prepares an estimate of the recoverable value. The recoverable value is the higher of the fair value of an asset or cash-generating unit, net of selling costs and its value in use and is determined for each individual asset, except when said asset does not generate cash flows that are largely independent from those generated by other assets or groups of assets. If the carrying amount of an asset is higher than its recoverable value, said asset has been impaired and is subsequently written down to its recoverable value. In calculating the value in use,

the Group discounts estimated future cash flows at the present value by using a pre-tax discount rate which reflects the market valuations on the time value of money and the specific risks of the asset. Impairment losses of operating assets are recognized in the income statement under 'amortization, depreciation, impairment losses and write-backs of assets.

At each reporting date, the Group also assesses whether there is any evidence that the impairment losses recorded previously no longer exist (or have fallen) and, if said evidence exists, estimates the recoverable value. The value of an asset previously written down may only be restored if there have been changes to the estimates used to calculate the recoverable value of the asset following the latest recognition of an impairment loss. In said case, the carrying amount of the asset is adjusted at the recoverable value, without, however, the increased value exceeding the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized in the preceding years. Any write-back is recognized as income in the income statement, in the same category in which the write-down was recorded, except where the asset is recognized in a revalued amount, in which case the write-back is treated as a revaluation. After a write-back has been recognized, the amortization charge of the asset is adjusted in future periods, in order to break down the modified carrying amount, net of any residual values, on a straight-line basis over the residual useful life.

Financial assets

IFRS 9 makes provision for the following types of financial instruments:

- financial assets at amortized cost, i.e. trade receivables and debt instruments characterized by contractual cash flows at defined maturities, represented solely by the repayment of principal and the payment of interest, as well as by a business model that envisages holding them for the sole purpose of receiving such flows;
- financial assets at fair value through OCI (FVTOCI), which include equity instruments that are not held for sale, for which, upon initial recognition, an irrevocable option was exercised for the recognition of fair value changes in a specific equity reserve, as well as debt instruments characterized by contractual cash flows, represented solely by the repayment of principal and the payment of interest, as well as by a business model that is aimed at the sale of these instruments;
- financial assets at fair value through profit or loss (FVTPL), a category which includes the financial assets for which the conditions for recognition at amortized cost are not fulfilled, as well as equity instruments for which the irrevocable option of recognition at FVTOCI has not been exercised, and debt instruments characterized by contractual cash flows and by a business model that does not allow their recognition in the previous categories.

All financial assets are initially recognized at fair value, increased, in the event of assets other than those at fair value through profit or loss, by additional charges. Following the initial recognition, the Group determines the classification of its financial assets and, where appropriate and permitted, reviews said classification at the closing date of each financial year.

The accounting policies applied by the Group are the following.

FINANCIAL ASSETS AT AMORTIZED COST

Financial assets accounted for at amortized cost are measured using the effective discount rate method. Profits or losses are recognized through profit or loss when financial assets are derecognized from the accounts or when impairment losses occur, as well as through the amortization process.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

Financial assets at fair value through OCI (FVTOCI) are measured at fair value and profits or losses must be recognized in a separate equity item.

For the year ended, however, as in the previous year, the Group only classifies investments of lower than 20% in this category of assets, which are valued at cost when it can be regarded as a representation of fair value. In particular, consortium companies and consortia, which are not listed on regulated markets and whose objective is to regulate relations as part of temporary business combines established for the operational purposes of management of some service contracts, are valued at cost, represented by the portion of subscribed share capital.

INVENTORIES

Inventories are valued at the lower of cost and net presumed realizable value.

The costs incurred to deliver each asset to its current location and for warehousing are recognized as follows:

Raw materials (excluding fuel)	**Purchase cost based on the weighted average cost method**
Fuel inventories	Purchase cost based on the weighted average cost method

The net presumed realizable value of raw materials is represented by the replacement cost.

TRADE RECEIVABLES AND OTHER RECEIVABLES

Trade receivables, which generally have contractual maturities of between 30-90 days, are recognized at nominal value, stated in the invoice, net of the provisions for bad debts. This allocation is made in the presence of objective evidence that the Group will not be able to collect the receivable. Uncollectible receivables are written down when they are identified. Receivables and payables in a foreign currency other than the functional currency of the individual entities are adjusted at the year-end exchange rates.

CONTRACT ASSETS ON PLANT CONSTRUCTION ORDERS

A job order is a contract specifically stipulated for the construction of an asset on the instructions of a customer, who defines its design and technical features on a preliminary basis.

Job order revenues include the considerations initially agreed with the customer, in addition to the changes to the job order and price variations set out in the contract which can be determined reliably.

When the result of the job order can be determined reliably, the job orders are valued on the basis of the percentage of completion method. The progress status is determined by making reference to the costs of the job order incurred up to the balance sheet date as a percentage of total estimated costs for each job order. The percentage of completion determined in this manner is then applied to the contract price in order to determine the value of contract assets, classified under “Trade receivables". When the costs of the job order are likely to exceed total revenues, the expected loss is recognized immediately as a provision. Should the amount of the contract price already invoiced exceed the estimated value of contract assets, it must be recognized as a payable for the portion exceeding the value of the same and, as such, must be classified under "Contract liabilities".

CASH AND CASH EQUIVALENTS

Cash and cash equivalents and short-term deposits in the statement of financial position include cash at hand and sight and short-term deposits, in the latter case with an original maturity of no more than three months.

LOANS

All loans are initially recognized at the fair value of the consideration received net of additional charges involved in raising the loan. After initial recognition, loans are valued according to the amortized cost criterion using the effective interest rate method. All profits or losses are recognized in the income statement when the liability is extinguished, as well as through the amortization process.

DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

FINANCIAL ASSETS

A financial asset (or, where applicable, part of a financial asset or parts of a group of similar financial assets) is derecognized from the accounts when:

- the contractual rights over cash flows arising from financial assets have expired;
- the Group has transferred the financial asset (transferring the right to receive cash flows from the asset or retaining the right to receive these but assuming the contractual obligation to pay them in full and without delay to a third party) and has transferred substantially all risks and rewards of ownership of the financial asset.

If, as a result of the transfer, a financial asset is derecognized in full, but the result is that the Group obtains a new financial asset or assumes a new financial liability, the Group recognizes the new financial asset, financial liability or liability originating from service at fair value.

FINANCIAL LIABILITIES

A financial liability is derecognized from the accounts when the obligation underlying the liability is discharged, cancelled or fulfilled. In cases where an existing financial liability is replaced by another of the same provider, under essentially different conditions, or modified, said exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and any differences in the carrying amounts are booked to the income statement.

IMPAIRMENT OF FINANCIAL ASSETS

At the reporting date, the Group assesses whether a financial asset or group of financial assets has incurred any impairment loss.

ASSETS VALUED ACCORDING TO THE AMORTIZED COST CRITERION

If there is any objective evidence that a loan or a receivable carried at amortized cost has suffered an impairment loss, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows (excluding future credit losses still not incurred) discounted at the original effective interest rate of the financial asset (i.e. effective interest rate calculated at the initial recognition date). The carrying amount of the asset will be reduced both directly and through the use of a provision. The amount of the loss will be recognized through profit or loss.

The Group firstly assesses whether there is any objective evidence of an impairment loss at individual level, for financial assets that are significant on an individual basis, and therefore at individual or collective level for financial assets that are not significant on an individual basis. In the absence of any objective evidence of impairment of a financial asset that is valued individually, whether it is significant or not, said asset is included in a group of financial assets with similar credit risk characteristics and said group is subject to impairment test in a collective fashion, by determining the forecast insolvency rate, i.e. the loss rate (Probability of default "PD") for the amount of expected losses (Loss Given Default "LGD") calculated taking account of elements of forward looking, thus also reporting and representing incurred losses. The assets valued at individual level and for which an impairment loss is recognized or continues to be recognized, will not be included in a collective valuation.

If, in a subsequent financial year, the size of the impairment loss falls and said reduction can be related objectively to an event which occurred after the recognition of the impairment loss, the previously reduced value can be written back. Any subsequent write-backs are recognized through profit or loss to the extent the carrying amount does not exceed the amortized cost at the write-back date.

ASSETS RECOGNIZED AT COST

If there is objective evidence of an impairment of an unlisted equity instrument which is not recognized at fair value since it cannot be measured reliably, or of a derivative instrument which is linked to said equity instrument and has to be settled through the delivery of said instrument, the amount of the impairment loss is measured by the difference between the carrying amount of the asset and the present value of expected future cash flows and discounted at the current market rate of return for a similar financial asset.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

In the case of an impairment of a financial asset at fair value through OCI, a transfer from shareholders' equity is carried out of a value equal to the difference between its cost (net of the repayment of capital and amortization) and its present fair value. Write- backs of instruments classified in this category are also recognized in a specific equity reserve.

PROVISIONS FOR RISKS AND CHARGES

Accruals to provisions for risks and charges are made when the Group has to fulfill a current obligation (legal or implicit) resulting from a past event, resources are likely to be sacrificed to meet said obligation and its amount can be estimated reliably.

When the Group believes that an accrual to the provision for risks and charges will be partially or fully reimbursed, e.g. in the event of risks covered by insurance policies, the compensation is recognized separately under assets if and only if it is virtually certain. In said case, a cost is stated through profit or loss which is the cost of the associated related accrual, net of the amount recognized for the compensation.

If the effect of discounting the value of money is significant, accruals are discounted using a pre-tax discount rate which reflects, where appropriate, the specific risks of the liabilities. When discounting is carried out, the increase in the provision due to the passing of time is recognized as a financial cost.

PROVISION FOR EMPLOYEE TERMINATION BENEFITS

Liabilities in the form of employee termination benefits are only recognized when the Group is demonstrably committed to: (a) terminate the employment of an employee or group of employees before the normal retirement date; or (b) provide termination benefits as a result of an offer made in order to encourage voluntary resignation for redundancy purposes. The Group is demonstrably committed to terminate employment only when it has a detailed formal plan for the dismissal (termination of employment) and is without realistic possibility of withdrawal from the plan.

EMPLOYEE BENEFITS

Italian legislation (art. 2120 of the Civil Code) requires that, on the date of termination of their employment with the company, each employee receives compensation known as ESI (Employee Severance Indemnity). Calculation of this indemnity is based on certain items that form the annual employee remuneration for each year of employment (re-valued as necessary) and on the length of service. According to statutory Italian legislation, said indemnity is reported in the financial statements according to a calculation method based on the indemnity accrued by each employee at the balance sheet date, in the assumption that all employees terminate their employment at said date.

The IFRIC issued by the IASB tackled the issue of Italian ESI and concluded that, in application of IAS 19, it falls within the scope of "defined benefit" plans, as regards post-employment benefits and, as such, must be

calculated using the Projected Unit Credit Method (PUCM), in which the amount of liabilities in the form of acquired benefits must reflect the expected date of termination and must be discounted.

Following the 2007 reform of national legislation which governs, for Companies with more than 50 employees, ESI accruing from 1 January 2007, it is established as a “defined contribution” plan, whose payments are accounted for directly in the income statement, as a cost, when recognized. ESI accrued up until 31 December 2006 remains a defined benefit plan, without future contributions.

The Group accounts for actuarial gains or losses arising from the application of the aforementioned method (PUCM) in an appropriate equity reserve according to the provisions of IAS 19 pars. 120 and 128.

The actuarial valuation of the liability was entrusted to an independent actuary.

The Group has no other significant defined benefit pension plans.

LEASES

According to IFRS16 a lease is an agreement that grants the right to use an asset (“the underlying asset”) for a certain period of time against the payment of a consideration. At the inception of the contract the entity must assess whether the contract is, or contains, a lease. The contract is, or contains, a lease if it gives the entity the right to control the use of a specified asset for a period of time in exchange for consideration. An entity must reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are amended.

For a contract that is, or contains, a lease, the entity must account for each lease component as a lease separately from non- lease components. For contracts that contain a lease component and one or more lease and non-lease components, the lessor must allocate the consideration under the contract by applying IFRS15.

Lease agreements, including operating leases, give rise to a lease liability and are measured by the lessor at the effective date, at the fair value of the leased asset or, if lower, at the present value of lease payments outstanding at that date. Lease payments must be discounted back by using the interest rate implicit in the lease if it is determinable reliably. If it is not possible, the lessee must use its marginal borrowing rate. The underlying asset, which consists of the Right Of Use (ROU), must be recognized among assets against an entry for this liability, in addition to additional costs, amounts paid on the spot, advances and maxi-installments of lease payments (if any). After the effective date, the lessee must measure the asset consisting of the right of use by applying the cost model, unless the fair value model or the revaluation model is applied. Group companies do not apply such alternative models. Capitalized leased assets are amortized over the estimated useful life of the asset and the lease term, whichever is the shorter, if there is no reasonable certainty that the ownership of the asset will be obtained at the end of the contract. Lease payments are split between the portions of principal and interest so as to obtain the application of a constant interest rate on the residual debt balance. Financial costs are charged directly to the income statement.

Finally, the Group has adopted some exceptions allowed by the accounting standard, excluding any lease with a term of less than 12 months, as well as any lease and hire of low value (less than € 5,000) from the related scope of application. Furthermore, the Group has exercised its right to not review whether a contract is, or contains, a lease on the date of first-time adoption (IFRS16.C3).

In fact, as regards the lessor, the accounting method of lease and long-term hire agreements is substantially unchanged with respect to the provisions laid down under the previous IAS17.

Revenue recognition

Revenues are recognized to the extent in which it is likely that economic benefits can be achieved by the Group and the associated amount can be determined reliably. The following specific revenue recognition criteria must be complied with before revenues are charged to the income statement:

PROVISION OF SERVICES

The main types of service provided by the Group, separately or jointly as part of Integrated Services, are:

- operation and maintenance of properties and plants, often associated with the provision of heat (energy service);
- cleaning and environmental hygiene services;
- landscaping;
- project management services;
- design services;
- linen rental and industrial laundering and sterilization services.

Revenues are recognized on the basis of the progress of the services underway at the balance sheet date, measured as a percentage with reference to the different variables depending on the services provided and the contracts stipulated with the customer (square meters, hours, costs incurred, hospital days).

The provisions of services, which are still not completed at the reporting date, constitute contract assets and are classified under trade receivables.

Revenues billed at the balance sheet date, which exceed the amount accrued on the basis of the progress status of the service, are suspended under contract liabilities, and classified under trade payables. The considerations, also as part of multi-service contracts, are, as a rule, defined separately by service type and the amount of revenues to be attributed to the individual services is quantified at fair value.

When the outcome of a services transaction cannot be measured reliably, revenues are only recognized to the extent it is believed that the costs incurred can be recovered.

PLANT CONSTRUCTION ACTIVITIES

The Group recognizes the revenues arising from building contracts on the basis of the percentage of completion of the job order, measured as a percentage of the costs incurred with respect to the total estimated costs for completing the work. When the outcome of a job order cannot be measured reliably, revenues are only recognized to the extent it is believed that the costs incurred can be recovered.

SALES OF ASSETS

The revenue is recognized when the company has transferred all significant risks and rewards related to ownership of the asset to the purchaser.

INTEREST

Interest is recognized as financial income following the verification of interest income accrued (carried out using the effective interest rate method which is the rate that accurately discounts expected future cash flows based on the expected life of the financial instrument at the net carrying amount of the financial asset).

DIVIDENDS

Revenues are recognized when the right of shareholders to receive the payment arises.

GOVERNMENT GRANTS

Government grants are recognized when it is reasonably certain they will be received and all inherent conditions are met. When grants are related to cost components, they are recognized as revenues, but are systematically split over the financial years so they are commensurate with the costs they intend to compensate. In the event the grant is related to an asset, the fair value is deducted from the carrying amount of the asset to which it is related and the release to the income statement occurs progressively over the expected useful life of the asset on a straight-line basis, through the systematic reduction of the associated amortization charges.

Income taxes

The Italian government implemented the Global Minimum Tax legislation with effect from 1 January 2024, as required by Legislative Decree no. 209 of 28 December 2023, hereinafter “Italian Pillar Two Decree.”

According to the Italian Pillar Two Decree, the Group falls under the scope of application of Pillar Two legislation as from 1 January 2024. In fact, the legislation in question is applicable to multinational groups with total revenues of more than €750 million for two of the previous four financial periods, and is intended to ensure an global minimum tax level of at least 15% for multinational groups and large-scale domestic groups present in the European Union.

There appears to be no significant impact on the Consolidated Financial Statements from the application of the Pillar Two regulations, as the Parent Company Rekeep is not the ultimate parent company.

CURRENT TAXES

Current tax assets and liabilities for the year are valued by applying estimate criteria to determine the amount accrued in the financial year which is expected to be recovered or paid to the tax authorities. The rates and tax legislation used to calculate the amount are those issued at the balance sheet date.

DEFERRED TAXES

Deferred taxes are calculated on the temporary differences arising at the balance sheet date between the tax values taken as a reference for assets and liabilities and the values stated in the financial statements.

Deferred tax liabilities are recognized against all temporary taxable differences, except for:

- deferred tax liabilities arise from the initial recognition of goodwill or of an asset or liability in a transaction which is not a business combination and which, at the time of the transaction, does not have any effect on the profit for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
- taxable temporary differences associated with equity investments in subsidiaries, associates and joint ventures, in the event in which the reversal of the temporary differences can be controlled and is not likely to occur in the foreseeable future.

Deferred tax assets are recognized against all deductible temporary differences and for tax assets and liabilities carried forward, to the extent it is possible that there will be adequate future tax profits that make the use of temporary deductible differences and tax assets and liabilities carried forward applicable, except in the case in which:

- deferred tax assets connected to deductible temporary differences arise from the initial recognition of an assets or liability in a transaction which is not a business combination and which, at the time of the transaction, does not have any effect on the profit for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
- with reference to taxable temporary differences associated with equity investments in subsidiaries, associated and joint ventures, deferred tax assets are recognized only to the extent in which it is likely that the deductible temporary differences will be reversed in the immediate future and that sufficient tax profits will be generated against which the temporary differences can be used.

The value of deferred tax assets to be recognized in the financial statements is reviewed at each reporting date of the financial statements and reduced to the extent it is no longer likely that sufficient tax profits will be available in the future to permit all or part of said receivable to be used. Unrecognized deferred tax assets are reviewed annually at the reporting date of the financial statements and are recognized to the extent it has become likely that the tax profit is sufficient to allow said deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured on the basis of the tax rates that are expected to be applied in the year in which said assets are sold or said liabilities are extinguished, considering the rates in force and those already issued or substantially issued at the balance sheet date.

Income taxes relating to items recorded directly in equity are charged directly to equity and not to the income statement.

Deferred tax assets and liabilities are offset, if there is a legal right to offset the current tax assets with current tax liabilities and the deferred taxes refer to the same tax entity and the same tax authorities.

VAT

Revenues, costs and assets are recognized net of VAT, with the exception of the case in which said tax applied to the purchase of goods or services is non-deductible, in which case it is recognized as part of the purchase cost of the asset or part of the specific cost item recognized through profit or loss. Trade receivables and payables for which an invoice has already been issued or received are carried inclusive of tax.

The net amount of indirect taxes on sales and purchases that can be recovered from or paid to the tax authorities is included in the financial statements under other receivables or payables depending on the accounting sign.

SERVICE CONCESSION ARRANGEMENTS

The Group is the holder of concession agreements in which certain companies manage activities in the public interest, provided that the grantor (i) controls/regulates, by determining the price, which public services must be offered by the concessionary companies through the infrastructures that the concessionary company obtains under management or constructs and (ii) maintains, through ownership or by other means, the authorization granted and any other interest in the infrastructures upon expiry of the concession agreement.

The concessionary company shall not carry infrastructure under tangible assets as it does not hold “control”, as set forth in IFRIC 12. The asset to be recognized is the right to use the infrastructure for providing the service, to be classified as a financial asset in the presence of an unconditional right to receive future compensation regardless of actual use of the infrastructure and as an intangible asset in the presence of a right to exploit the infrastructure itself in financial terms, charging users based on use of the service received. Provision is also made for a “mixed” accounting model if the concessionary company is the holder of both a financial asset and an intangible right, where it is necessary to separate the component of remuneration as provided for under the agreement relating to the financial asset, determining the amount of the intangible asset as a secondary activity (with respect to the value of the construction services provided).

The concessionary company also recognizes revenues for the services it provides, in compliance with IFRS15, and, therefore, the consideration envisaged in the agreement must be allocated with reference to the fair value of the associated services provided (construction, improvements and management respectively). Pursuant to IAS 23, financial costs attributable to the agreement must be recognized as costs in the financial year in which they are incurred, unless the concession holder has recognized an intangible asset, for which said costs are capitalized during the phase of drafting of the agreement. Otherwise, if the concession holder has recognized a financial asset, IAS 39 requires financial income calculated on the basis of the effective interest method to be recognized in the income statement.

EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the year attributable to the Parent Company’s ordinary shareholders by the weighted average number of outstanding ordinary shares during the year.

The Parent Company presents voluntary disclosures on earnings per share, with reference solely to consolidated data.

Operating segments

An operating segment is made up of a clearly identifiable group of assets and operations which provides a collection of related products and services, subject to risks and rewards other than those of other Group business sectors. For operational purposes, the Group is structured into business areas that coincide with the "strategic business units" (SBU) in which the Group operates.

No operating segments were combined for the purpose of determining the operating segments subject to disclosure obligations.

The Group's Management look at the results achieved by the individual Strategic Business Units separately, for the purpose of making decisions regarding the allocation of resources and performance monitoring. The segment performance is assessed on the basis of the EBIT. The Group's financial management (including loan costs and revenues) and income taxes are managed at Group level and are not allocated to operating segments.

METHODS OF CALCULATION OF COSTS ALLOCATED TO SEGMENTS

The Group includes direct and indirect production costs relating to the business sector in the costs attributed to the segments. Starting from the consolidated financial statements for the year ended 31 December 2007, it was deemed appropriate to also allocate to the segment commercial costs and other general overheads on the basis of the appropriate conventional allocation drivers. By contrast, any income and costs generated by financial management and current and deferred taxes remain unallocated to the segments, while income from equity investments valued at equity is attributed to the segments.

METHOD OF CALCULATION OF ASSETS AND LIABILITIES ALLOCATED TO SEGMENTS

The assets and liabilities have been attributed to the various segments in accordance with the method used for income statement items.

Changes in accounting estimates and errors

Some elements in the financial statements cannot be measured accurately and are therefore the objects of estimates which depend on future uncertain circumstances governing the conduct of the entity's business. Over time these estimates will be revised to take account of the data and information that subsequently become available. The effect of a change in accounting estimates in the financial year in which it has occurred must be recognized prospectively and included in the income statement of that period and in future periods if the change also affects these. Prospective recognition of the effects of the changed estimate means that the change is applied to transactions that take place from the time that the estimate is changed. Accounting estimates are reviewed or changed if new information comes to hand or if there are new developments in operations and. for these reasons, these do not constitute corrections of errors.

Prior period errors are omissions from, and misstatements in, an entity's financial statements for one or more prior periods arising from a failure to use, or a misuse of, reliable information that was available when the financial statements for those periods were authorized for issue, and could reasonably have been expected to

have been obtained and used in the preparation and presentation of these financial statements. Such errors include the effects of mathematical mistakes, mistakes in applying accounting standards, oversights or misinterpretation of facts and fraud. Financial statements do not comply with IFRSs if they contain either material errors or immaterial errors made intentionally to achieve a particular presentation of an entity's statement of financial position, financial performance or cash flows. Potential current period errors discovered in that period must be corrected before the financial statements are authorized for issue. Errors recognized in subsequent periods must be corrected in the comparative information presented in the financial statements for that subsequent period if they are material errors and the correction is deemed feasible, restating the opening balances of assets, liabilities and equity for that period ("Restatement").

Restatement is not applied if errors are recognized prospectively should the errors and omissions are considered immaterial. Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that the users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.

3. Property, plant and equipment

The table below shows the changes in the company-owned property, plant and equipment in the financial year ended 31 December 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	41,738	41,785
Disposals	(2,175)	(1,587)	(3,762)
Depreciation for the year	(2,596)	(24,208)	(26,804)
Others	13,717	(15,011)	(1,294)
At 31 December 2024	**46,428**	**81,040**	**127,468**
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 31 December 2024			
Historical cost	57,188	530,087	587,275
Accumulated depreciation and impairment losses	(10,760)	(449,047)	(459,807)
NET BOOK VALUE	**46,428**	**81,040**	**127,468**

The additions from acquisitions which took place in the period mainly related to the linen in the Laundering&Sterilization segment for €12,265 thousand and specific equipment for €29,520 thousand, of which an amount of €9,956 thousand related to investments made by companies of the sub-group controlled by Rekeep Polska for the "centralized kitchen" (Cook&Chill) project to support catering services. The same sub-group is also engaged in the renovation of a sterilization facility near a hospital, which involved investments amounting to €2,343 thousand.

Decreases for the period, totaling €3,762 thousand, mainly relate to the sale of a property by the subsidiary Servizi Ospedalieri S.p.A. (for a net book value of the sale equal to €2,044 thousand), as well as to disposals made by the Parent Company Rekeep S.p.A. and the same subsidiary, mainly arising from the completion of contracts and the replacement of linen.

Other changes mainly refer 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.

The table below shows the changes in the company-owned property, plant and equipment in the year ended 31 December 2023.

	Property	Plant and equipment	Total
At 1 January 2023, net of accumulated depreciation and impairment	**19,286**	**73,963**	**93,249**
Additions from business combinations	0	325	325
Additions from acquisitions	1,810	35,834	37,644
Disposals	(127)	(1,660)	(1,787)
Depreciation for the year	(1,829)	(23,238)	(25,067)
Others	18,295	(5,116)	13,179
At 31 December 2023	**37,435**	**80,108**	**117,543**
At 1 January 2023			
Historical cost	25,621	475,564	501,185
Accumulated depreciation and impairment losses	(6,335)	(401,601)	(407,936)
NET BOOK VALUE	**19,286**	**73,963**	**93,249**
At 31 December 2023			
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**

4. Property, plant and equipment under lease

The table below shows the changes in property, plant and equipment under lease in the year ended 31 December 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	2,821	8,439	11,260
Disposals		(917)	(917)
Early termination	(1,500)	(439)	(1,939)
Depreciation for the period	(4,190)	(6,550)	(10,740)
Others		4,433	4,442
At 31 December 2024	**22,993**	**23,668**	**46,661**
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 31 December 2024			
Historical cost	63,201	73,570	136,770
Accumulated depreciation and impairment losses	(40,207)	(49,902)	(90,109)
NET BOOK VALUE	**22,993**	**23,668**	**46,661**

Property, plant and equipment under leases reported changes during the year, which were due to depreciation for the period, as well as to the execution of new lease agreements for a total of €11,260 thousand. Of these an amount of €2,821 thousand related to the execution of new real estate and property lease agreements. On the other hand, the new lease agreements and long-term hire of machinery, vehicles that make up the company fleets and equipment amounted to €8,439 thousand, including €616 thousand for surgical instruments of subsidiary Servizi Ospedalieri, and €1,550 thousand for the purchase of two cogeneration modules under lease. Finally, the amount of €4,824 thousand refers to the execution of new lease agreements entered into for the renewal of vehicles forming part of the company fleets. The year 2024 also saw the early termination of certain lease and long-term hire agreements in the amount of €1,939 thousand.

Other changes mainly refer 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.

The table below shows the changes in property, plant and equipment under lease in the year ended 31 December 2023.

	Rights of use of properties	Rights of use of plant and equipment	Total
At 1 January 2023, net of accumulated depreciation and impairment	**37,663**	**16,962**	**54,625**
Additions from acquisitions	7,470	6,557	14,027
Disposals		(523)	(523)
Early termination	(369)	(250)	(619)
Depreciation for the period	(4,343)	(5,921)	(10,264)
Others	(14,568)	1,877	(12,691)
At 31 December 2023	**25,853**	**18,702**	**44,555**
At 1 January 2023			
Historical cost	69,338	54,393	123,730
Accumulated depreciation and impairment losses	(31,674)	(37,431)	(69,105)
NET BOOK VALUE	**37,663**	**16,962**	**54,625**
At 31 December 2023			
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**

5. Other intangible assets

The table below shows the changes in intangible assets in the year ended 31 December 2024.

	Other intangible assets	Goodwill	Total
At 1 January 2024, net of accumulated amortization and impairment	**17,731**	**406,700**	**424,431**
Additions from business combinations		109	109
Additions from acquisitions	3,165		3,165
Disposals	(18)		(18)
Amortization for the year	(5,842)		(5,842)
Others	6	(123)	(116)

	Other intangible assets	Goodwill	Total
At 31 December 2024	**15,042**	**406,686**	**421,728**
At 1 January 2024			
Cost	139,830	409,017	548,848
Accumulated Amortization and impairment losses	(122,099)	(2,317)	(124,417)
NET BOOK VALUE	**17,731**	**406,700**	**424,431**
At 31 December 2024			
Cost	143,002	409,004	552,006
Accumulated Amortization and impairment losses	(127,960)	(2,317)	(130,277)
NET BOOK VALUE	**15,042**	**406,686**	**421,728**

Goodwill is tested for impairment on an annual basis. The balance of the item decreased from €406,700 thousand at 31 December 2023 to €406,686 thousand at 31 December 2024. For more details on goodwill, reference should be made to note 6 below.

Other intangible assets, amounting to €15,042 thousand at 31 December 2024, mainly consist of investments in software carried out as part of the projects aimed at upgrading and enhancing company information systems. Additions from acquisitions for the period (€3,165 thousand) are mainly attributable to the Parent Company Rekeep S.p.A. and are related to the implementation and upgrading of software platforms used by the Group.

The table below shows the changes in intangible assets in the year ended 31 December 2023:

	Other intangible assets	Goodwill	Total
At 1 January 2023, net of accumulated amortization and impairment	**18,287**	**404,935**	**423,223**
Additions from business combinations		1,765	1,765
Additions from acquisitions	5,368		5,368
Disposals	(12)		(12)
Amortization for the year	(5,924)		(5,924)
Others	12		12
At 31 December 2023	**17,731**	**406,700**	**424,431**
At 1 January 2023			
Cost	134,451	407,252	541,703
Accumulated Amortization and impairment losses	(116,164)	(2,318)	(118,481)
NET BOOK VALUE	**18,287**	**404,935**	**423,223**
At 31 December 2023			

	Other intangible assets	Goodwill	Total
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**

6. Impairment of goodwill

The Group's Management believe that the Strategic Business Units (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 Consolidated Financial Statements as at 31 December 2024, broken down into the different CGUs.

	31 December 2024	31 December 2023
Goodwill allocated to Facility Management CGU	354,636	390,516
of which International markets	*35,867*	*35,880*
Goodwill allocated to Laundering & Sterilization CGU	16,183	16,183
CONSOLIDATED GOODWILL	**406,686**	**406,700**

During 2024 the balance of the item showed a total decrease of €13 thousand. In addition to the fluctuation of the Polish Zloty's exchange rate against Euro in the period, the change was mainly related to the completion of the analysis process on the business combination of Ster-med S.p. z.o.o., on the part of subsidiary Rekeep Polska, resulting in a change in goodwill from the amount provisionally recognized at the end of the previous year (when it amounted to €1,366 thousand).

Goodwill is tested for impairment on an annual basis, or more frequently, if there is any evidence that the reference unit may have recorded a permanent impairment loss.

FACILITY MANAGEMENT CGU GOODWILL

The goodwill allocated to the Facility management CGU, which amounted to €354,636 thousand at 31 December 2024, was recognized as a result of various business combinations from 2004 to date, the most important of which are listed below:

- Project ‘Palladio’, which took place on 29 December 2003, involved the Group acquiring control of the business unit relating to facility management technical services previously managed by the parent company Manutencoop Società Cooperativa (now MSC Società di Partecipazione tra Lavoratori S.p.A.);
- Acquisition of MCB S.p.A., a company through which the Group established the first facility management unit for “network” customers (banks, insurance companies, etc.). In 2010, MCB S.p.A. was merged by incorporation into MP Facility S.p.A. (now H2H Facility Solutions S.p.A.);
- Acquisition of Teckal S.p.A., which was merged by incorporation into Manutencoop Facility Management S.p.A. (now Rekeep S.p.A.) in 2010, through which the Group strengthened the production structure of traditional facility management, in particular in the heat management service;
- Acquisition of Altair IFM S.p.A. (the most significant transaction to date), which enable the Group to gear the customer portfolio towards large private customers. In 2010 the larger companies in the Altair sub-group were merged by incorporation into Manutencoop Facility Management S.p.A (now Rekeep S.p.A.);
- Reverse merger of the Parent Company CMF S.p.A. by incorporation into the subsidiary Rekeep S.p.A. with statutory accounting and tax effects starting from 1 July 2018. The operation, defined as an "Operation Under Common Control" since it was carried out between parties subject to common

control, gave rise to the recognition of a merger deficit in the assets up to the amount recorded in the Consolidated Financial Statements in which the companies involved in the merger participate, i.e. that of Manutencoop Società Cooperativa (now MSC Società di Partecipazione tra Lavoratori S.p.A.). The non-recognizable difference also gave rise to a negative equity reserve.

The Facility management SBU also includes the goodwill generated from acquisitions carried out by Rekeep World S.r.l. and its subsidiaries in foreign markets:

- Acquisition of the majority stake of EOS Hijyen İşletmeciliği Tesis Hizmetleri Sağlık İnşaat Servis ve Mühendislik Anonim Şirketi ("EOS", of which the Group already held a stake of 50%) on 28 February 2018. The Company is active in the linen rental and industrial laundering services and surgical instrument sterilization to support healthcare activities in Turkey, with a portfolio of orders already underway;
- Acquisition of Naprzód S.A. (now Rekeep Polska S.A.), controlling a group of other 15 companies operating in Poland in the provision of facility management services in the healthcare sector, catering and medical transportation services, including outsourcing services, ambulance hire, security in mass events and the transport of disabled people;
- Acquisition of Ster-med S.p. z.o.o., which operates in the sterilization of surgical instruments segment in the healthcare sector. The acquisition was completed through the subsidiary Rekeep Polska S.A. on 20 November 2023.

LAUNDERING & STERILIZATION CGU GOODWILL

The goodwill allocated to the Laundering & Sterilization CGU, which amounted to €16,183 thousand, emerged as a result of the following acquisition:

- Acquisition during the 2003 financial period of a business unit dealing with the linen rental and industrial laundering and sterilization activities for public and private healthcare of LIS S.p.A., with contracts mainly located in the Marche Region.
- Acquisition during the 2006 financial period of a business unit dealing with the linen rental and industrial laundering and sterilization activities for public healthcare of Lidi Service S.p.A., the activity of which was carried out in Porto Garibaldi (province of Ferrara) plant.
- Acquisition of Omasa S.p.A. in 2007, a company operating in the market for the sterilization of surgical instruments and linen, as well as following further minor acquisition, all made by Servizi Ospedalieri S.p.A., a company operating in the linen rental and industrial laundering and sterilization market. Omasa S.p.A. was then merged by incorporation into Servizi Ospedalieri S.p.A. on 1 July 2009;
- On 3 July 2018, acquisition of Medical Device S.r.l., a trading company which has acquired over the years many certifications for the marketing of Class 3 medical devices, particularly critical for their intended use and requiring very complex certification procedures by Notified Bodies;

- On 1 June 2021 acquisition of U.Jet S.r.l., a trading company 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.

IMPAIRMENT TEST

Pursuant to IAS 36, goodwill is not amortized, but is tested for any possible impairment on an annual basis, or more frequently, should specific events or circumstances arise which provide evidence of an impairment loss. The impairment test, prepared by the Management and presented to the Board of Directors at the time of the approval of the draft financial statements, was carried out through the comparison between the net book value and the recoverable value of the individual CGUs to which goodwill was allocated, determined on the basis of the discounting-back of expected future cash flows relating to the period from 2025 to 2029 and extrapolated from the Business Plan of the Rekeep Group.

The five-year period Business plan (from 2025 to 2029) used for the analysis described in these Explanatory Notes, prepared on the basis of the four-year Business Plan (from 2025 to 2028) approved by the Rekeep S.p.A.'s Board of Directors on 28 March 2025, was approved by the Board of Directors of Rekeep S.p.A. for impairment test purposes only on 28 March 2025.

As from 2019, steps were taken, following the acquisition of the Rekeep Polska sub-group on the part of Rekeep World, to test separately the goodwill allocated to the Facility Management and Laundering & Sterilization CGUs, as well as that accounted for following this business combination, as well as the goodwill pertaining to the sub-group, totaling €32,485 thousand.

The estimated value in use of the Facility management, Laundering & Sterilization and the Rekeep Polska Group was based on the following assumptions:

- The expected future cash flows, for the period from 2025 to 2029, extrapolated from the Business Plan, are derived from projected cash flows obtained through:
    - determination of the value of the forecast gross margins according to the projection of the backlog of existing service contracts, augmented by the assumptions of renewals and new portfolio acquisitions,
    - estimates of changes in Net Working Capital on the basis of the target days of stock rotation, the payment of amounts due and collection of receivables,
    - assumptions of investments consistent with the performance of forecast revenues in the various business sectors in which the Group operates,
- A terminal value used to estimate future results beyond the time horizon expressly considered. The terminal value was determined by applying a NOPLAT equal to 2029 EBIT adjusted by the average expected depreciation and amortization and investments, net of a nominal tax rate. As regards long-term growth rates, an assumption of 1% was considered for all CGUs.

- The expected future cash flows were discounted back at a discount rate (WACC) of 8.95% for the Facility Management CGU (2023: 9.25%), at a discount rate (WACC) of 9.04% (2023: 8.70%) for the Laundering&Sterilization CGU and at a discount rate (WACC) of 8.48% for the Rekeep Polska Group (2023: 9.50%). The WACC was determined by using the Capital Asset Pricing Model ("CAPM"), by which the risk-free rate was calculated with reference to the curve of the rates of return of Italian long-term government bonds, while the non-diversifiable systematic risk ratio (βeta) and the debt/equity ratio were extrapolated from the analysis of a group of comparable companies operating in the European facility management and laundering sector. In addition, in order to reflect the uncertainty of the current economy and the future market conditions, the cost of the equity component of the WACC rate was increased with a risk premium of 100 basis points for the Facility Management CGU and for Laundering&Sterilization CGU and 50 basis points in Rekeep Polska Group CGU in each financial period.

For all CGUs analyzed, the analysis confirmed that the recoverable value of the same exceeds the associated carrying amount, therefore not requiring any write-downs. On a prudential basis "Worst Cases" were outlined with reference to the WACC, the growth rates applied and a deterioration in operating cash flows compared to forecasts, both with reference to the plan time frame and with reference to the terminal value. However, in simulating nil or negative growth rates, also in combination with WACCs exceeding those applied by two percentage points (and, then, equal to 10.95% for Facility management CGU, 11.04% for Laundering & Sterilization CGU and 10.48% for Rekeep Polska Group, there would be no need to make write-downs in all CGUs, as the recoverable value would exceed the related book value.

7. Investments accounted for under the equity method

The Group holds some investments which are accounted under the equity method in the Consolidated Financial Statements. These companies include associates, joint-ventures and subsidiaries in liquidation, as listed in Annex I.

At 31 December 2024 the net-book value of investments valued at Equity reported a net amount of €11,131 thousand, against a net amount of €11,349 thousand in the previous year; 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 14).

	Net assets at 31 December 2024	Net assets at 31 December 2023
Investments accounted for under the equity method	11,264	11,757
Provision for risks on investments	(133)	(408)
Investments accounted for under the equity method	**11,131**	**11,349**

The breakdown of changes during the year is shown in Annex II attached to the Consolidated Financial Statements, to which reference should be made.

During 2024 investments accounted for under the equity method recorded a net profit equal to €404 thousand, for the share attributable to the Group (against a loss of €24 thousand at 31 December 2023), following the recognition of income from investments for €677 thousand (€1,606 thousand at 31 December 2023), and expenses from investments for €273 thousand (€1,630 thousand at 31 December 2023). Positive effects were also recognized directly in the Consolidated Equity to an overall amount of €491 thousand (€233 thousand at 31 December 2023).

8. Other non-current assets

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

	31 December 2024	31 December 2023
Other investments	3,915	5,996
Non-current financial assets	8,098	6,929
Other non-current assets	3,825	4,607
Other non-current assets	**15,838**	**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 laundering 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 €8,098 thousand at 31 December 2024 (€6,929 thousand at 31 December 2023), are composed of:

- €2,310 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 €2,340 thousand, while the discounting fund amounts to €30 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;

- €4,687 thousand of Non-current financial receivables from third parties (€4,693 thousand at 31 December 2023). The item includes the balance of an escrow account of €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;
- €1,101 thousand of securities held to maturity (unchanged compared to 31 December 2023).

The item is made up of security deposits related to long-term manufacturing contracts for €2,445 thousand (€2,757 thousand at 31 December 2023), and long-term deferrals relating to some contracts equal to €663 thousand (€847 thousand at 31 December 2023).

9. Inventories

The Group recognized inventories of €12,432 thousand at 31 December 2024, marking a decrease of €941 thousand compared to the amount in the previous year.

	31 December 2024	31 December 2023
Inventories of raw materials, finished products and goods for resale	12,674	13,782
Provision for write-down of raw materials, finished products and goods for resale	(242)	(409)
INVENTORIES	**12,432**	**13,373**

The final inventory of raw materials is composed of materials and goods for resale present in the warehouses, while waiting to be used at work sites, valued at the average weighted purchase cost, goods for resale (mostly medical devices) stored in the warehouses of Medical Device S.r.l. and U.Jet S.r.l. and stocks of fuel in tanks belonging to integrated service customers. The change was mainly attributable to the inventories in medical devices and personal protective equipment (PPE) of Medical Device and U.Jet at the end of the year, as well as the provision for write-down of finished products, as determined by the comparison between the carrying amounts of inventories and presumed realizable value at 31 December 2024.

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

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

	31 December 2024	of which from related parties	31 December 2023	of which from related parties
Contract assets	28,306	2,453	29,959	1,353
Trade receivables, gross	463,062		457,744	
Allowance for doubtful accounts	(25,524)		(20,683)	
Trade receivables due from third parties	**465,844**	**2,453**	**467,020**	**1,353**
Trade receivables from MSC	308	308	14	14
Trade receivables from Associates, Affiliates and Joint Ventures	44,548	44,548	39,776	39,776
Trade receivables from Group	**44,856**	**44,856**	**39,790**	**39,790**
Advances to suppliers	6,879	1	6,961	1
TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS	**517,579**	**47,310**	**513,771**	**41,144**
Current tax assets within 12 months	16,139		11,531	
Other current assets due from third parties	47,661		14,482	
Due from social security institutions	1,157		1,089	
Due from employees	189		165	
Other current assets from third parties	**65,146**	**0**	**27,267**	**0**
Current assets from MSC	32	32	317	317
Current assets from Associates, Affiliates and Joint Ventures	267	267	244	244
Other current assets from Group	**299**	**299**	**561**	**561**
Accrued income	1,324		1,063	
Prepaid expenses	2,278		2,790	
Accrued income and prepaid expenses	**3,602**	**0**	**3,853**	**0**
OTHER CURRENT ASSETS	**69,047**	**299**	**31,681**	**561**

The balance of trade receivables and advances to suppliers, which also includes contract assets, amounted to €517,579 thousand at 31 December 2024, up by €3,808 thousand compared to 31 December 2023 (€513,771 thousand).

The change under review was due to an increase of €5,318 thousand in trade receivables from third parties while there was a decrease in contract assets for €1,653 thousand, and the provision for bad debts for €4,841 thousand.

In 2024 the Group continued to hold contracts for the assignment without recourse of trade receivables from third parties, including the no-recourse maturity factoring agreement with BFF Bank S.p.A. due 25 January 2028 signed by the Parent Company Rekeep S.p.A. and other subsidiaries and concerning the assignment on a revolving basis of receivables claimed by the same companies 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.

During the year, the Group made assignments of trade receivables amounting to €272,377 thousand (of which the balance amounting to €57,833 thousand has not yet 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 €4,116 thousand.

Finally, trade receivables from non-consolidated Group companies and other related parties amounted to €47,310 thousand (€41,144 thousand at 31 December 2023). For more details, reference should be made to note 33 and Annex III – Related-Party transactions.

A specific provision for bad debts was recorded against non-performing loans, which are difficult to fully recover, amounting to €25,524 thousand at 31 December 2024 (€20,683 thousand at 31 December 2023). S Changes in the provision during the period are detailed as follows:

	31 December 2023	Increases	Uses	Releases	Others	31 December 2024
Provision for bad debts	**20,683**	10,142	(4,406)	(1,138)	(244)	**25,524**

An analysis of trade receivables at 31 December 2024 and as at the end of the previous year is provided below, broken down by maturity. The balances shown are net of the provision for bad debts.

	Total	Trade receivables reaching maturity	Overdue trade receivables				
			< 30 days	30 - 60 days	60 - 90 days	90 - 120 days	beyond 120 days
31 December 2024	**437,537**	294,983	64,302	15,133	6,761	3,441	52,917
31 December 2023	**437,061**	323,048	24,296	11,635	10,766	6,877	60,440

Other current assets, equal to €69,047 thousand (€31,681 thousand at 31 December 2023), showed a total increase of €37,366 thousand in the year.

Below are the details of the most significant entries in this item:

- tax receivables, which mostly include receivables concerning the VAT payments made by the Group companies (€14,812 thousand against €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 of some Group companies were made in 2024 for a total nominal amount of €27,101 thousand;

- a receivable recorded by the subsidiary Rekeep Saudi from the former customer OPS, amounting to €34,775 thousand after signing the out-of-court settlement agreement between the parties, which led to the conclusion of the international arbitration in Paris; the amount was collected in full by the subsidiary on 29 January 2025;
- 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).

11. Cash and cash equivalents, receivables and other current financial assets

A breakdown of the balance as at 31 December 2024 and 31 December 2023 is shown below:

	31 December 2024	31 December 2023
Bank and postal deposits	35,004	76,419
Cash in hand	216	165
Current financial accounts - consortia	207	228
CASH AND CASH EQUIVALENTS	**35,427**	**76,812**
Current financial receivables from third parties	3,411	13,987
Current financial receivables from Group Companies	370	1,255
Marketable securities	0	211
Other receivables for dividends	92	92
RECEIVABLES AND OTHER CURRENT FINANCIALASSETS	**3,873**	**15,545**

Bank deposits accrue interest at the respective short-term interest rates.

Amounts deposited at Consorzio Integra and Consorzio Nazionale Servizi (C.N.S.) also have the nature of available current accounts on demand and accrue interest.

At 31 December 2024 Current financial assets amounted to €3,873 thousand (€15,545 thousand at 31 December 2023) and mainly include:

- the balance of the 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 €2,094 thousand (€799 thousand at 31 December 2023);

- a total of €534 thousand in receivables for short-term loans and financial accounts held with non-consolidated Group companies (€643 thousand at 31 December 2023).

The change in the item compared to 31 December 2023 related to the balance of current accounts pledged as security for gas supply contracts (cash collateral), which in February 2024 had been released in full and made available in Rekeep S.p.A.'s ordinary current accounts. Financial receivables generated from the transfer of the remaining balance of electricity and gas tax credits to the parent company MSC by some Group companies in 2023, equal to €630 thousand, were collected in full during the first quarter of 2024.

12. Share capital and reserves

	31 December 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 31 December 2024 amounted to 109,149,600.

The Parent Company does not hold own shares.

Reserves and retained Earnings

The table below shows changes in Equity reserves in the year.

	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 prior year result				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 prior year result						(966)	(966)
Currency appreciation due to hyperinflation						230	230
Economic effects accounted for in equity			(491)	304	(569)		(756)
31 December 2024	**145,018**	**21,830**	**4,151**	**1,547**	**(5,528)**	**(160,742)**	**6,277**

Other reserves include, among others, the balance of the following items:

- the reserve originating from the recognition of transactions under common control, which includes the differences between the purchase cost and the net carrying amount of the assets acquired under business combinations between entities under common control, 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 on 22 December 2022 by Rekeep S.p.A. with Sacoa S.r.l., part of the same group led by the parent company MSC Società di Partecipazione tra Lavoratori S.p.A., relating to 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 prior year result		27,098	27,098
Currency appreciation due to hyperinflation		805	805
31 December 2023	**3,809**	**(52,021)**	**(48,212)**
Allocation of prior year result		(12,255)	(12,255)
31 December 2024	**3,809**	**(64,276)**	**(60,467)**

The table below shows 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.

	31 December 2024	31 December 2023
Equity attributable to non-controlling interests	**7,341**	**6,515**
of which attributable to:		
Subsidiaries of Rekeep World S.r.l.	852	689
Subsidiaries of Servizi Ospedalieri S.p.A.	5,707	5,158
Other subsidiaries and consortia	782	668

	31 December 2024	31 December 2023
Profit for the year attributable to non-controlling interests	**864**	**690**
of which attributable to:		
Subsidiaries of Rekeep World S.r.l.	201	214
Subsidiaries of Servizi Ospedalieri S.p.A.	541	536
Other subsidiaries and consortia	121	(61)

The equity and the result for the 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 70% of the capital of Rekeep France S.a.s. and an investment of 80% in the capital of the Polish company Rekeep Polska. There is no recognition of equity attributable to minority shareholders of these subsidiaries since a Put option is granted to minority shareholders, which is recognized as a financial liability in the Consolidated Financial Statements.

In addition, the subsidiary Rekeep Polska holds a 90% stake in the share capital of Ster-med S.p. z.o.o.. However, it holds, on the remaining share of the capital, a Put option granted to the minority shareholder, and no item is therefore recognised 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 during the year in the Shareholders' Equity of non-controlling interests.

Finally, Shareholders' equity of third parties includes the minority interests of Medical Device S.r.l. (60% owned by Servizi Ospedalieri S.p.A.) and of U.Jet S.r.l., which is also 60% owned by Servizi Ospedalieri S.p.A..

13. Employee termination indemnity (TFR)

The table below shows the changes in the liabilities relating to Employee Termination Indemnity (TFR) in 2024, compared with changes in the previous year.

	For the year ended 31 December 2024	For the year ended 31 December 2023
AT 1 JANUARY	**10,419**	**9,970**
Additions for business combinations	0	75
Current Service cost	1,430	1,426
Interest costs on benefit obligations	309	352
Benefits paid	(1,695)	(1,780)
Net actuarial (gains)/ losses from benefit obligations	764	376
AT 31 DECEMBER	**11,227**	**10,419**

Below is reported the breakdown of the net cost of employee benefits relating to the termination indemnity:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Current service cost	1,430	1,426
Interest costs on benefit obligations	309	352
Net cost of the benefits recognized through profit or loss	**1,739**	**1,777**
Net actuarial (gains)/ losses recognized in equity	764	376
Total net cost of the benefit	**2,503**	**2,154**

The main financial and demographic assumptions used in the actuarial valuation of the obligation relating to TFR are illustrated below:

	31 December 2024	31 December 2023
Discount rate	3.38%; 3.18%	3.17%; 3.08%
Inflation rate	2.00%	2.00%
Estimated turnover	From 3.5% to 10.00%	From 3.5% to 10.00%

The discount rates used to assess the TFR obligation are defined on the basis of curves of rates of return of high-quality fixed- interest securities, the amount and maturity dates of which correspond to those of the payments of expected future benefits. In 2024 two different discount rates were used by the Group depending

on the remaining average period of time during which personnel remain in each company, equal to 3.38% and 3.18% (equal to 3.17% and 3.08% in 2023).

The estimated turnover rate is presented in a range as the actuary appointed by the Group Companies for the actuarial estimate of the liability used different turnover rates for the individual companies.

The effects on the TFR obligation from the increasing or decreasing measurement of the financial rates in relation to reasonably possible changes in interest rates and in the assumptions of average duration of the working population, while maintaining all the other variables unchanged, are illustrated below:

	Financial year ended 31 December 2024		Financial year ended 31 December 2023	
	Assumptions	Employee Termination Indemnity	Assumptions	Employee Termination Indemnity
Discount rate	+ 0.25 bps	11,112	+ 0.25 bps	10,273
	- 0.25 bps	11,454	- 0.25 bps	10,619
Inflation rate	+ 0.25 bps	11,376	+ 0.25 bps	10,524
	- 0.25 bps	11,215	- 0.25 bps	10,364
Actuarial assumptions	+ 2.00 ppt	11,295	+ 2.00 ppt	10,463
	- 2.00 ppt	11,285	- 2.00 ppt	10,420

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

	For the year ended 31 December 2024	For the year ended 31 December 2023
Executive	78	69
White collars	1,795	1,777
Blue collars	23,233	23,877
AVERAGE STAFF	**25,105**	**25,723**

14. Provisions for risks and charges

Below are reported the breakdown and changes in provisions for risks and charges for the year ended 31 December 2024:

	Risks on Investments	Risks on job orders	Pending disputes	Tax litigation	Severance provisions	Other provisions	Total
At 1 January 2024	**408**	**16,465**	**25,900**	**447**	**638**	**10,541**	**54,398**
Accruals	8	1,745	3,671			1,440	6,864
Uses	(169)	(9,118)	(2,228)		(62)	(5,977)	(17,554)
Reversals	(100)	(1,145)	(373)			(876)	(2,494)
Others	(13)	1,235	127			(592)	757
At 31 December 2024	**133**	**9,183**	**27,098**	**447**	**576**	**4,536**	**41,972**
At 31 December 2024:							
Current	*133*	*7,394*	*284*	*447*	*576*	*2,710*	*11,544*
Non-current		*1,789*	*26,813*			*1,826*	*30,429*
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 €133 thousand (€408 thousand at 31 December 2023), includes the provision for unrecoverable future losses of Group companies and relates to the subsidiary Alisei S.r.l. in liquidation. Utilizations, amounting to €169 thousand, refer to the subsidiary Yougenio S.r.l. in liquidation, which ceased its operations on 21 October 2024 while reversals, amounting to €100 thousand, refer to the residual fund, considered as being a surplus, set aside in previous years for subsidiary Manutencoop International Services LLC in liquidation, which ceased its operations in July 2024.

PROVISION FOR RISKS ON JOB ORDERS

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 amounted to €9,183 thousand at 31 December 2024 (€16,465 thousand at 31 December 2023), down by €7,282 thousand against accruals of €1,745 thousand, uses and releases of €10,263 thousand and other changes of €1,235 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 year ended 31 December 2024 the provision, totaling €27,098 thousand (€25,900 thousand at 31 December 2023), recorded increases for accruals to provisions of €3,671 thousand and decreases for uses and releases totaling €2,601 thousand, as well as other changes of €127 thousand.

Provisions were recognized to hedge the risks involving the Parent Company Rekeep S.p.A. for €2,730 thousand. Uses and reversals for the period, most of which are 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 persons or entities.

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 on the entity a writ of summons before the Court of Rome in order to verify the unlawfulness of the termination of the agreements and to order Consip S.p.A. to pay compensation for damages suffered by the company itself. By a judgment filed on 30 May 2022, the Civil Court of Rome rejected our write of summons, while declaring that the termination of the "Consip Scuole" agreements ordered by Consip was lawful pursuant to Article 1456 of the Italian Civil Code. The Company through its legal counsels has submitted an application for appeal; by ruling dated 177 February 2025, the Court of Appeals upheld the legitimacy of Consip's exclusion from the tender process. The tender performance bond (initially equal to € 24.5 million) might also be partially enforced if the Company loses the case against Consip S.p.A.. ANAC (Italian Anti-Corruption Authority) has proceeded with the entry of the contract termination in its computerized records. The company has appointed its legal counsels to file an appeal to the Supreme Court against the Rome Court of Appeals’ judgment and to take, should it be necessary, a fast-track order for payment action in the event of Consip's enforcement of the surety bond.

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). The order of exclusion has been confirmed by both the Regional Administrative Court and the Council of State and, finally, by the Supreme Court, which, by an order published on 22 December 2021, rejected the judicial appeal submitted by the Company before the Supreme Court. 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; at the hearing on the merits held on 7 October 2021 the Council of State suspended the proceedings pending the filing of the 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 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 made it clear that it did not intend to maintain said postponement, 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, whereby it had dealt with part of the preliminary issues raised by the Council of State. Following that decision, the Company filed an application to set a hearing before the Council of State, which was then scheduled on 6 March 2025. However, a single-member board's Presidential decree suspending the challenged judgments had been obtained in the meantime. At the hearing on 6 March 2025, by rulings filed on 19 March 2025, the Council of State granted both appeals and, to that effect, annulled the first-instance judgments and the challenged orders to enforce the sureties submitted in the Consip Sanità and Consip Caserme tenders.

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 held 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 filed an appeal against this judgment, and on 23 May 2024, Atradius entered an appearance in court. By an order filed on 3 October 2024, the Court of Appeals rejected the application to suspend the enforceability of the first-instance judgment, and set a hearing for discussion on 3 June 2025, which was then postponed by right of office to 8 July 2025. The defence counsels will proceed with the filing, within appellate proceedings, concerning the Council of State's ruling on the Consip Sanità tender so that the board will take it into account in settling the case.

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 198/2022. Thus, 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 has filed an appeal for review before the Council of State, which, by an order dated 24 March 2023, ordered the suspension of the challenged order limited to the enforcement of sureties. At the hearing held on 23 May 2024, the Council of State suspended the proceedings and then set the hearing for the discussion of the merits on 6 March 2025: Rekeep S.p.A. is waiting for the decision to be filed.

The Consip Sanità, Consip Caserme and Consip Musei tenders did not generate consolidated Revenues until 31 December 2024 and were not included in the Group's backlog at 31 December 2024.

In the Consolidated Financial Statements at 31 December 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 in the year.

On 23 March 2017, the Competition Authority notified Rekeep S.p.A. (at the time Manutencoop Facility Management S.p.A.) 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 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 orders 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 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 held on 11 June 2024, the Court declared the appeal as being 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 payment plan, which initially consisted of 72 monthly installments, and set to expire in December 2025, and which was last updated on 19 April 2024 with the extension of the previous installment plan obtained by providing a new plan of 62 monthly installments set to expire in May 2029. At 31 December 2024 the residual debt amounted to €41,434 thousand, of which an amount of €6,565 thousand set to expire within 1 year. For more details on the liability stated, reference should be made to notes 18 and 19 below.

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 already mentioned Constitutional Court's decision, which, on 26 July 2022, ruled by rejecting the issue of constitutional legitimacy by judgment 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. On 21 October 2024, the Council of State clarified that it did not intend to maintain the aforementioned referral for a preliminary ruling, 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, whereby it had dealt with part of the preliminary issues raised by the Council of State. Following that decision, the Company filed an application to set a hearing before the Council of State to settle its appeal, which was scheduled on 6 March 2025: Rekeep S.p.A. is waiting for the decision to be filed.

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 6 March 2025 and the case was then retained for decision therein.

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, by a decision dated 5 November 2024, the Lazio Regional Administrative Court declared the appeal as being inadmissible because the challenged act, which consists of the start of the procedure by ANAC, is only an act occurred during the course of the proceedings. 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 and significant accounting assumptions."

As things stand as regards the abovementioned proceedings, there is no impediment for the Rekeep S.p.A. Group companies to the participation and awarding of new calls for tenders by the Public Administration, 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 the sundry restructuring plans implemented by some Group companies over the last few years. The provision recorded a balance equal to €576 thousand at 31 December 2024 (€638 thousand at 31 December 2023), against uses equal to €62 thousand.

PROVISION FOR TAX DISPUTES

At 31 December 2024 the provision amounted to €447 thousand, unchanged compared to the previous year.

OTHER PROVISIONS FOR RISKS AND CHARGES

The provision, amounting to €4,536 thousand at 31 December 2024, showing a decrease of €6,005 thousand compared to 31 December 2023 (€10,541 thousand) as a result of provisions for €1,440 thousand, uses of €5,977 thousand, and releases and other changes totaling €1,468 thousand.

The balance included, among others, the provision for charges recognized in 2023 by the subsidiary Rekeep Saudi CO Ltd (for €6,107 thousand) for charges that were expected to be incurred due to the opening of the international arbitration procedure in May 2023 against its customer OPS LLC and the conclusion of the Metro Riyadh services contract in July 2023 and the consequent reduction in personnel and business operations.

On 16 December 2024, Saudi Arabia-based subsidiary Rekeep Saudi CO Ltd and Rekeep S.p.A. signed an out-of-court agreement with former customer OPS LCC as a final settlement of the disputes that originated between the parties. Specifically, the agreement signed provided for the subsidiary being paid compensation in the amount of €30 million, plus VAT, by the counterparty on 29 January 2025, and the waiver of the international arbitration procedure involving both the subsidiary Rekeep Saudi and the Parent Company Rekeep, which was formally concluded in January 2025. In the same month, the parent company Rekeep S.p.A. released the performance bond issued to guarantee the Metro Riyadh contract.

The stated provision was used for €5,690 thousand in 2024 while the remaining amount (€720 thousand) was released following the conclusion of the out-of-court settlement agreement with the counterparty, and the subsequent closure of the arbitration procedure.

It should be noted that, 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 summon the Parent Company Rekeep S.p.A. in the proceedings before court. In October 2023, the constitution of the arbitration panel was finalized with the appointment by ICC of the Chairperson.

Furthermore, the item includes the provision recorded by subsidiary Servizi Ospedalieri, amounting to €940 thousand at 31 December 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 constitutionality of the relevant provisions, rejected the appeals while declaring the regulations unconstitutional in the part that obliged companies to waive litigation in order to obtain a 48% discount on the amount claimed, thus extending the benefit to all entities affected by the regulations. Following this ruling, the case was resumed before the Lazio Regional Administrative Court, with a hearing scheduled on 25 February 2025; the subsidiary is waiting for the decision to be filed. In the meantime, it is recalled that the orders already issued by the Regional Governments to claim the amounts due under the regulations are suspended. The provision recognized in the accounts 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 "Payback for medical devices", the Ministerial Decree of 29 December 2023, issued by the Ministry of Health in agreement with the Ministry of Economy and Finance, has added a new form of contribution to be paid by companies that manufacture or distribute 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 these products to the National Health System, subject to self-declaration by 31 December of each year. On 9 April 2024 the subsidiary Servizi Ospedalieri, as well as other market players, filed an appeal before the Regional Administrative Court, which set a "pilot" hearing on 2 December 2024. The amounts due in relation to this regulatory provision are set aside by the subsidiary in a specific provision amounting to €73 thousand at 31 December 2024. For the sake of completeness, it should be noted that the subsidiaries Medical Device and UJET are also subject to the same regulatory case and have filed an appeal, setting aside a provision for risks totaling €11.6 thousand at 31 December 2024.

15. Derivatives

At 31 December 2024, the Group had not recorded any derivative assets or liabilities.

16. Borrowings, loans and other current financial liabilities

The items non-current loans and Loans and other current financial liabilities include both the non-current and current portion of loans from credit institutions and consortium members, respectively. Furthermore, there is also the recognition of payables to other lenders and lease liabilities, as well as of other current debt balances of a financial nature such as, for example, the debt for the acquisition of investments or business units and the liability for dividends to be paid.

The tables below set forth the qualitative breakdown by current and non-current financial liabilities at 31 December 2024 and at 31 December 2023:

	31 December 2024	within 1 year	beyond 1 year to 5 years	beyond 5 years
Senior Secured Notes	367,948		367,948	
Artigiancassa loan	471	314	157	
BNP Paribas Bank Polska S.A. Financing -Mortgage loan	3,759	602	2,406	752
Banca Sistema loan	11,333	2,667	8,667	
Banca di Bologna (DUC) loan	301	69	232	
Prepaid financial interest expenses within 12 months	(338)	(336)	(2)	
Accrued interest expenses within 12 months	11,255	11,255		
Long-term bank borrowings and current portion of long-term bank borrowings	**394,730**	**14,571**	**379,407**	**752**
Current bank overdraft, advance payments and hot money	34,009	34,009		
Financial/operating lease obligations	42,611	11,500	26,103	5,009
Loans from syndicated shareholders	792	238	537	16
Loan from parent company Manutencoop Cooperativa	10	10		
Other financial liabilities	2,103	2,103		
Obligations from assignments with recourse of trade receivables	15,013	15,013		
Collections on behalf of assignees of trade receivables	20,676	20,676		
Obligations arising from reverse factoring transactions	3,949	3,949		
Potential debt for the acquisition of investments/business units	52,571	483	52,088	
TOTAL FINANCIAL LIABILITIES	**566,470**	**102,558**	**458,135**	**5,777**

	31 December 2023	within 1 year	beyond 1 year to 5 years	beyond 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 (DUC) 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**
Current bank overdraft, advance payments and hot money	27,549	27,549		
Financial liabilities for leases	41,697	10,978	25,604	5,115
Loans from syndicated shareholders	904	193	599	112
Loan from Parent Company MSC Società di Partecipazione tra Lavoratori	16	16		
Other financial liabilities	2,073	2,073		
Obligations from assignments with recourse of trade receivables	18,183	18,183		
Collections on behalf of assignees of trade receivables	11,387	11,387		
Obligations arising from reverse factoring transactions	16,633	16,633		
Potential debt for the acquisition of investments/business units	19,545	19,545		
Debt for the acquisition of investments/business units	83	83		
Share capital to be paid in associates	315	315		
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 financial period. 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 31 December 2024 the financial charges accrued on the bond coupons amounted to €26,601 thousand, in line with the balance recorded in the previous year. The upfront fees relating to the issue of Senior Secured Notes were accounted for according to the amortized cost method, which entailed, in accordance with IFRS 9, the recognition of financial Amortization charges of €1,769 thousand in 2024 (€1,638 thousand at 31 December 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.

The facility was partially drawn down during the year in order to meet temporary cash requirements (if any), and promptly repaid: the RCF facility had not been drawn down at 31 December 2024. Its temporary partial use entailed the charging of financial costs accrued in the meantime for €1,735 thousand (€1,396 thousand at 31 December 2023).

PREPAID INTEREST EXPENSES

At 31 December 2024 the Company recognized prepaid interest expenses of €350 thousand (€671 thousand at 31 December 2023). The item mainly related to arrangement fees initially paid by Rekeep S.p.A. for entering into the Super Senior Revolving (RCF) facility agreement, initially equal to € 1,260 thousand. These costs are amortized on a straight-line basis throughout the term of the credit facility and generated amortization charges of €280 thousand in 2024 (unchanged compared to the previous year).

ACCRUED INTEREST EXPENSES

At 31 December 2024 accrued interest expenses were recognized for €11,255 thousand (€12,299 thousand at 31 December 2023), of which €11,177 thousand relating to the coupon of the Senior Secured Notes due 1 February 2025 (€11,401 thousand at 31 December 2023).

ARTIGIANCASSA LOAN (REKEEP S.P.A.)

On 21 June 2018 the Company obtained a soft loan from the “Energy and Mobility Fund” operated by the Regional Government of Marche, aimed at supporting the energy efficiency development of healthcare units. This loan was partly disbursed by Artigiancassa S.p.A. in the form of the 8-year financing for an initial amount of €1,676 thousand, to which must be added a further €186 thousand requested in December 2023, with a pre-amortization period of 12 months. This 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 31 December 2024 the residual debt of this loan amounted to €471 thousand (€785 thousand at 31 December 2023).

BNP PARIBAS BANK POLSKA S.A. FINANCING (JOL MARK S.P. Z.O.O.) MORTGAGE LOAN

As at 31 December 2024, the subsidiary Jol-Mark S.p. z o.o., belonging to the sub-group controlled by Rekeep Polska, had an outstanding mortgage loan maturing on 31 December 2031, and repayable in quarterly installments with interest equal to 3-month WIBOR + spread. As at the reporting date for the financial year, the mortgage loan had a total residual value of €3,759 thousand.

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

On 15 May 2024, the Parent Company Rekeep entered into a facility agreement with Banca Sistema S.p.A. for a financing with a nominal value of €12 million, intended for the payment of its supply chain of suppliers and subcontractors, repayable in 18 quarterly installments as from 31 December 2024, and backed by 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. The available line of credit, used to pay debts to its suppliers and subcontractors, had been used in full at the end of 2024.
As at 31 December 2024, the remaining debt for this loan amounted to €11,333 thousand, and resulted in the recognition of financial expenses amounting to €516 thousand in the period.

In the previous year, the parent company Rekeep S.p.A. showed an outstanding balance for an additional confirming credit line, entered into on 20 April 2023 with SACE Fct S.p.A., the factoring company of the SACE group that led the transaction, and Banca Sistema S.p.A. for a total nominal value of €60 million, which was also intended for the payment of its supply chain of suppliers and subcontractors, and backed by SACE S.p.A.'s SupportItalia Guarantee,
At the end of 2024, the loan had been repaid in full, entailing the payment of financial charges amounting to €1,146 thousand (€2,400 thousand as 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 €301 thousand at 31 December 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

There were no other bank loans at 31 December 2024 (unchanged compared to 31 December 2023).

CURRENT ACCOUNT OVERDRAFT, ADVANCE PAYMENTS AND HOT MONEY

At 31 December 2024 this item showed a balance of €32,588 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 reductions in cash within inflows and outflows on the reporting date.

FINANCIAL LEASE LIABILITIES

Obligations in place at 31 December 2024 for lease agreements, property and operating leases amounted to €42,611 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 €11,260 thousand, while contracts were early terminated for a residual value of €1,939 thousand. The new contracts signed refer to motor vehicles, company fleet vehicles, equipment, plant and machinery (the latter referring mainly to Servizi Ospedalieri S.p.A., which uses them in the production processes of laundering and sterilization), as well as property leases, including revaluations of rentals on existing contracts.

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 still, 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 31 December 2024 the overall balance of these loans amounted to €792 thousand (€904 thousand at 31 December 2023).

COLLECTIONS ON BEHALF OF ASSIGNEES OF TRADE RECEIVABLES

The item included receipts from customers on assigned receivables as part of the factoring without recourse transaction of trade receivables, for which the Group acts as an agent to manage receipts on behalf of the factor. The receipts, equal to €20,676 thousand at 31 December 2024 (€11,387 thousand at 31 December 2023), were transferred to the factor in the subsequent month after the end of the period.

OBLIGATIONS FROM ASSIGNMENTS OF RECEIVABLES WITH RECOURSE

During 2020 Rekeep S.p.A. and Servizi Ospedalieri entered into an agreement with Banca Sistema S.p.A. for the assignment with recourse of trade receivables from Public Authorities.

During 2024 assignments with recourse were made with regard to trade receivables at a nominal value of receivables of €54,055 thousand, while the exposure was equal to €15,013 thousand at 31 December 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 two reverse factoring lines which ensure a greater amount of overdraft facilities with respect to payments to some suppliers. The two reverse factoring

lines, entered into with BFF Bank and Unicredit Factoring S.p.A., allow for deferred payment terms of 100 days from the due date of the assigned commercial invoice and 210 days from the date of issue, respectively. The overall exposure amounted to €3,949 thousand at 31 December 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 €52,571 thousand at 31 December 2024 (€19,545 thousand at 31 December 2023).

Of these an amount of €51,703 thousand related to the fair value at the date of the Put option granted in favor of the minority shareholder Rekeep Polska S.A. on 20% of the share 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 the 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. As a result of the amendment 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 3 years by exercising this right within 6 months of the expiry of the first exercise period (deferring the exercise period between 31 December 2030 and 31 December 2031). It should be noted that previously the option exercise period was set between 30 October 2024 and 30 October 2025.

The investment agreement on the acquisition of Ster-med S.p. z o.o. by the subsidiary Rekeep Polska S.A., which took place in 2023, also provides for a call option for the buyer, and a put option for the transferor, which may be exercised between 2 November 2026 and 2 May 2027, for the transfer of an additional 10% of the company's shares. The exercise price of these options is calculated as the product of LTM EBITDA for the quarter immediately preceding the exercise date by a multiple of 7x, less net debt at the time of exercise. The estimated fair value of the Put option at 31 December 2024 was equal to €385 thousand.

Finally, on 31 December 2024 there 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. The fair value of the put option at 31 December 2014 was €483 thousand. The Put Option was exercised by the minority shareholder in the early months of 2025: the parties have until June 2025 to enter into the agreement to transfer the shares.

DEBT FOR THE ACQUISITION OF INVESTMENTS/BUSINESS UNITS

This item amounted to €6 thousand at 31 December 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 Rekeep Polska's residual debt for the acquisition of the Polish company Ster-med S.p. z.o.o., which took place in 2023.

OTHER FINANCIAL LIABILITIES

As at 31 December 2024 other financial liabilities were recorded for €2,103 thousand, against €2,073 thousand at 31 December 2023. Other liabilities at 31 December 2024 included, among others, interest payable on factoring lines. At 31 December 2023 the balance of the item included, among others, the price that the Parent Company Rekeep paid to its controlling company MSC for the purchase of the property leases of its head office in place with MPS Leasing & Factoring S.p.A. (for an initial debt of € 5,370 thousand, including VAT, and a det of €1,550 thousand at 31 December 2023), defined by the positive differential between the value of the real estate complex and the residual debt resulting from the amortization schedules under the lease agreements.

17. Contingent liabilities

As at the date of approval of the Consolidated Financial Statements at 31 December 2024 no contingent liabilities had 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 31 December 2024.

18. Other non-current liabilities

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

	31 December 2024	31 December 2023
Other non-current liabilities	34,955	85
Other items of non-current liabilities	**34,955**	**85**

The item mainly includes the medium- to long-term portion of the residual debt of the liability recognized by the Parent Company Rekeep S.p.A. following the service of the Competition Authority's updated order for sanctions 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 of a payment plan of no. 62 monthly installments updated for the last time on 19 April 2024 and expiring in May 2029. Before proceeding with the amendment to the pre-existing installment 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 on "Measures to strengthen the National Health System and provide financial support for households, workers and businesses related to the epidemiological emergency from COVID-19", i.e. the "Cure Italy Decree"), which had become due on 31

August 2021, incurring a total outlay of €7.2 million (€6.8 million in capital and €0.4 million in collection charges). The additional suspended installments, remaining as at 19 April 2024, were rescheduled under the new installment payment plan mentioned above.

The residual debt at 31 December 2024 was therefore €41,434 thousand, of which €34,869 thousand are due beyond 12 months from the end date of 2024, as reflected in the latest installment payment plan received. The remaining amount, maturing within 12 months, is reclassified under "Other current operating payables," which is referred to in Note 19 below. It should be noted that as at the date of this document, the Parent Company had no overdue and unpaid installments with regard to the Competition Authority's FM4 fine.

19. Trade payables, contract liabilities and other current liabilities

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

	31 December 2024	of which to related parties	31 December 2023	of which to related parties
Trade payables	361,099		358,781	
Trade payables due to third parties	**361,099**		**358,781**	
Trade payables to **MSC S.p.A.**	2,531	2,531	1,983	1,983
Trade payables to associates, affiliates and joint ventures	38,383	38,383	35,342	35,342
Trade payables to the Group	**40,914**	**40,914**	**37,325**	**37,325**
Advances from customers, including contract liabilities	15,709	1	26,852	603
Trade payables and contract liabilities	**417,722**	**40,915**	**422,958**	**37,928**
Fees due to directors and statutory auditors	339		289	
Tax payables	13,721		8,997	
Payables to social security institutions within 12 months	19,232		16,597	
Other payables to TJA ("Associazione temporanea di imprese")	2,376		7,114	
Payables to employees within 12 months	64,159		59,420	
Other payables within 12 months	26,820		76,512	
Property collection on behalf of customers	2,173		2,176	
Other current operating payables to third parties	**128,820**	**0**	**171,105**	**0**
Other current payables to MSC S.p.A.	25	25	48	48
Other payables to associates, affiliates and joint ventures	40	40	42	42
Other current payables to the Group	**65**	**65**	**90**	**90**

	31 December 2024	of which to related parties	31 December 2023	of which to related parties
Accrued expenses	2,506		801	
Deferred income	(423)		99	
Accrued expenses and deferred income	**2,083**	**0**	**900**	**0**
Other current operating payables	**130,968**	**65**	**172,095**	**90**

Trade payables do not accrue interest and are settled, on average, 90/120 days from the invoice date. The other payables are non-interest-bearing payables and are settled, on average, after 30 days, excluding payables due to employees for accrued 13th and 14th monthly pay and holidays paid at 6 months on average, and the amounts due to the Tax Authorities on account of VAT.

Trade payables and contract liabilities amounted to €417,722 thousand at 31 December 2024 against a balance of €422,958 thousand at 31 December 2023, showing a decrease of €5,236 thousand, due to the drop in prices, especially energy prices, and to the actions taken to manage working capital during the year.

These amounts include trade payables to the Group amounting to €40,914 thousand, as well as advances of €1 thousand (€37,325 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 €130,968 thousand at 31 December 2024 (€172,095 thousand at 31 December 2023) and were mainly made up of the following items:

- payables to employees of €64,159 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 period, 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 €19,232 thousand (€16,597 thousand at 31 December 2023);
- payables due to tax authorities for €13,721 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 €2,376 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 €6,565 thousand, on the residual debt of the Competition Authority's FM4 fine, totaling €41,434 thousand, at 31 December 2024. The remaining part, maturing more than 12 months after the end of the period, is reclassified under "Other non-current liabilities" (for more details, please refer to Note 19 above). On the other hand, as at 31 December 2023, the

entire amount of the remaining debt resulting from the previous installment payment plan of the fine, amounting to €55,172 thousand, is entered under this item.

20. Revenues from contracts with customers

The table below sets forth the breakdown of the item for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Revenues from product sales	31,599	30,004
Service revenues	1,093,727	1,071,099
Revenues from construction activities and plant installation	75,718	56,362
Other sales revenues	26,762	24,907
REVENUES FROM CONTRACTS WITH CUSTOMERS	**1,227,806**	**1,182,372**

At 31 December 2024 Revenue from contracts with customers amounted to €1,227,806 thousand (€ 1,182,372 thousand at 31 December 2023). The item showed an increase of €45,434 thousand, marginally reflecting price trends, particularly in energy, which affected revenue performance until the first quarter of the current financial year. The item benefitted from the positive contribution given by the International Markets, whose revenues for the year amounted to €271,976 thousand, mainly thanks to the contribution given by the sub-group controlled by Rekeep Polska, particularly in the healthcare sector while in the domestic market there was the termination of contracts in the portfolio, which was only partly offset by the entry of projects into full operation under new contracts.

21. Other revenues

The table below sets forth the breakdown of the item for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Grants	600	781
Asset capital gains	939	730
Recovery of seconded personnel costs	0	20
Compensation for damages	29,807	363
Other revenues	989	2,503
OTEHR REVENUES	**32,335**	**4,397**

At 31 December 2024 the balance of Other revenues amounted to €32,335 thousand compared to €4,397 thousand in 2023, showing an increase of €27,938 thousand.

The increase in the item in 2024 was attributable to the recognition of revenues paid to the subsidiary Rekeep Saudi CO Ltd by the former customer OPS, amounting to €29,025 thousand at the end of the year, after signing the settlement agreement, which also resulted in the termination of the international arbitration procedure in progress between the parties.

The item also includes Operating grants, amounting to €600 thousand at 31 December 2024 (€781 thousand in 2023), mainly related to grants on training projects for subordinate staff and development of remote working projects.

Finally, "Other revenues" mainly include the insurance refunds from damage to vehicles used in medical transport related to the companies of the Rekeep Polska Group.

22. Costs of raw materials and consumables and change in inventories of finished and semi-finished products

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Fuel consumption	67,131	77,638
Consumption of raw materials	164,598	154,926
Purchase of semi-finished/finished products	672	795
Products of auxiliary materials and consumables	12,370	14,652
Packaging	2,034	2,479
Change in inventories of fuel and raw materials	1,331	(741)
Other purchases	3,404	4,015
CONSUMPTION OF RAW MATERIALS AND CONSUMABLES	**251,540**	**253,764**
Change in inventories of finished and semi-finished products	(241)	(207)
CHANGE IN INVENTORIES OF FINISHED AND SEMI-FINISHED PRODUCTS	**(241)**	**(207)**

At 31 December 2024 Consumption of raw materials and consumables amounted to €251,540 thousand compared to €253,764 thousand at 31 December 2023. The change in the item was affected by the decline in energy prices, the cost of which at 31 December 2023 was partly offset by the amount of subsidies granted in

the form of the tax credit under Decree Law no. 21 of 2022 (Conversion Law no. 51 of 20 May 2022), as amended, as partial compensation for the higher costs incurred for the purchase of electricity and natural gas as until the second half of 2023, totaling €12,856 thousand on the cost of natural gas and €4,650 thousand on costs for electricity.

Other purchases include costs for other materials such as clothing and PPE for the staff members employed on site at customers' premises.

The change in inventories of finished products was mainly due to the production by Medical Device S.r.l. and U.Jet S.r.l. of medical devices and PPE.

23. Costs for services and use of third-party assets

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Third-party services	195,719	191,483
Consortia services	27,781	8,949
Equipment maintenance and repair	9,297	8,512
Professional services	36,293	38,545
Statutory Auditors' fees	477	412
Transport	13,235	11,913
Advertising and promotion	641	455
Bonuses and commissions	(172)	(229)
Insurance and sureties	7,046	6,380
Bank services	428	434
Utilities	15,211	14,981
Travel expenses and reimbursement of expenses	2,628	2,595
Employee services	7,011	6,819
Other services and contingent items	15,357	18,050
Costs for services	**330,952**	**309,299**
Rent expense and Hires	5,181	5,518
Hiring of equipment and others	4,250	4,790
Costs for leased assets	**9,431**	**10,308**
COSTS FOR SERVICES AND USE OF THIRD-PARTY ASSETS	**340,383**	**319,607**

For the year ended 31 December 2024 Costs for services and use of third-party assets totaled €340,383 thousand, marking an increase of €20,776 thousand compared to the balance of the item recorded in the previous year.

The change in the item was mainly related to the increase in consortia services, following the entry of projects into full operation under some contracts, and was closely related to higher volumes and depending on the structure of the mix of production factors in the performance of some activities, as detailed in note 24 below.

The change in Third-party services, which increased by €4,236 thousand in the year, mainly refers to costs incurred for the reorganization of company units and the Group's structure.

24. Personnel costs

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Wages and salaries	373,732	354,097
Social security charges	82,844	82,915
Secondment costs	16,406	15,586
ESI paid to INPS (National Social Security Institute) and to funds	28,205	24,953
Directors' fees	1,479	580
Other personnel costs	5,580	4,710
Current benefits	**508,246**	**482,841**
Employee termination indemnity provision	1,739	1,777
Subsequent benefits	**1,739**	**1,777**
Employment termination benefits	1,268	1,354
Employment termination benefits	**1,268**	**1,354**
PERSONNEL COSTS	**511,253**	**485,972**

At 31 December 2024, Personnel Costs amounted to €511,253 thousand, showing an increase of €25,281 thousand compared to the previous year (when they amounted to €485,972 thousand).

The total change in Group personnel costs is necessarily correlated to the cost of services, as the mix of production costs linked to "internal" work (i.e. work performed by employees of Group companies) and "external" work (i.e. work performed by third-party providers) can change significantly according to organizational changes aimed at increasing overall productivity.

The ratio between Revenues from sales and services and the total amount of costs for internal personnel ("make") and services costs ("buy") relating to third-party services, services provided by consortia and

professional services, came to 159% at 31 December 2024 against 163% at 31 December 2023. The "make-or-buy ratio", compared with the previous year, showed a reduction and reports a slight reversal of trend from recent years in the use of internal production factors rather than purchasing services from third-party sources.

The cost of personnel related to the work performed in Italy was €337,726 thousand at 31 December 2024 (€345,251 thousand at 31 December 2023).

25. Other operating costs

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Capital losses on disposals of assets	127	150
Losses on receivables	0	14
Other taxes	2,086	2,362
Fines and penalties	2,056	2,249
Credit Discount on assignments of receivables	237	170
Other operating costs and contingent items	4,008	4,915
OTHER OPERATING COSTS	**8,514**	**9,860**

Other operating costs amounted to €8,514 thousand, showing a decrease of €1,346 thousand compared to the balance for the previous year (€9,860 thousand at 31 December 2023).

While analyzing he details of the item, we must note a decrease in other duties, fines and penalties while there was a drop in other operating costs, which mainly included membership fees, contract expenses and donations.

26. Amortization/depreciation, write-downs and write-backs of assets

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Amortization of intangible assets	5,842	5,924

	For the year ended 31 December 2024	For the year ended 31 December 2023
Depreciation of property, plant and equipment	26,804	25,066
Amortization of Rights of use	10,741	10,265
Write-downs of receivables	9.004	6.425
Other write-downs	121	41
AMORTIZATION/DEPRECIATION, WRITE-DOWNS AND WRITE-BACK OF ASSETS	**52.512**	**47.721**

At 31 December 2024 Amortization/depreciation, write-downs and write-backs of assets amounted to €52,512 thousand, showing an increase of €4,791 thousand compared to the balance of item in the previous year.

Specifically, the following changes must be noted in the financial year:

- an increase in amortization/depreciation for a total of €2,132 thousand, mainly attributable to depreciation of property, plant and equipment, both owned and leased;
- higher write-downs of receivables made for €2,579 thousand, resulting from the analysis of credit risks of the Group.

27. Dividends, income and losses from investments

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Dividends	275	157
Capital gains (capital losses) from sale of equity investments	5,842	155
DIVIDENDS, INCOME AND LOSSES FROM INVESTMENTS	**6,117**	**312**

In 2024, dividends were collected from other companies not included under the scope of consolidation for €275 thousand, relating to non-consolidated investee companies of the Parent Company Rekeep S.p.A..

As at 31 December 2024 Capital gains (losses) from sale of equity investments included income recognized by the Parent Company Rekeep, amounting to €5,543 thousand, as a result of the sale of the 5% stake held

in Starfire S.A., the parent company of Sicura S.p.A., which had already been sold in 2020, at a price of €7,543 thousand. The Group also recognized net charges from the disposal of equity investments in the amount of €299 thousand (€155 thousand at 31 December 2023).

28. Financial income

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Interest on bank current accounts	156	269
Interest on non-property and intercompany current accounts	62	275
Interest on trade receivables	1,028	431
Interest from discounting of non-interest-bearing loans	5	0
Other financial income	4,090	1,307
FINANCIAL INCOME	**5,341**	**2,282**

Financial income recorded an increase equal to €3,059 thousand in 2024 compared to the previous year, in particular following the payment of default interest income to a customer in court. Other financial income, on the other hand, included income restated as a result of the fair value adjustment of the contingent liability for the Put Option related to the minority interest in the subsidiary Rekeep France (€1,469 thousand at 31 December 2024).

29. Financial costs

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Interest on bank loans and current account overdrafts	4,021	2,914
Financial charges on other loans	64,468	33,998
Financial costs for leases	1,875	2,193
Financial costs on intercompany loans	64	9
Interest discount on assignments of receivables without recourse	4,633	4,712
Interest on trade payables	678	870
Other financial costs	11,459	11,813

	For the year ended 31 December 2024	For the year ended 31 December 2023
FINANCIAL COSTS	**87,198**	**56,509**
Exchange rate adjustments	165	1,529
PROFIT (LOSS) ON EXCHANGE RATE	**165**	**1,529**

Financial costs showed a total increase of €30,689 thousand in 2024 compared to the previous year.

The change in the item was attributable to an increase in Charges on other loans (+€30,470 thousand), which included financial charges from fair value adjustment of the Put Options granted to minority shareholders of subsidiaries Rekeep Polska, Ster-Med S.p. z.o.o. and Rekeep France S.a.s.. The increase refers mainly to the fair value adjustment of the Put option on the acquisition of the additional 20% stake in the share capital of the subsidiary Rekeep Polska, following the approval of the Sub-group's new business plan, which shows an improvement in expected results. As at 31 December 2024, financial charges on the present value of the contingent liability for the Put option granted to the minority shareholder of Rekeep Polska, as well as to the minority shareholder for the 10% stake in the share capital of the Polish subsidiary Ster-med sp. z o.o., amounted to €31,142 thousand at 31 December 2024 compared to €3,468 thousand at 31 December 2023. On the other hand, as already commented on above, the updated estimate of the Put Option held by the minority shareholder of Rekeep France resulted in the recognition of financial income.

Financial charges on other loans included financial costs on the coupons of the Senior Secured Notes (payable with a coupon on a six-monthly basis on 1 February and 1 August), which accrued for €26,601 thousand in 2024 (in line compared to the end of the previous year). On the other hand, Other financial costs included financial charges for amortized cost accrued in 2024 for €1,769 thousand, against costs of €1,638 thousand at 31 December 2023.

Other financial costs also included amortization charges of the initial costs for the new facility Super Senior Revolving Credit Facility (“RCF”). These costs, which were initially equal to €1,260 thousand, were also amortized on a straight-line basis throughout the term of the credit facility and gave rise to amortization charges of €280 thousand in 2024, unchanged compared to the previous year. Other financial charges incurred for the Super Senior Revolving Facility included commitment fees charged by banks equal to €543 thousand in 2024 (€575 thousand at 31 December 2023). Finally, the facility, interest on temporary partial uses accrued for €1,735 thousand in 2024, which was included in the item Charges on other loans (€1,396 thousand at 31 December 2023).

Finally, the Group recorded charges correlated to the assignments of trade receivables without recourse and VAT, made during the year for €4,633 thousand at 31 December 2024 (€4,712 thousand at 31 December 2023), financial costs for assignment with recourse and reverse factoring for €2,615 thousand (€2,978 thousand at the end of the previous year) and financial costs accrued on lease financial liabilities equal to €1,875 thousand (€2,193 thousand in 2023).

30. Current and deferred taxes

The breakdown of the item is shown below for the years ended 31 December 2024 and 31 December 2023:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Current IRES tax	14,520	9,966
Current IRAP tax	4,593	4,140
(Income) costs from tax consolidation	(1,370)	(2,170)
Adjustments to current taxes of previous years	317	(463)
Current taxes	**18,060**	**11,473**
Deferred IRES tax	(1,596)	941
Deferred IRAP tax	(265)	179
Deferred taxes relating to previous years	1	515
Deferred taxes	**(1,860)**	**1,635**
CURRENT AND DEFERRED TAXES	**16,200**	**13,108**

In 2024 the Group recorded taxes totaling €16,200 thousand, marking an increase of €3,092 thousand compared to the taxes recognized at 31 December 2023.

More specifically, the main changes are as follows:

- an increase of €4,554 thousand in the current IRES tax balance;
- a decrease of €453 thousand in the current IRAP tax balance;
- a decrease of €800 thousand in the balance of income from tax consolidation;
- negative adjustments to current taxes relating to previous years for €317 thousand against positive adjustments equal to €463 thousand at 31 December 2023;
- the recognition of a net income of €1,860 thousand, relating to the total balance of prepaid and deferred taxes against a net charge of €1,635 thousand at 31 December 2023. The future recovery of deferred tax assets has been assessed on the basis of the same forecasts as those used by the Management for the impairment test on goodwill (see note 6).

At 31 December 2024 the Group finally recognized Current tax receivables for a total amount of €1,510 thousand and Current tax payables equal to €448 thousand, relating to the net balance of the excess IRES tax advances paid to the Tax Office or receivables from parent company MSC, which arose within the scope of the national tax consolidation in force with some Group companies.

The reconciliation between current income taxes accounted for and the theoretical tax resulting from the application of the IRES tax rate in force for the years ended 31 December 2024 and 31 December 2023 to pre-tax profit is set out below. The theoretical IRES tax rate applicable in Italy is 24% of taxable income for the

financial period. The table includes the effects on current IRES tax arising from the recognition of income from participation in the tax consolidation scheme. The theoretical IRAP tax rate applicable in Italy varies by region and business sector. The taxes of foreign companies are calculated on the basis of rates that are applicable at local level.

	31 December 2024	%	31 December 2023	%
PRE-TAX PROFIT	**17,367**		**577**	
Current taxes calculated in Italy – IRES tax	9,417		8,289	
(Income)/ costs from national tax consolidation	(1,370)		(2,171)	
Current taxes calculated in Italy - IRAP tax	4,593		4,140	
Current taxes calculated abroad	5,104		1,677	
Taxes for previous years	317		(463)	
EFFECTIVE TAX / RATE	**18,060**	**N.A.**	**11,472**	**N.A.**

DEFERRED TAX ASSETS AND LIABILITIES

As at 31 December 2024 the Group recorded deferred tax assets of €18,699 thousand, net of deferred tax liabilities of €15,161 thousand, as shown below:

	Tax effect on the balance sheet			Tax effect through P&L	Tax effect on equity
	31 December 2023	of which Business Combinations	31 December 2024	31 December 2024	31 December 2024
Deferred tax assets:					
Expected credit losses	2,449		2,387	(62)	
Provisions for risks and charges	5,359		7,824	2,465	
Amortization	987		964	(23)	
Interest expense	1,947		1,667	(280)	
Cash cost deduction	29		27	(3)	
Other consolidation adjustments	261		264	3	
Other temporary adjustments	5,440		5,567	(105)	8
Foreign exchange effect					224
Total deferred tax assets	**16,472**		**18,699**	**1,995**	**233**
Deferred tax liabilities:					
Goodwill amortization	(11,699)		(11,706)	(7)	
Purchase Price Allocation	(1,338)		(1,272)	67	
Cash cost deduction	(66)		(65)	1	

	Tax effect on the balance sheet			Tax effect through P&L	Tax effect on equity
	31 December 2023	of which Business Combinations	31 December 2024	31 December 2024	31 December 2024
Other consolidation adjustments	(47)		(61)	(24)	12
Other temporary differences	(1,469)		(2,058)	(172)	196
Foreign exchange effect					(615)
Total deferred tax liabilities	**(14,619)**		**(15,161)**	**(135)**	**(408)**
NET DEFERRED TAXES	**1,853**		**3,538**	**1,860**	**(175)**

31. Earnings per share

Basic earnings per share are calculated by dividing consolidated net profit in the year pertaining to the Parent Company's ordinary shareholders by the weighted average number of outstanding ordinary shares during the year. Diluted earnings per share are, in the case of the Rekeep Group, equal to basic earnings per share, since no convertible bonds or share options were issued by the Parent Company.

Income and information on the shares used for the purpose of calculating consolidated basic earnings per share are shown below:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Net profit /(loss) attributable to shareholders (in thousands of Euro)	301	(13,221)
Number of ordinary shares (excluding own shares) for the purpose of basic earnings per share	109,149,600	109,149,600
BASIC AND DILUTED EARNINGS PER SHARE (IN EURO)	0.003	N.A.

	For the year ended 31 December 2024	For the year ended 31 December 2023
Net profit /(loss) from continuing operations (in thousands of Euro)	1,165	(12,531)
Net profit /(loss) from continuing operations pertaining to minority interests (in thousands of Euro)	(864)	(690)
Net profit from continuing operations pertaining to the Group (in thousands of Euro)	301	(13,221)
Number of ordinary shares for the purpose of basic earnings per share	109,149,600	109,149,600
BASIC AND DILUTED EARNINGS PER SHARE OF CONTINUING OPERATIONS (IN EURO)	0.003	N.A.

No other transactions were performed regarding ordinary shares or potential ordinary shares between the balance sheet date and the date the financial statements were drafted.

32. 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 6 for details.

INFORMATION ON THE OPERATING SEGMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Facility Management	Laundering & Sterilization	Eliminations	Total
Segment revenues	1,125,544	151,544	(16,946)	1,260,141
Segment costs	(1,039,892)	(144,329)	16,946	(1,167,275)
Operating income (loss) by segment	**85,652**	**7,215**	**0**	**92,866**
Share of net profit of associates	511	(107)		404
Net financial income (costs)				(75,905)
Profit (loss) before taxes				**17,365**
Income taxes				(16,201)
NET PROFIT (LOSS) FOR THE YEAR ENDED 31 DECEMBER 2024				**1,165**

	Facility Management	Laundering & Sterilization	Eliminations	Total
Assets allocated to the segment	651,094	149,048	(11,913)	788,229
Goodwill	390,503	16,183		406,686
Investments	11,071	4,107		15,178
Other assets not allocated and related taxes				71,432
SEGMENT ASSETS AT 31DECEMBER 2024	**1,052,668**	**169,338**	**(11,913)**	**1,281,526**
Liabilities allocated to the segment	551,561	62,245	(11,913)	601,893
Other liabilities not allocated and related taxes				617,031
SEGMENT LIABILITIES AT 31 DECEMBER 2024	**551,561**	**62,245**	**(11,913)**	**1,218,924**

	Facility management	Laundering & Sterilization	Total
OTHER SEGMENT INFORMATION AT 31 DECEMBER 2024			
Investments in segment assets	29,200	19,802	**49,003**
Amortization/depreciation and write-downs of segment assets	30,418	22,094	**52,512**

INFORMATION ON THE OPERATING SEGMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Facility Management	Laundering & Sterilization	Eliminations	Total
Segment revenues	1,051,179	153,936	(18,346)	1,186,769
Segment costs	(1,002,846)	(146,224)	18,346	(1,130,723)
Operating income (loss) by segment	**48,333**	**7,712**	**0**	**56,045**
Share of net profit of associates	(294)	270		(24)
Net financial income (costs)				(55,444)
Profit (loss) before taxes				**577**
Income taxes				(13,108)
NET PROFIT (LOSS) FOR THE YEAR ENDED 31 DECEMBER 2023				**(12,531)**

	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 31DECEMBER 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**

	Facility management	Laundering & Sterilization	Total
OTHER SEGMENT INFORMATION AT 31 DECEMBER 2023			
Investments in segment assets	25,450	21,350	**46,800**
Amortization/depreciation and write-downs of segment assets	26,069	21,653	**47,721**

GEOGRAPHICAL AREAS

The Group conducts its core business in Italy. At 31 December 2024 the activities conducted abroad were still marginal for the Group, although on the rise, and generated revenues amounting to €303,262 thousand (€213,724 thousand at 31 December 2023).

The information by geographical area required by IFRS 8 is shown below for the years ended 31 December 2024 and 2023.

	Italy	Foreign countries	Eliminations	Total
INFORMATION BY GEOGRAPHICAL AREA AT 31 DECEMBER 2024				
Revenues	956,880	303,262		**1,260,141**
Non-current operating assets	551,787	47,897		**599,684**

	Italy	Foreign countries	Eliminations	Total
INFORMATION BY GEOGRAPHICAL AREA AT 31 DECEMBER 2023				
Revenues	973,045	213,724		**1,186,769**
Non-current operating assets	554,611	36,524		**591,135**

33. 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 equipment 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, as well as 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 the accounting standard IFRS16.

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

	31 December 2024		31 December 2023	
	Lease payments	Present value of lease payments	Lease payments	Present value of lease payments
Within 1 year	12,969	11,500	12,287	10,978
From one year to five years	29,620	26,103	28,668	25,604
After 5 years	5,487	5,009	5,586	5,115
TOTAL LEASE PAYMENTS	**48,076**	**42,611**	**46,540**	**41,697**
Financial charges	(5,465)		(4,843)	
PRESENT VALUE OF LEASE PAYMENTS	**42,611**	**42,611**	**41,697**	**41,697**

Furthermore, as at 31 December 2024, the Group granted sureties to third parties for:

- guarantees for financial obligations of €1,671 thousand (€4,326 thousand at 31 December 2023), of which €603 thousand issued in the interest of associates for overdrafts and other financial obligations (€697 thousand at 31 December 2023);
- sureties issued to third parties to ensure the correct fulfillment of contract obligations in place with customers amounting to €317,715 thousand (€349,981 thousand at 31 December 2023), of which €6,934 thousand issued in the interest of associates (€3,904 thousand at 31 December 2023);
- other guarantees issued by third parties in favor of associates, joint ventures and other shareholdings amounting to €11,213 thousand (€7,454 thousand at 31 December 2023);
- other guarantees granted to third parties to replace security deposits required to activate utilities or for lease contracts, as well as to the Inland Revenue Agency for VAT refunds, for a total amount of €66,383 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

On 18 January 2021, Rekeep S.p.A. announced the launch of an offering of Senior Secured Notes for a total nominal amount of €350 million. The transaction was successfully formalized on 28 January 2021 with an issue

at par 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. 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.

At the same time as the issue of 28 January 2021, Rekeep S.p.A. finally 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 facility (RCF) are backed by the following collateral provided:

- a first-degree pledge over the total shares of Rekeep S.p.A., granted by the controlling company MSC Società di Partecipazione tra Lavoratori S.p.A.;
- pledge over the total shares of the 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 enforced by the counterparties only in the case that one of the events of default envisaged in the above-mentioned contracts occurs; up to the occurrence of the same, the assets covered by the guarantee are fully available to the Rekeep Group companies. At 31 December 2024 no events of default had occurred.

With the new Senior Secured Notes issued on 20 February 2025, whereby the Notes issued in 2021 were repaid early, all the listed guarantees were cancelled and replaced by those in the new Indenture

34. Transactions with related parties

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. As at 31 December 2024, contract assets of €2,453 thousand had been recognized in consideration of these services (€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 supplemented with a further contract with a term of 5 years. Annual rent is expected to be 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 belonging to the Group of the 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.

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

Pursuant to art. 2497-bis, paragraph 4 of the Italian Civil Code, the highlights of the latest set of approved financial statements are provided below:

	31 December 2023	31 December 2022
BALANCE SHEET		
ASSETS		
A) Subscribed capital unpaid	0	0
B) Fixed assets	88,550	88,622
C) Current assets	6,530	16,044
D) Accrued income and prepaid expenses	0	0
TOTAL ASSETS	**95,080**	**104,666**
LIABILITIES		
A) Shareholders' equity:		
Share capital	9,567	9,567
Reserves	70,505	58,389

	31 December 2023	31 December 2022
Profit/(Loss) for the year	304	12,116
B) Provisions for risks and charges	1,763	4,939
C) Employee Severance Indemnity	2	5
D) Payables	12,939	19,599
E) Accrued expenses and deferred income	0	51
TOTAL LIABILITIES	**95,080**	**104,666**

INCOME STATEMENT		
A) Value of production	3,635	32,506
B) Costs of production	(3,430)	(19,585)
C) Financial income and costs	142	2,126
D) Value adjustments to financial assets	(304)	(931)
Income taxes for the year	261	(2,000)
Profit/(Loss) for the year	**304**	**12,116**

REMUNERATION OF MEMBERS OF THE GOVERNING AND CONTROL BODIES, AS WELL AS OF OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Fees paid to members of governing and control bodies reported below include the total fees paid to the members of these corporate bodies in 2024, as well as those paid to executives with strategic responsibilities in the Parent Company, including for roles held in other Group companies:

	31 December 2024	31 December 2023
Board of Directors		
Short-term benefits	1,256	296
TOTAL BOARD OF DIRECTORS	**1,256**	**296**
Executives with strategic responsibilities		
Short-term benefits	2,757	2,757
Post-employment benefits	108	108
TOTAL EXECUTIVES WITH STRATEGIC RESPONSIBILITIES	**2,866**	**2,866**
Board of Statutory Auditors		
Short-term benefits	102	102
TOTAL BOARD OF STATUTORY AUDITORS	**102**	**102**

The table below reports the fees accounted for in the 2024 consolidated income statement for audit and non-audit services rendered by EY S.p.A. and by other entities in its network:

	31 December 2024	31 December 2023
Audit services	693	679
Certification services	2	17
Other services	2,104	2,452
TOTAL FEES DUE TO EY S.p.A. NETWORK COMPANIES	2,798	**3,147**

Audit services include the fees paid for the audit of annual and interim consolidated financial statements, as well as of the separate Financial Statements of the Parent Company and of some subsidiaries.

Certification services relate to the fees paid for the issue of tax compliance certificates and the engagements for performance of agreed-upon procedures.

Other services mainly concerned advice services for certain projects of the Parent Company Rekeep and other Group companies.

35. Management of financial risks

MANAGEMENT OF FINANCIAL RISKS

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- to long-term loans with a long-term amortization schedule to cover investments in fixed 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 as at 31 December 2024 was €527,170 thousand, up from 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 in the business in which it operates; in addition, the increase in net financial debt was mainly attributable to two factors: (i) the 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 the subsidiary Rekeep Polska, following the adjustment to its fair value on the basis of the new business plan; (ii) and the recovery of certain overdue and unpaid installments in connection with 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 31 December 2024, as detailed in note 16 above, and its evolution, as well as the going-concern assumption, please refer to Section 2.3 above, "Discretionary assessments and significant accounting estimates."

The company 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 their commitments.

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 31 December 2024 and 31 December 2023:

		Hierarchy Levels				Hierarchy Levels		
	31 December 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	**0**				**211**		211	
- of which securities	***0***				***211***		*211*	
- of which hedging derivatives	***0***				***0***			
- of which non-hedging derivatives	***0***				***0***			
TOTAL FINANCIAL ASSETS	**1,101**	**101**	**0**	**1,000**	**1,312**	**101**	**211**	**1,000**

The other financial assets posted in the Statement of financial position are not measured at fair value and the Group has no financial liabilities measured at fair value at 31 December 2024 and 31 December 2023. During the year under consideration there were no transfers between fair value measurement levels.

There were no changes in allocation of financial assets that led to a different classification of asset. The Group does not hold instruments to warrant amounts receivable to mitigate credit risk. The carrying amount of financial assets, therefore, represents its potential credit risk.

CLASSES OF FINANCIAL ASSETS AND LIABILITIES

The following table shows the classification of financial assets and liabilities recorded in the consolidated Financial Statements of the Rekeep Group, as required by IFRS 7, and the associated economic effects for the year ended 31 December 2024:

	31 December 2024	Financial Assets at Fair value through OCI	Financial Assets at amortized cost
NON-CURRENT FINANCIAL ASSETS			
Other investments	3,915	3,915	
Non-current financial assets	8,098		8,098

	31 December 2024	Financial Assets at Fair value through OCI	Financial Assets at amortized cost
Other non-current assets	18,699		18,699
TOTAL NON-CURRENT FINANCIAL ASSETS	**30,712**	**3,915**	**26,797**
Current financial assets			
Trade receivables and advances to suppliers	517,579		518,444
Current tax receivables	1,510		1,510
Other current assets	69,047		69,047
Current financial assets	3,873		3,873
Cash and cash equivalents	35,427		
TOTAL CURRENT FINANCIAL ASSETS	**627,436**	**0**	**592,874**
TOTAL FINANCIAL ASSETS	**658,148**	**3,915**	**619,671**
FINANCIAL INCOME (COSTS)	**11,458**	**6,117**	**5,341**

	31 December 2024	Financial Liabilities at Fair Value through profit or loss	Financial Liabilities at amortized cost
NON-CURRENT FINANCIAL LIABILITIES			
Non-current loans	463,912		463,912
Other non-current liabilities	34,955		34,955
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**498,867**	**0**	**498,867**
CURRENT FINANCIAL LIABILITIES			
Trade payables and contract liabilities	417,722		417,722
Current tax payables	448		448
Other current liabilities	130,968		130,968
Bank borrowings and other financial liabilities	**102,558**		**102,558**
TOTAL CURRENT FINANCIAL LIABILITIES	**651,696**	**0**	**651,696**
TOTAL FINANCIAL LIABILITIES	**1,150,563**	**0**	**1,150,563**
FINANCIAL INCOME (COSTS)	**(91,996)**	**0**	**(91,996)**

The same information is reported below for the financial year ended 31 December 2023:

	31 December 2023	Financial Assets at Fair value through OCI	Financial Assets at amortized cost
NON-CURRENT FINANCIAL ASSETS			
Other investments	5,996	5,996	
Non-current financial assets	6,929		6,929
Other non-current assets	16,472		16,472
TOTAL NON-CURRENT FINANCIAL ASSETS	**29,397**	**5,996**	**23,401**
CURRENT FINANCIAL ASSETS			
Trade receivables and advances to suppliers	513,771		513,771
Current tax receivables	6,589		6,589
Other current assets	31,681		31,681
Current financial assets	15,545		15,545
Cash and cash equivalents	76,812		
TOTAL CURRENT FINANCIAL ASSETS	**644,398**	**0**	**567,586**
TOTAL FINANCIAL ASSETS	**673,795**	**5,996**	**590,987**
FINANCIAL INCOME (COSTS)	**2,594**	**312**	**2,282**

	31 December 2023	Financial Liabilities at Fair Value through profit or loss	Financial Liabilities at amortized cost
NON-CURRENT FINANCIAL LIABILITIES			
Non-current loans	398,218		
Other non-current liabilities	85		
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**398,303**	**0**	**0**
CURRENT FINANCIAL LIABILITIES			
Trade payables and contract liabilities	422,958		
Current tax payables	142		
Other current liabilities	172,095		
Bank borrowings and other financial liabilities	155,126		
TOTAL CURRENT FINANCIAL LIABILITIES	**750,321**	**0**	**0**
TOTAL FINANCIAL LIABILITIES	**1,148,624**	**0**	**0**
FINANCIAL INCOME (COSTS)	**(62,750)**	**0**	**(62,750)**

LIQUIDITY RISK

The Group's objective is to maintain a balance between funding and flexibility through the use of current account overdrafts, short-term bank loans (hot money and advances), leases and medium/long-term loans.

The Group is characterized by a labor-intensive model which does not involve significant requirements of capital for investments. However, the Group's customers are mainly composed of public authorities, known for long payment times in respect of the services provided. This aspect means the Group has to also finance working capital through bank indebtedness.

For this purpose, the Group may make use of committed credit lines in the form of loans or of assignments without recourse of trade receivables and reverse factoring in order to meet financial requirements (if any).

On 14 January 2022, the Parent Company Rekeep S.p.A. and other subsidiaries signed a new agreement with BFF Bank S.p.A. for the non-recourse assignment of its own trade receivables for an amount of up to €300 million. The agreement, initially for a three-year term, was supplemented on 31 January 2024 to extend its term until 25 January 2028 and provides for the possibility of assigning, without recourse and on a revolving basis, the amounts claimed from Entities in the National Health System and Public Authorities. The new agreement replaces the previous one, which was also signed with BFF Bank S.p.A. in 2018 and which provided for an annual ceiling of up to €200 million for the assignment of receivables of the same type.

Within the context of the abovementioned refinancing transaction, the Parent Company Rekeep S.p.A. also signed a Super Senior Revolving (RCF) loan agreement for a total amount of €75 million, governed by English law. Specifically, the RCF loan agreement was entered into between, among others, Rekeep S.p.A., on the one hand, and Credit Suisse AG Milan Branch, Goldman Sachs Bank Europe SE, JP Morgan AG and Unicredit S.p.A. (as Mandated Lead Arrangers), Unicredit S.p.A. as Agent and Security Agent, and the Original Lenders, on the other hand. No amount arising from uses under the Super Senior Revolving Loan Agreement may be used, directly or indirectly, in order to, among other things, proceed with the repurchase or redemption of the Bond Issue or the purchase of shares in Rekeep S.p.A..

The Group's management believes that the structure of the financial debt maturity, as well as the availability of the abovementioned committed credit lines, allow the Group to meet its financial requirements in an adequate manner.

PRICE RISK

Risks of this nature which the Group is exposed to could involve changes in the price:

of oil products relating to heat management activities,

of cotton, the raw material in the linen used for laundering activities.

However, concerning oil products, these changes are, for the most part, accommodated by the conditions of contracts in place with customers, given that price revision is provided for both by contract, and by art. 115 of Decree Law no. 163 of 12 April 2006. In fact, these clauses were activated during 2022 and 2023, which was characterized by a sharp rise in energy prices, allowing the Group to mitigate their effects to a significant extent.

CREDIT RISK

The Group's portfolio mix, which, in the past, was made up mainly of contracts with the Public Administration, a situation that did not present insolvency problems, but which required constant contact with customers in order to minimize delays caused by the Authority's red-tape and jointly resolve problems relating to their financial management. At present the portfolio mix also includes some large Italian industrial, commercial and banking groups, mainly organized as a network all over the country.

There are no significant credit concentration risks to report, which are carefully monitored by the Group. Furthermore, the Group has equipped itself over time with specific procedures and structures aimed at a more efficient management of its working capital, as well as of debt collection.

FAIR VALUE

The carrying amount of the Group's financial instruments recorded in the consolidated Financial Statements does not deviate from the fair value, including the value of those classified as assets held for sale. Market interest rates were applied to financial assets and liabilities as at the balance sheet date.

The comparison between the carrying amount and fair value of the main financial assets and liabilities is shown below:

	Carrying amount		Fair value	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial assets				
Cash and cash equivalents	35,427	76,812	35,427	76,812
Receivables and other current financial assets	3,873	15,545	3,873	15,545
Other minority interests	3,915	5,996	3,915	5,996
Non-current financial receivables	**8,098**	**6,929**	**8,098**	**6,929**
Financial liabilities				
Loans:				
- Variable rate loans	49,378	43,689	49,378	43,689
- Fixed rate loans	423,451	449,533	423,451	449,533
Other current financial liabilities	**93,642**	**60,122**	**93,642**	**60,122**

INTEREST RATE RISK

With the refinancing transaction carried out by the Parent Company Rekeep S.p.A. in 2021, the Group has requalified its own financial structure, and has then extended the maturity of the medium/long-term debt and keeping a short-term debt portion balanced with respect to the financing requirements of its working capital.

The main source of financing of the Rekeep Group consists of the Senior Security Notes bond issue with a coupon at a fixed rate of 7.25%.

In addition to the bond issue the Group uses, as medium/long-term financing, bank loans subject to the application of fixed interest rates and lease agreements subject to the application of variable interest rates.

The forms of short-term financing used by the Group, which are mainly subject to the application of variable rates which can be identified as the EURIBOR rate, include current account overdrafts, short- and very short-term (hot money) bank loans and assignments of receivables and reverse factoring.

The Group's indebtedness mix is then mainly linked to medium/long-term fixed interest rates.

The breakdown of financial instruments of the Group exposed to interest rate risks is listed in note 16, to which reference should be made as regards Loans, and in notes 8 and 11 to which reference should be made as regards Non-current financial assets and Cash and cash equivalents, Receivables and other current financial assets, respectively.

INTEREST RATE SENSITIVITY ANALYSIS

The structure of the consolidated debt is affected, to a marginal extent, by the changes in market rates, as it is mainly based on forms of financing subject to the payment of interest calculated on the basis of fixed rates, as described above. For the remaining amount, the Group makes recourse to variable rate loans, which are linked to the EURIBOR performance.

The table below shows the sensitivity of pre-tax profit for the year to reasonably possible variations in interest rates, all the other variables being kept constant.

	Increase / Decrease	Effect on the profit (loss) gross of taxes
Financial year ended 31 December 2024	+ 150 bps	(1,258)
	- 30 bps	252
Financial year ended 31 December 2023	+ 150 bps	(1,878)
	- 30 bps	376

The sensitivity analysis confirms the rigidity of the financial structure adopted by the Rekeep Group, which is mainly based on medium/long-term fixed-rate loans, as already detailed above.

EXCHANGE RATE RISK

The Group companies have limited dealings with countries in different currencies; however, some companies operate in countries that are not part of the Eurozone. In relation to exchange rate risk, it should be noted that

the amount of accounting balances denominated in currencies other than the functional currency is to be regarded as not significant compared to the Group's total revenues (24% at 31 December 2024).

Therefore, the Group remains exposed to exchange rate risk on the balances of assets and liabilities denominated in foreign currency at the end of the year.

The Group has neither entered into nor is planning to enter into hedging instruments against exchange rate fluctuations in the future.

CAPITAL MANAGEMENT

The key objective of the Group's capital management is to guarantee that a solid credit rating is maintained as well as adequate capital ratios to support operations and to maximize value for shareholders.

The Group manages the capital structure and amends it on the basis of changes in economic conditions. In order to maintain or adjust the capital structure, the Group can adjust the dividends paid to shareholders, repay principal or issue new shares.

The Group checks its debt ratio, by assessing the ratio of net debt to the total of own equity and net debt: interest-bearing loans, trade payables, other payables and provisions for employee severance indemnity net of cash and cash equivalents.

	31 December 2024	31 December 2023
Employee termination indemnity	11,227	10,419
Interest-bearing loans	472,828	493,222
Trade payables and contract liabilities	417,722	422,958
Other current payables	130,968	172,095
Other current financial payables	93,642	60,122
Cash and cash equivalents	(35,427)	(76,812)
Other current financial assets	(3,873)	(15,545)
TOTAL NET DEBT	**1,087,087**	**1,066,459**
Group shareholders' equity	55,261	55,486
Undistributed net profit (loss)	(301)	13,221
TOTAL CAPITAL	**54,960**	**68,707**
EQUITY AND NET DEBT	**1,142,047**	**1,135,166**
INDEBTEDNESS RATIO	**95.2%**	**93.9%**

The debt ratio was equal to 95.2% at 31 December 2024. The debt ratio showed an increase compared to 31 December 2023 as a result of two effects: (i) a decrease in the Group's equity due to the loss recorded in 2023; and (ii) an increase in net debt recorded in 2024.

36. Other information

In 2024, the Group companies received some financial benefits from Public Authorities or entities treated as such as referred to in Law no. 124 of 4 August 2017 bearing “Annual Act on market and competition”.

In particular, the Parent Company Rekeep S.p.A. and Medical Device S.r.l. entered into soft loan agreements, “Artigiancassa Loan”, “SACE Loan”, and “Banca Sistema Loan” for the first one, and “Sabatini Loan” for the second one. More details are given in notes to the Consolidated Financial Statements and the Financial Statements of the Parent Company Rekeep S.p.A.. Finally, additional financial benefits were obtained for a lower amount, for which reference should be made to the information provided in the “Register of State Aids” published on-line at the website www.rna.gov.it, s section “TRANSPARENCY - PERSONAL AID".

37. Subsequent events

REFINANCING OF THE PARENT COMPANY REKEEP

On 10 February 2025, Rekeep S.p.A. announced the launch of an offering of Senior Secured Notes with a total nominal value of €350 million. The transaction was successfully formalized on 20 February 2025, with a bond issue with a nominal value of €360 million due September 2029, at an issue price of 97.5%, a fixed annual coupon of 9.00% (payable semi-annually on 10 April and 10 October, beginning from 10 October 2025) and non-callable repayment until 15 September 2026. The agreement (the “Indenture”) was signed between the issuer, Law Debenture Trust Corporation p.l.c. as trustee, and Unicredit S.p.A. as Security Agent and Bank of New York Mellon as Paying and Transfer Agent. In addition, JP Morgan and UniCredit acted as Joint Global Coordinators and Joint Physical Bookrunners in the transaction, and Goldman Sachs International and Banca Akros S.p.A. (Banco BPM Group) as Joint Bookrunners. The bond was listed on the EURO MTF multilateral trading facility managed by the Luxembourg Stock Exchange. The bonds were offered for subscription and were placed (i) in the U.S., exclusively to qualified institutional buyers in accordance with Rule 144A of the U.S. Securities Act, and (ii) outside the U.S. in accordance with Regulation S of the U.S. Securities Act, and in particular in Europe and Italy exclusively as an exemption from the EU and Italian regulations on public offerings provided for by the Prospectus Directive, the Consolidated Act on Finance and the Issuers' Regulation.

At the same time, on 13 February 2025, Rekeep S.p.A. entered into a new loan agreement on a revolving basis, which will guarantee a senior secured credit facility (“RCF”) in the amount of up to €55.5 million, to be used for general purposes and working capital management of the Issuer and its subsidiaries. Specifically, the RCF loan was concluded between, among others, Rekeep S.p.A., on the one hand, and Goldman Sachs Bank Europe SE, JP Morgan SE, Unicredit S.p.A. and BANCO BPM S.p.A. (as Mandated Lead Arrangers), Unicredit S.p.A. as Agent and Security Agent, and the original lender banks (Original Lenders), on the other hand. The

interest rate applicable to each drawdown of the RCF loan for each interest period will be equal to the percentage rate resulting from the sum of the preset margin (equal to 4.0) and the applicable EURIBOR parameter.

All proceeds from the offering of the Senior Secured Notes issued, together with the Cash and cash equivalents already on the Company's balance sheet, were used to extinguish the Senior Secured Notes issued in January 2021 with a coupon of 7.25% per annum and maturity in February 2026, and replenish the cash with which the previous RCF line was repaid.

Zola Predosa, 29 April 2025

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)	99.57%	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 n. 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 Saudi CO 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 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
Teckal S.p.A. (già Rekeep Rail S.r.l.)	Via Ubaldo Poli no. 4	Zola Predosa (BO)	100%	Euro
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)	67.2%	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 48/a	frazione Roata Raffo Busca (CN)	50%	Euro
Legnago 2001 Soc.cons.r.l. in liquidation	Via Ubaldo Poli no. 4	Zola Predosa (BO)	50%	Euro

Associates and other companies accounted for under the equity method

Name	Registered Office	City	% Held	Currency
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 Parma Strade Soc. Cons. a r.l.	Strada Manara no. 64/b	Parma	34.6%	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. in liquidation	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
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
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

Name	Registered Office	City	% Held	Currency
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

Annex II

Equity-accounted investments

	%	Net assets 31 December 2023	Changes in the financial year					Net assets 31 December 2024	Book value	Provision for risks
			Financial effects	Dividends	Revaluations Write-downs	Provision for risks	Effect on shareholder s' equity			
2LOW S.r.l. in liquidation (formerly 2 HIGH S.r.l.)	20.09%	**90**	(90)		0			**0**	0	
Alisei S.r.l. in liquidation	100%	**(126)**				(8)		**(133)**	0	(133)
A.M.G. S.r.l.	50%	**2,615**		(232)	(259)			**2,124**	2,124	
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**			(13)			**51**	51	
Consorzio Igiene Ospedaliera Soc. Cons. a r.l. in liquidation	66.66%	**7**	(7)					**0**	0	
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 financial year					Net assets 31 December 2024	Book value	Provision for risks
			Financial effects	Dividends	Revaluations Write-downs	Provision for risks	Effect 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**			104			**637**	637	
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)		(1)		1	**0**	0	
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**			429		(491)	**6,170**	6,170	
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**			48			**293**	293	
Toscana Energia Nord Ovest (T.E.N.O.V.) S.r.l.	45.00%	**468**			21			**490**	490	
Yougenio S.r.l. in liquidation	100.00%	**(169)**				169		**0**	0	
Net book value		**11,349**	**(177)**	**(232)**	**404**	**275**	**(491)**	**11,131**	**11,264**	**(133)**

Annex III

Related-party transactions

Parent companies

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
MSC S.p.A.	31-Dec-23	47	2,800		561	31-Dec-23	14	5,772	1,983	5,426
	31-Dec-24	47	2,644	1	194	31-Dec-24	308	1,763	2,531	2,706

Associates and joint-ventures

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
2LOW S.r.l. in liquidation	31-Dec-23	4	293	1		31-Dec-23	2	21	225	
	31-Dec-24		135			31-Dec-24				
Alisei s.r.l. in liquidation	31-Dec-23					31-Dec-23	3			1
	31-Dec-24					31-Dec-24	3			1
AMG S.r.l.	31-Dec-23		883			31-Dec-23			880	
	31-Dec-24		902			31-Dec-24			916	
ARIENES Soc.Cons. a r.l.	31-Dec-23	17,173	17,207			31-Dec-23	19,013		16,715	
	31-Dec-24	18,693	19,593			31-Dec-24	28,781		27,428	
Bologna Gestione Patrimonio 2 Soc.Cons. a r.l.	31-Dec-23		254			31-Dec-23		25	450	
	31-Dec-24		238			31-Dec-24		25	292	
Bologna Global Strade Soc. Cons. a r.l. in liquidation	31-Dec-23	65				31-Dec-23				60
	31-Dec-24					31-Dec-24				
Centro Europa Ricerche S.r.l.	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Consorzio Igiene Ospedaliera Soc. Cons. a r.l. in liquidation	31-Dec-23		12			31-Dec-23			65	
	31-Dec-24		4			31-Dec-24				
Consorzio Sermagest Soc.Cons.a r.l in liquidation	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
	31-Dec-23		9			31-Dec-23				5

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
CO.& MA. Soc. Cons. a r.l	31-Dec-24					31-Dec-24				
CO.GE.F. Soc. Cons. a r.l. in liquidation	31-Dec-23		(78)			31-Dec-23				
	31-Dec-24					31-Dec-24				
Consorzio Servizi Toscana Soc.Cons.a r.l in liquidation	31-Dec-23		16			31-Dec-23				
	31-Dec-24					31-Dec-24				
DUC Gestione Sede Unica Soc. Cons. a r.l.	31-Dec-23	4,619	1,876			31-Dec-23				
	31-Dec-24					31-Dec-24				
Energy Service TP Soc. Cons. a r.l.	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Fondazione Ricerca, Scienze Neurologiche Azienda USL di Bologna	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Gestione Servizi Taranto Soc.Cons.a r.l.	31-Dec-23	4,504	3,851	60		31-Dec-23	9,514	41	7,140	
	31-Dec-24	5,194	4,584			31-Dec-24	5,260	66	2,986	
Gestione Strade soc.cons.r.l.	31-Dec-23	55	1,260			31-Dec-23	65	63	881	
	31-Dec-24	118	1,108			31-Dec-24	120	63	658	
Global Oltremare Soc.Cons.a r.l in liquidation	31-Dec-23		6			31-Dec-23			106	
	31-Dec-24		6			31-Dec-24			112	
Global Vicenza Soc.Cons. a r.l.	31-Dec-23					31-Dec-23		10	17	
	31-Dec-24					31-Dec-24		10	17	
GR.A.AL. Soc. Cons. a. r.l.	31-Dec-23	15				31-Dec-23	15			
	31-Dec-24					31-Dec-24	15			
Gymnasium Soc. cons. a r.l in liquidation	31-Dec-23					31-Dec-23	1	8	33	
	31-Dec-24					31-Dec-24	1	8	33	
Imola Verde e Sostenibile Soc. Cons. a r.l. (IVES)	31-Dec-23	226	220			31-Dec-23	79		58	
	31-Dec-24	147	142			31-Dec-24	20		13	
IPP S.r.l.	31-Dec-23	2	239	1		31-Dec-23	2	36	207	
	31-Dec-24		310	1		31-Dec-24		36	360	
Legnago 2001 Soc. Cons. r.l. in liquidation	31-Dec-23		2			31-Dec-23	158		81	
	31-Dec-24		4			31-Dec-24	158		85	
	31-Dec-23		4			31-Dec-23			17	

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Logistica Ospedaliera Soc. Cons. a r.l. in liquidation	31-Dec-24		(5)			31-Dec-24				
Logistica Sud-Est Soc. Cons. a r.l. in liquidation	31-Dec-23		10			31-Dec-23				
	31-Dec-24					31-Dec-24				
Manutencoop International Services LLC in liquidation	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
MCF Servizi integrati Soc. cons. a r.l. in liquidation	31-Dec-23					31-Dec-23	365		5	
	31-Dec-24					31-Dec-24	365		5	
MSE Soc. cons. a r.l. in liquidation	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Newco DUC Bologna S.p.A	31-Dec-23	108	18			31-Dec-23	3,730	6	159	
	31-Dec-24	227	39			31-Dec-24	3,657	1,067	74	
Palmanova Servizi Energetici Soc. Cons. a r.l. in liquidation	31-Dec-23		5			31-Dec-23	75		10	
	31-Dec-24		5			31-Dec-24	75		15	
Rekeep Arabia for Operations and Maintenance Ltd in liquidation	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Roma Multiservizi S.p.A. in liquidation	31-Dec-23	516	(100)			31-Dec-23	582		165	
	31-Dec-24	177	53			31-Dec-24	650		109	
San Martino 2000 Soc.Cons. r.l.	31-Dec-23	1,527	2,246			31-Dec-23	930		1,537	
	31-Dec-24	1,554	2,173			31-Dec-24	616		1,036	
S.E.I. Energia Soc. Cons. a r.l.	31-Dec-23	76	5,627	47		31-Dec-23	121	904	4,314	
	31-Dec-24	42	4,109	55		31-Dec-24	226	913	4,087	
Servizi Brindisi Soc. Cons. a r.l. in liquidation	31-Dec-23					31-Dec-23				
	31-Dec-24		30			31-Dec-24	264	6	(131)	
Servizi Napoli 5 Soc.Cons. a r.l.	31-Dec-23					31-Dec-23	3,439		2,038	
	31-Dec-24		36			31-Dec-24	1,039		100	
Steril Piemonte S.r.l.	31-Dec-23					31-Dec-23		550	32	
	31-Dec-24					31-Dec-24		125		
	31-Dec-23	2,273	51			31-Dec-23	1,618		655	315

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Toscana Energia Nord Ovest (T.E.N.O.V.) S.r.l.	31-Dec-24	7,656	99			31-Dec-24	3,276		25	
Yougenio S.r.l. in liquidation	31-Dec-23	23	(3)	223		31-Dec-23	28		2	40
	31-Dec-24	9				31-Dec-24				

Subsidiaries of MSC S.p.A.

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Cerpac S.r.l. in liquidation (in liquidation)	31-Dec-23					31-Dec-23	1			
	31-Dec-24					31-Dec-24	1			
Nugareto Società Agricola Vinicola S.r.l.	31-Dec-23		41			31-Dec-23	1	6	121	
	31-Dec-24	1	58			31-Dec-24	1	8	66	
Sacoa S.r.l.	31-Dec-23		4			31-Dec-23				
	31-Dec-24		19			31-Dec-24			19	
Segesta servizi per l'Ambiente S.r.l. in liquidation	31-Dec-23	4				31-Dec-23	2	1		
	31-Dec-24					31-Dec-24				

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

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Bologna Service Consulting STP Srl	31-Dec-23					31-Dec-23				
	31-Dec-24		52			31-Dec-24			60	
Consorzio Karabak Soc. Cooperativa	31-Dec-23	91	1			31-Dec-23	31		1	
	31-Dec-24	119				31-Dec-24	20		1	
Consorzio Karabak Due Società Cooperativa	31-Dec-23	5				31-Dec-23	2			
	31-Dec-24	4				31-Dec-24	1			

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
Consorzio Karabak Quattro Società Cooperativa	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Consorzio Karabak Cinque Società Cooperativa	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Consorzio Karabak Sei Società Cooperativa	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Holmo S.p.A.	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Puglia Multi Servizi S.r.l. in liquidation	31-Dec-23					31-Dec-23				
	31-Dec-24					31-Dec-24				
Sacoa Servizi Telematici S.r.l.	31-Dec-23		25			31-Dec-23			31	
	31-Dec-24		23			31-Dec-24			18	

		Revenues	Costs	Financial income	Financial charges		Trade receivables	Financial receivables and others	Trade payables	Financial payables and others
TOTAL	**31-Dec-23**	**31,333**	**36,779**	**332**	**561**	**31-Dec-23**	**39,791**	**7,443**	**37,928**	**5,847**
	31-Dec-24	**33,988**	**36,361**	**57**	**194**	**31-Dec-24**	**44,857**	**4,090**	**40,915**	**2,707**

Annex IV

Statement of reconciliation of the reclassified statement of cash flow and the statutory schedule items

	For the year ended 31 December 2024	For the year ended 31 December 2023
Cash and cash equivalents at the beginning of the year	**76,812**	**84,243**
Cash flow from current operations:	**61,752**	**53,711**
Profit before tax	16,756	577
Amortization, depreciation, write-downs and (write-backs) of assets	51,653	47,721
Accrual (reversal) of provisions for risks and charges	4,370	14,964
Employee termination indemnity provision	1,739	1,777
Share of net profit of associates, net of dividends collected	(172)	299
Financial charges (income) for the period	83,200	55,538
Net interests received (paid) in the period	(46,119)	(44,999)
Income taxes paid in the period	(12,306)	(10,526)
Reclassifications:		
Non-cash net financial charges accounted for under the Statement of Profit or Loss	(37,370)	(11,639)
Uses of provisions for risks and charges and payments of the Employee Termination Indemnity (TFR):	**(19,249)**	**(9,544)**
Payments of employee termination indemnity	(1,695)	(1,780)
Use of provisions for risks and charges	(17,554)	(7,764)
CHANGE IN NWOC:	**(16,474)**	**(41,496)**
Decrease (increase) in inventories	941	(1,285)
Decrease (increase) in trade receivables	(12,574)	19,442
Increase (decrease) in trade payables	(4,841)	(59,653)
INDUSTRIAL AND FINANCIAL CAPEX:	**(42,428)**	**(30,783)**
(Purchase of intangible assets, net of sales)	(3,147)	(5,356)

	For the year ended 31 December 2024	For the year ended 31 December 2023
(Purchase of property, plant and equipment)	(45,838)	(41,432)
Proceeds from sale of property, plant and equipment	4,679	2,310
(Acquisition of investments)	2,111	(604)
Decrease (increase) of financial assets	12,755	4,510
Financial effects of business combinations	0	(3,447)
Reclassifications:		
Change in current financial assets	*(12,988)*	*13,313*
Debt for the acquisition of investments and business combinations	*0*	*(77)*
CHANGE IN NET FINANCIAL LIABILITIES:	**26,267**	**3,780**
Lease payments	(5,294)	(13,048)
Non-current borrowings	12,000	60,186
Repayment of non-current borrowings	(36,981)	(24,240)
Net opening (repayment) of short-term bank credit lines	6,460	12,256
Other net changes in borrowings	(5,682)	(39,398)
Reclassifications:		
Non-cash net financial charges accounted for under the Statement of Profit or Loss	*37,370*	*11,639*
Net change in current financial assets	*12,988*	*(13,313)*
Non-cash elements on acquisitions of rights of use	*5,268*	*9,620*
Debt for the acquisition of investments and business combinations	*138*	*77*
OTHER CHANGES:	**(51,252)**	**16,902**
Decrease (increase) in other current assets	(36,849)	26,042
Increase (decrease) in other current liabilities	(9,395)	(190)
Dividends distributed	(147)	(122)
Acquisition/sale of minority interests in subsidiaries	22	(155)
Differences from translation of financial statements in foreign currency	522	948
Reclassifications:		
Non-cash elements on acquisitions of rights of use	*(5,268)*	*(9,620)*
Distribution of reserves and other changes in Equity	*(138)*	*0*
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**35,427**	**76,812**



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