

TREVI



TREVI Group

Roadshow in Lugano – May 16th, 2024

A leading team with recognised experience



Giuseppe Caselli
Group CEO *(since Oct. 1st, 2019)*



Significant experience in managing Offshore and Onshore EPC contracts in many countries, not only in Oil&Gas business but also in other infrastructural projects such as High-Speed Trains, Industrial RailRoad, Large Civil / Infrastructure Works for Oil&Gas like Jetties, Port and Major Geotechnical Interventions



Massimo Sala
Group CFO *(since Oct. 1st, 2019)*



Significant experience in Edison and former Chief Financial Officer of Edipower, Aeroporti di Roma, Gianni Versace and Cementir Holding

Agenda

I. Leading Underground Engineering

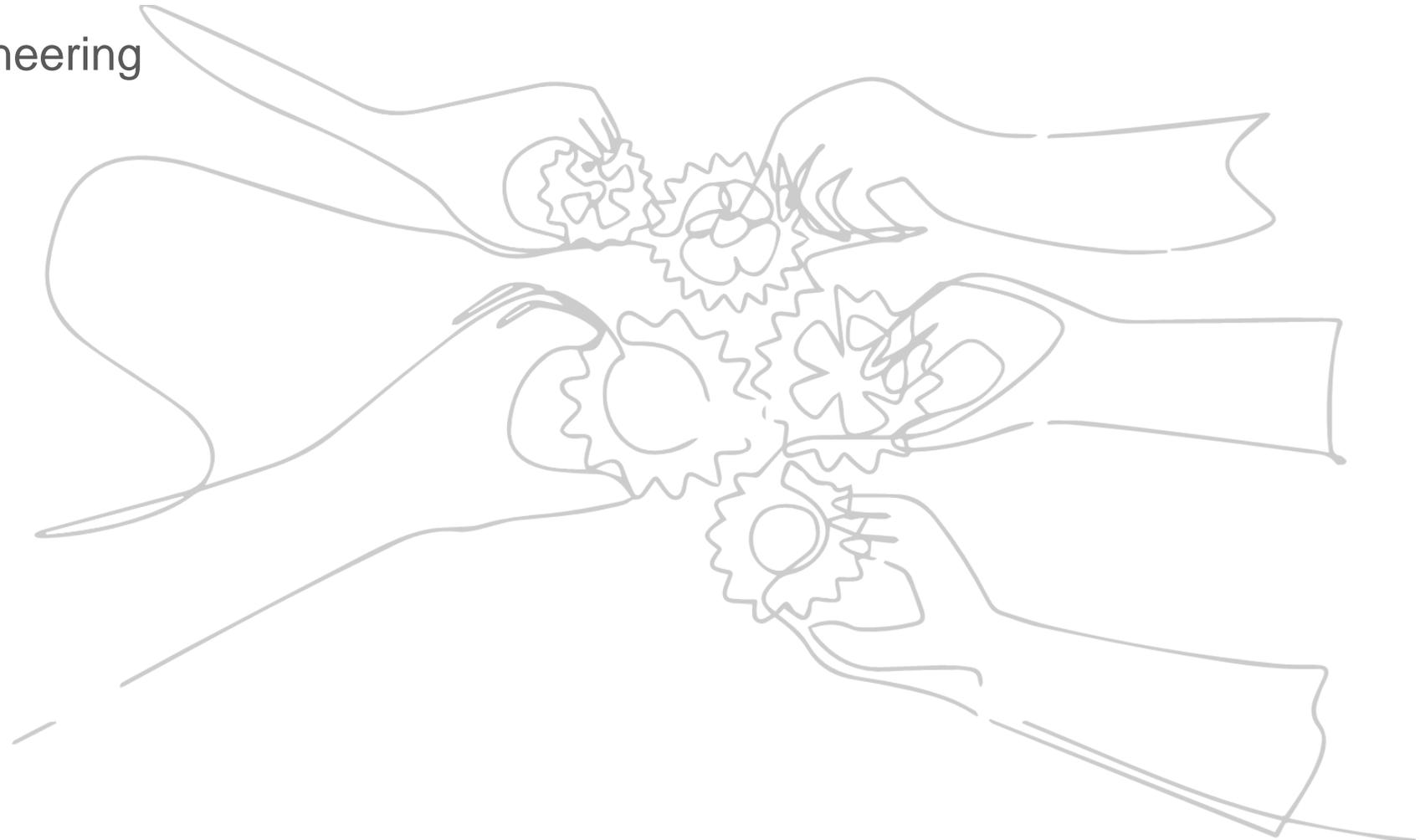
II. FY23 Group Results

III. Sustainable Journey

IV. 1Q24 Update

V. Closing Remarks

Appendix



A line art illustration in light gray showing three hands holding several interlocking gears. The hands are positioned at the top, middle, and bottom, with the gears arranged in a cluster between them. The style is minimalist and technical.

TREVIGroup

I. Leading Underground Engineering

A leading foundation specialist with two Business Divisions



Key pillars of Business Plan 2023-2027

**Trevi Division:
increased volumes
and profitability**

**Soilmec Division:
back to profitability**

**Improved Working
Capital
Management**

**Continuous
Deleveraging**

**Sustainable
Business Growth**

Group Results FY23 vs FY22

**Revenues
€594.9 m (+4.5%)**

**Recurring EBITDA
€74.5 m (+15.6%)**

**Order Backlog
€720 m (+23%)**

**Net Debt / EBITDA
2.7x (-120bps)**

**New certifications
obtained &
Ecovadis ESG
score confirmed**

FY23 – A year of breaking results



TREVIGroup

Economic performance

- **Group revenues** up 4.5% YoY at €594.9 m thanks to Trevi and Soilmec Divisions performance
- **Group recurring EBITDA** at €74.5 m up 15.6% YoY thanks to higher operating margins and cost control. In 2H23, recurring EBITDA margin at 13.4%, the highest over the last two years
- **Total net profit** at €25.9 m compared to a total net loss of €15.2 m in FY22

Backlog and new orders

- **Group order intake** at €741.2 m in FY23 up over 6% versus prior year.
- **Highest backlog** over the last two years at €719.8 m, with a strong boost in orders collected in 4Q23 (€260 m)

Financial Position

- **Net debt** reached €202 m as of 31 December 2023 (down €49.2 m YoY), driven by financial restructuring and share capital increase completed in Jan-23 and focused actions in reducing working capital absorption over the year
- **Leverage ratio** at 2.7x in FY23, down by c.120bps YoY

Cash Flow

- **Free cash flow** positive at €17.6 m with improved operating results
- **Net cash flow** negative at €14.1 m mainly impacted by capex, debt service and FX effects on cash
- **Capex** at €31.2 m (+€9.8 m YoY), net of IFRS 16 effect, to support new projects

Outlook

- Strengthen **market position in core countries** such as Italy, USA, Middle & Far East
- **2024 Group revenues expected** to increase between 5 and 11%, 71% already covered by a portion of end of year 2023 order backlog
- Proactive engagement to keep a **sustainable supply chain**

Consolidating stronger FY23 operating performance and overperforming guidance, while improving risk profile

	<u>FY23</u>	<u>FY22</u>	<u>Δ 22-23</u>	<u>Guidance 2023</u>	<u>Δ Guidance-23</u>
Revenues	€594.9 m	€569.2 m	+4.5%	€565-585 m	+€19.9 m <i>(above mid-point guidance)</i>
Rec. EBITDA (EBITDA margin)	€74.5 m <i>(12,5%)</i>	€64.5 m <i>(11.3%)</i>	+15.6%	€68-72 m	+€4.5 m <i>(above mid-point guidance)</i>
Total Net Profit / (Loss)	€25.9 m	-€15.1 m	<i>n.m.</i>	-	-
			<u>Δ 22-23</u>		<u>Δ Guidance-23</u>
Free Cash Flow	€17.6 m	€12.6 m	+€5.0 m	-	-
Net Working Capital	€172.3 m	€169.4 m	+€2.9 m	-	-
Net Debt	€202.0 m	€251.2 m	-€49.2 m	€200-230 m	-€13 m <i>(below mid-point guidance)</i>

Main projects/activities in 2023 and beginning of 2024



Soilmec – SC-130 Tiger (Rome)



Trevi – NEOM / The Line Project (UAE)



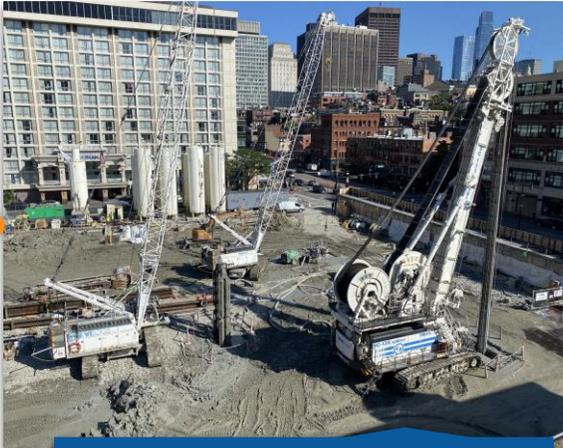
Trevi – Rogun Dam (Tajikistan)



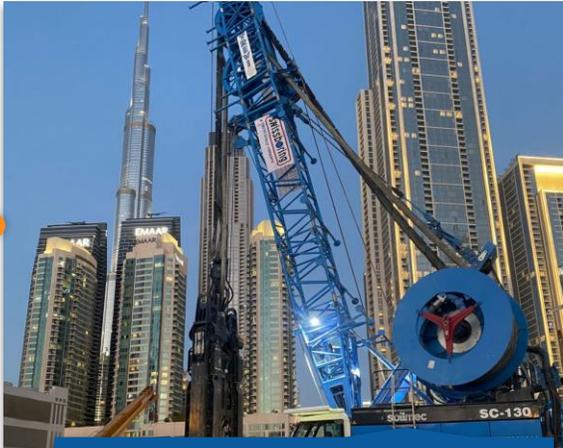
Trevi – South al Mutlaa (Kuwait)



Trevi – North East Link Project (Australia)



Trevi – MGH Cambridge Street Project (USA)



Trevi – SRG Tower (Dubai)

A light gray line-art illustration of four hands holding several interlocking gears. The hands are positioned at the top, bottom, left, and right, each grasping one or more of the gears. The gears are of various sizes and are arranged in a cluster, symbolizing teamwork and mechanical processes.

TREVI Group

II. FY23 Group Results

Trevi Group FY23 revenues diversified around the world

TREVI Group €594.9 m revenues

NORTH AMERICA

Company	% revenues
TREVI	17%
soilmec	34%

EUROPE

Company	% revenues
TREVI	12%
soilmec	31%

FAR EAST & ROW

Company	% revenues
TREVI	18%
soilmec	22%

LATAM

Company	% revenues
TREVI	6%
soilmec	4%

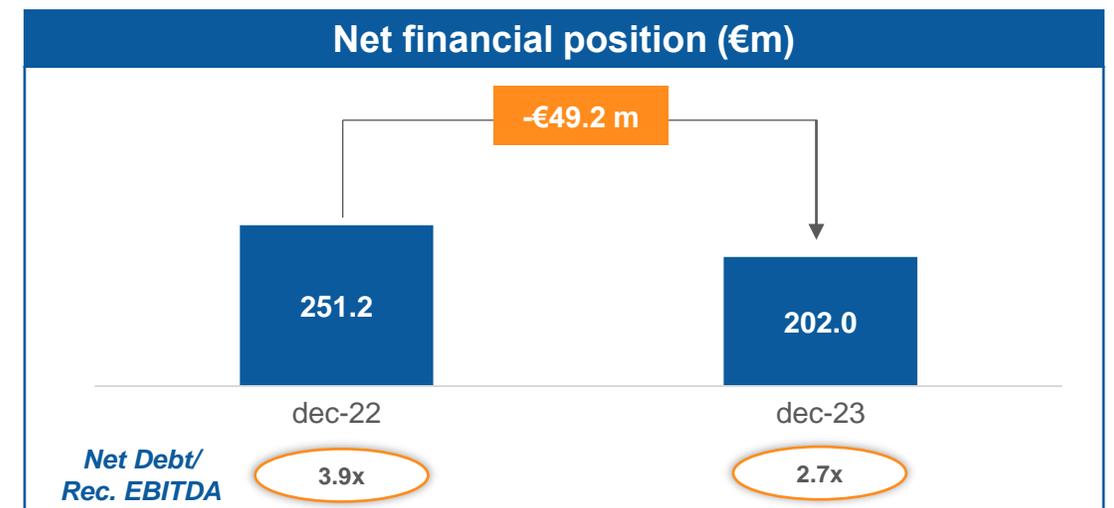
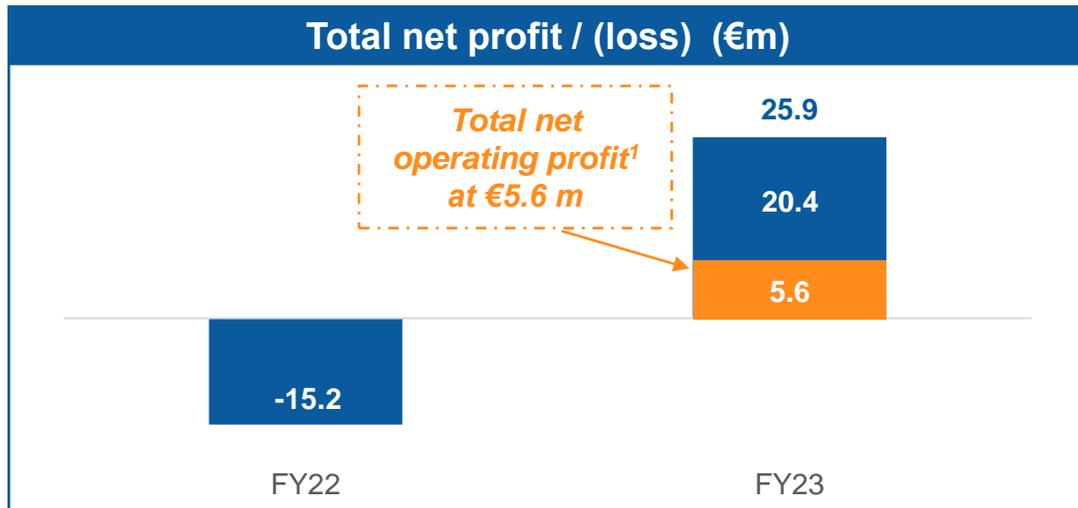
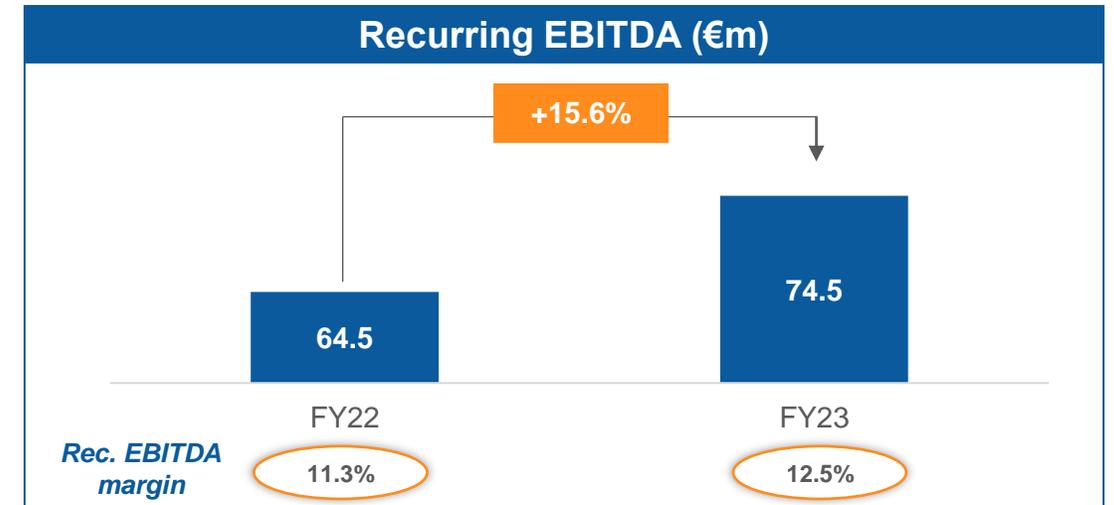
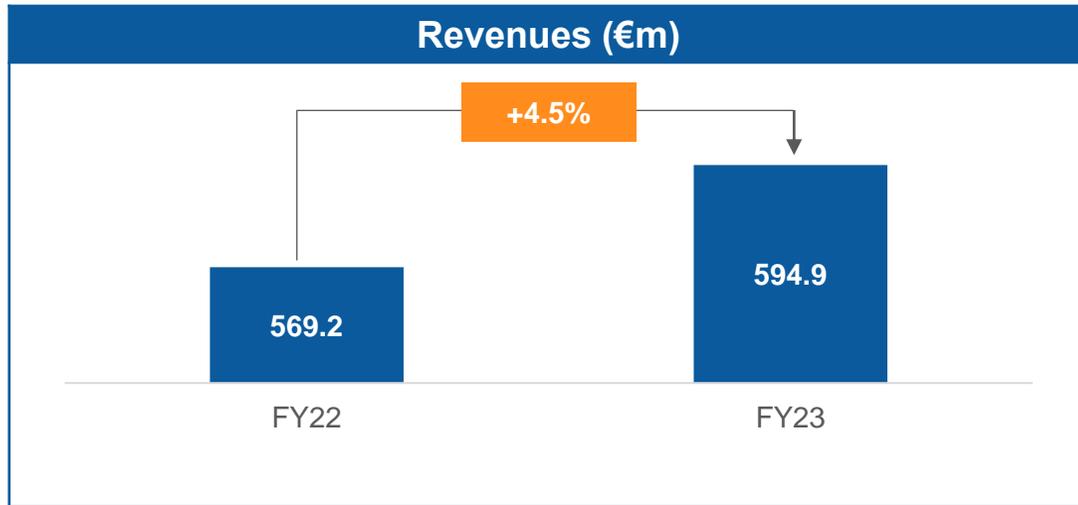
AFRICA

Company	% revenues
TREVI	11%
soilmec	1%

MIDDLE EAST & ASIA

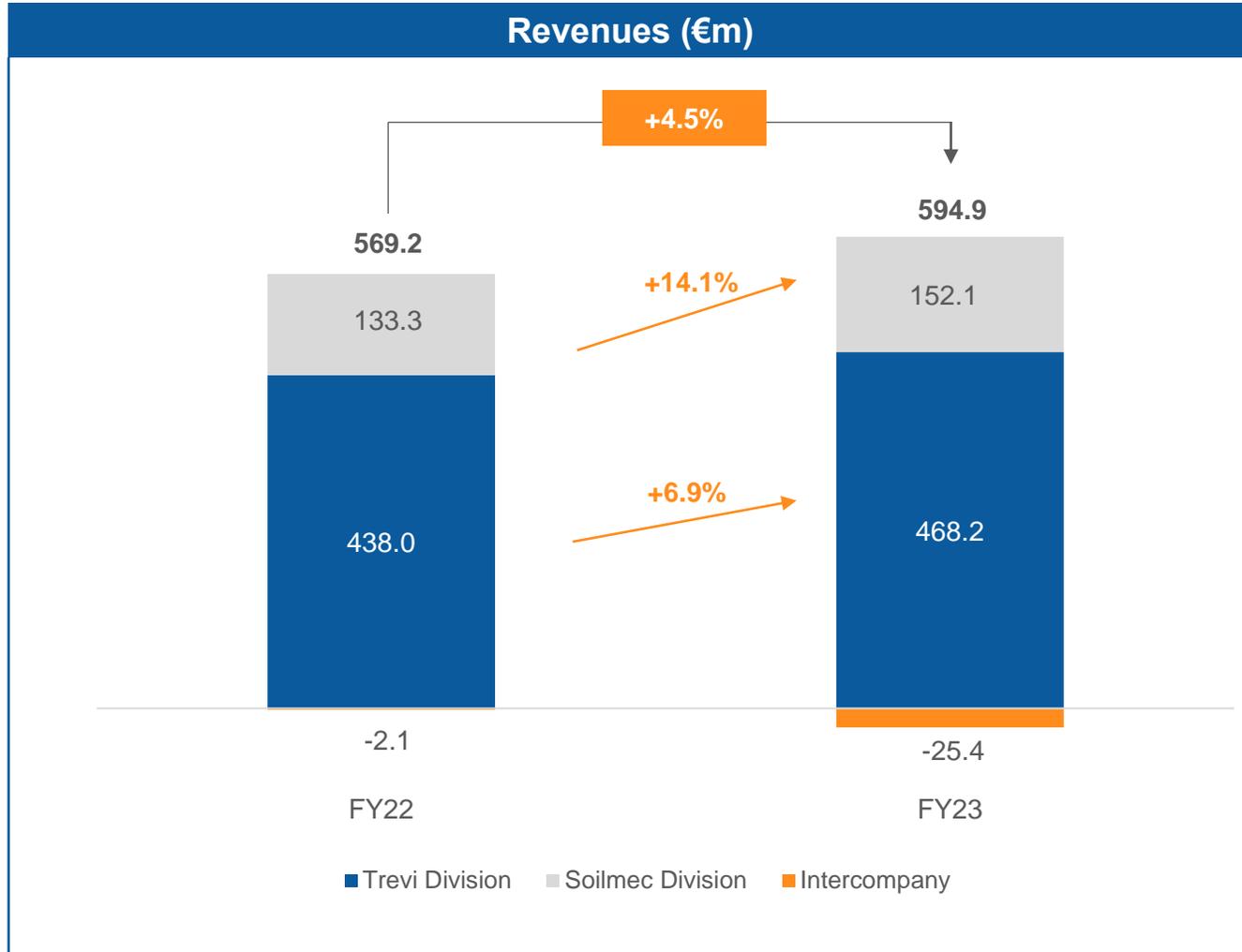
Company	% revenues
TREVI	36%
soilmec	8%

Trevi Group FY23 results show improvements in all key metrics



¹ Excluding financial restructuring and share capital increase impact and extraordinary fund risk reversal, net of tax effect

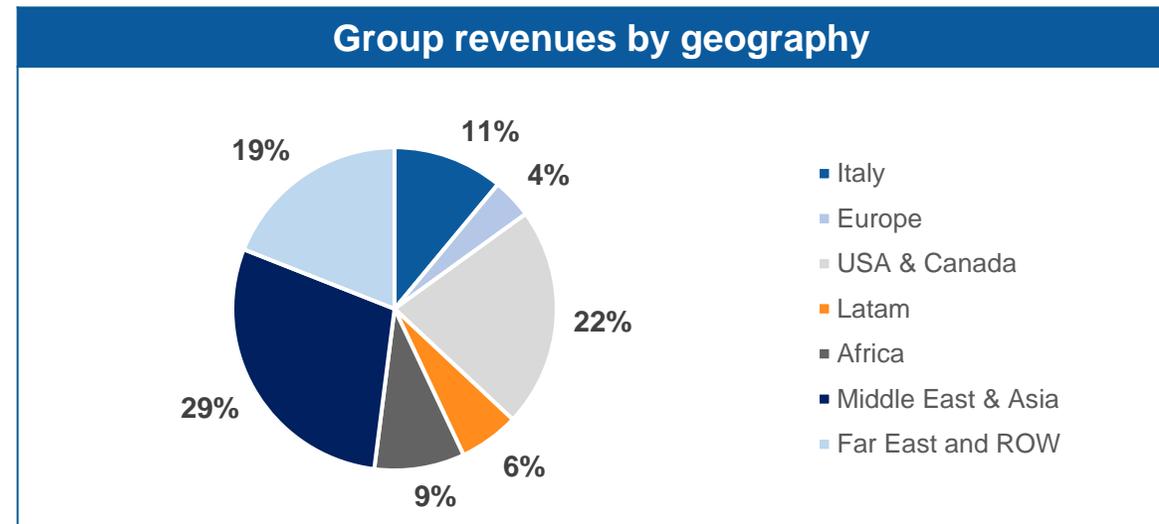
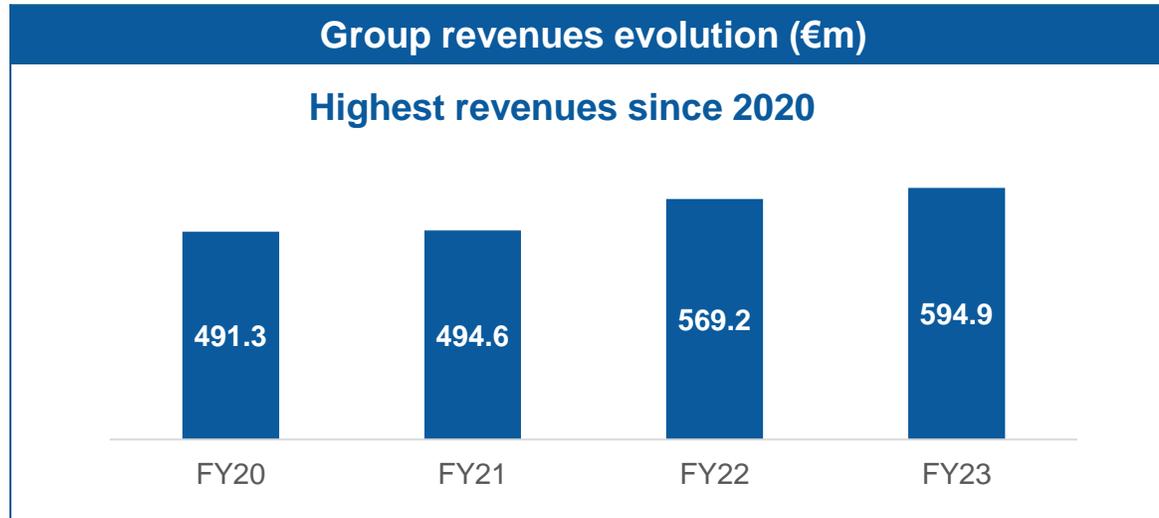
Trevi Group FY23 significant revenues performance by Divisions



Key Highlights

- **Trevi Division revenues** up €30.2 m YoY (+6.9%) underpinned by increased volumes in Middle East (mainly in Saudi Arabia and Dubai), USA, LATAM and Italy
- **Soilmec Division revenues** were up by €18.7 m (+14.1%) mainly driven by a strong increase of machines sold in Italy, USA and Far East in 2H23
- **Intercompany revenues** were up in FY23, following higher capex by Trevi Division acquiring Soilmec equipment to support new projects development

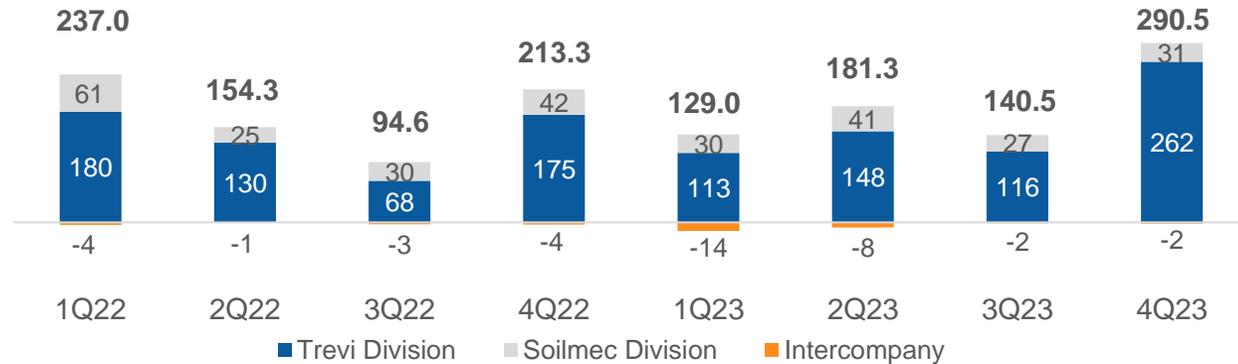
Strong FY23 Group revenues increase in the last four years leveraging on a recognised worldwide geographic footprint



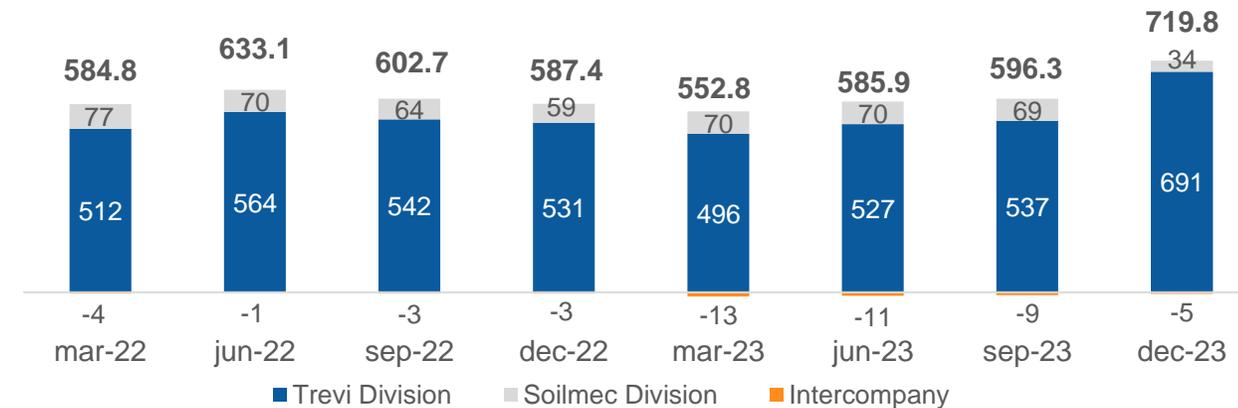
Italy	➤ €67.6 m (+36% YoY)
Europe (ex-Italy)	➤ €25.0 m (-44% YoY)
USA & Canada	➤ €130.3 m (+56% YoY)
Latam	➤ €34.9 m (+33% YoY)
Africa	➤ €52.7 m (-34% YoY)
Middle East & Asia	➤ €173.0 m (+4% YoY)
Far East and RoW	➤ €111.4 m (-7% YoY)

Trevi Group reached the highest order intake and backlog over the last two years, at the end of December 2023

Quarterly order intake over the last two years (€m)



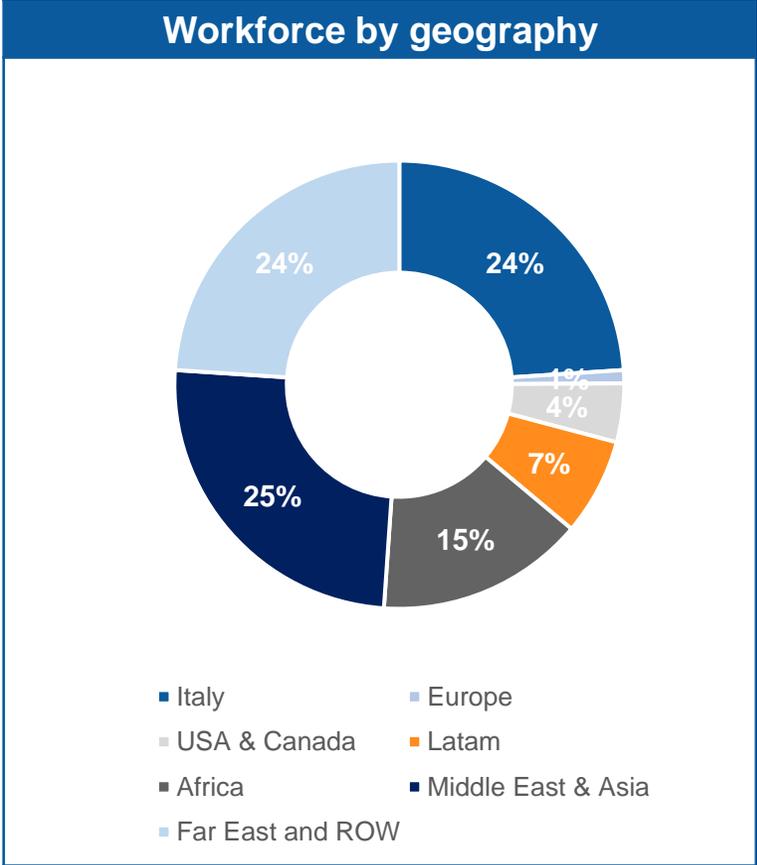
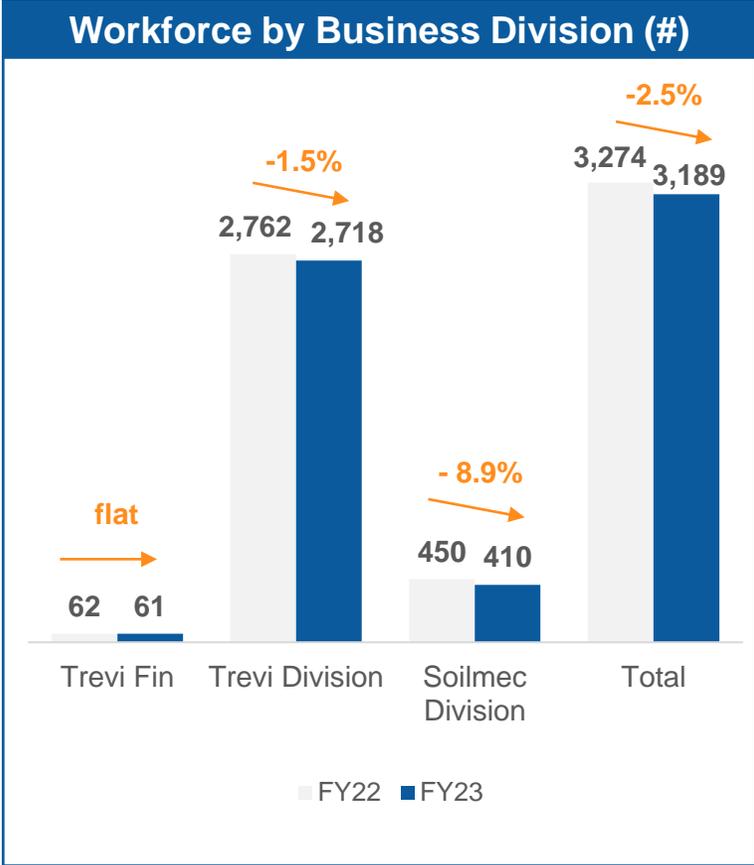
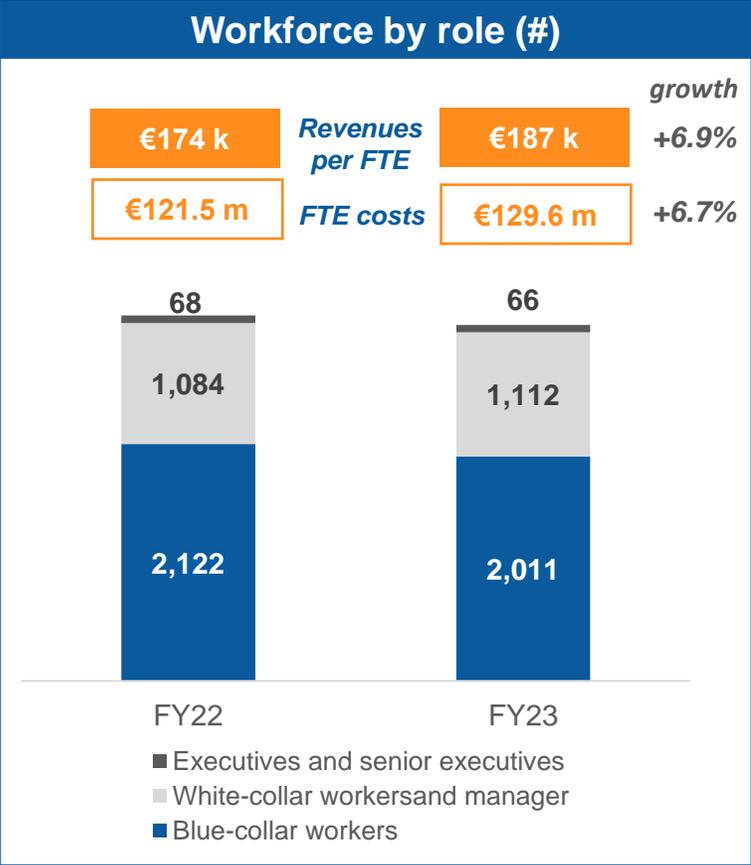
Order backlog evolution in the last two years (€m)



Key Highlights

- In 2023, **Trevi Group awarded orders and contracts** for a total of €741.2 m thanks to the outstanding order evolution registered in the last quarter of 2023
- **Order intake** higher by 6% compared to FY22 and by 12% versus target 2023
- At the end of 2023, **Group order backlog** amounted to **€719.8 m**, +23% compared to FY22
- Group backlog to be converted into revenues in 2024 is equal to **€468 m**, corresponding to **71% of expected revenues** (€659 m) as provided in the Trevi Group's Business Plan 2023-2027

End-of-year 2023 FTE costs up by 6.7% compared to revenues per FTE up by 6.9% YoY, showing strong efficiency efforts

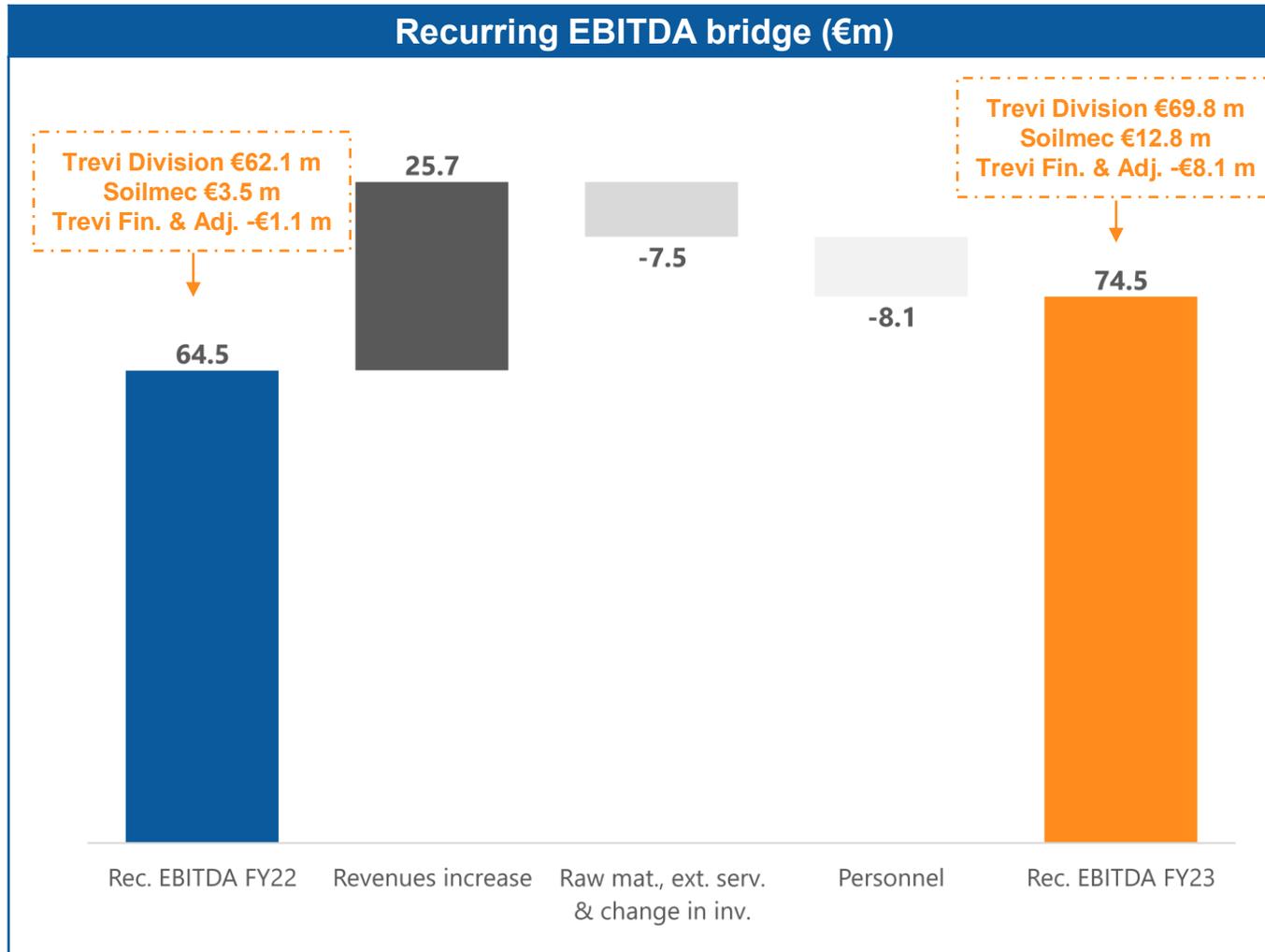


An academy dedicated to Talent Acquisition and skills empowerment



On site workforce with local relationships

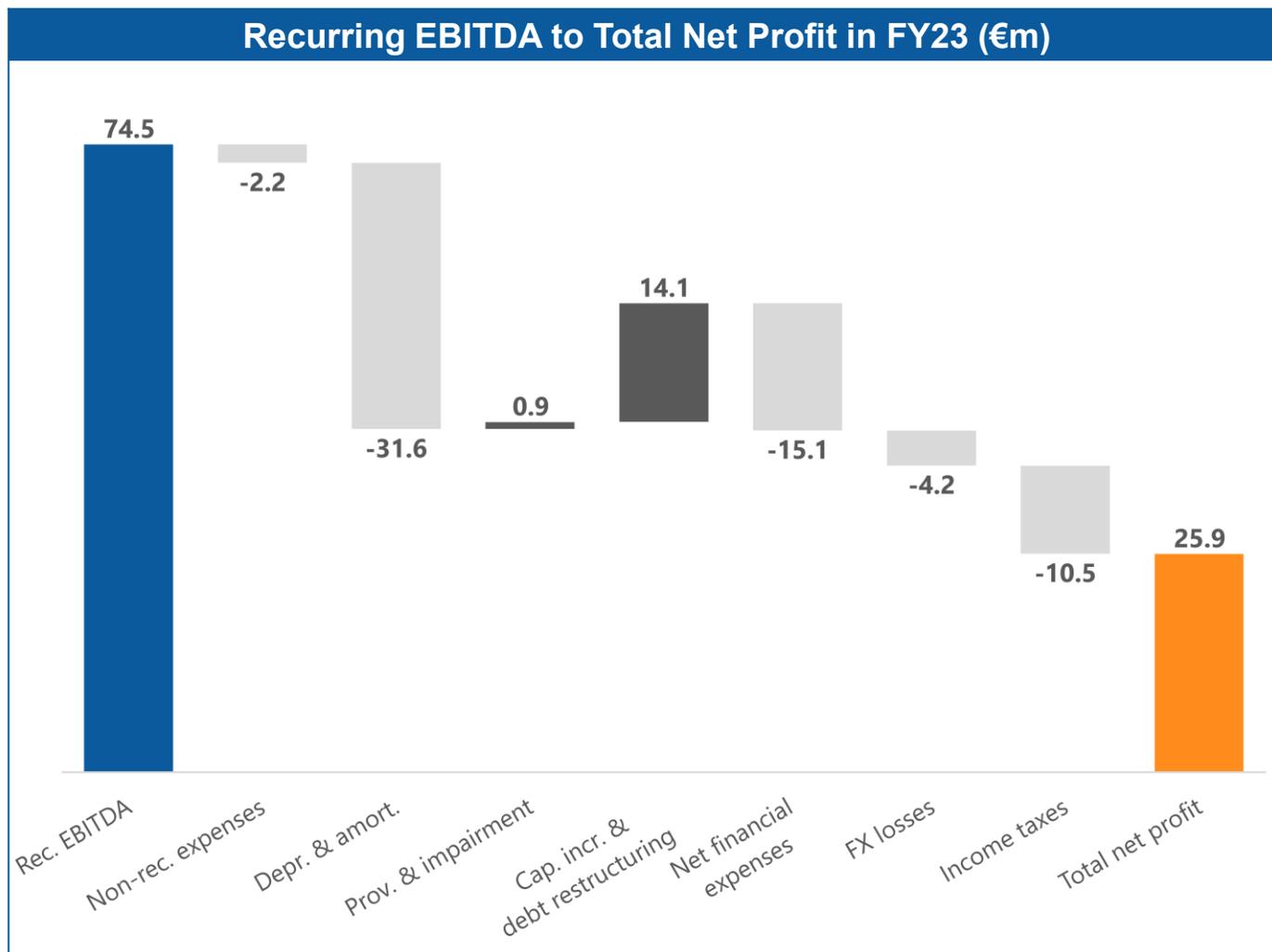
Trevi Group FY23 profitability supported by a stronger price effect and a positive volume effort



Key Highlights

- **Recurring EBITDA** increased by **15.6%** compared to FY22 boosted by a mix of volume (+€2.9 m) and margin (+€7.1 m) effects
- **FTE efficiencies**, undertaken by all Divisions, positively affected costs and margins
- **Trevi Division improved recurring EBITDA** thanks to good performance in USA, Nigeria, Saudi Arabia and Tajikistan
- **Soilmec Division recurring EBITDA improvement** mainly related to selling prices adjustments and reduction of indirect costs

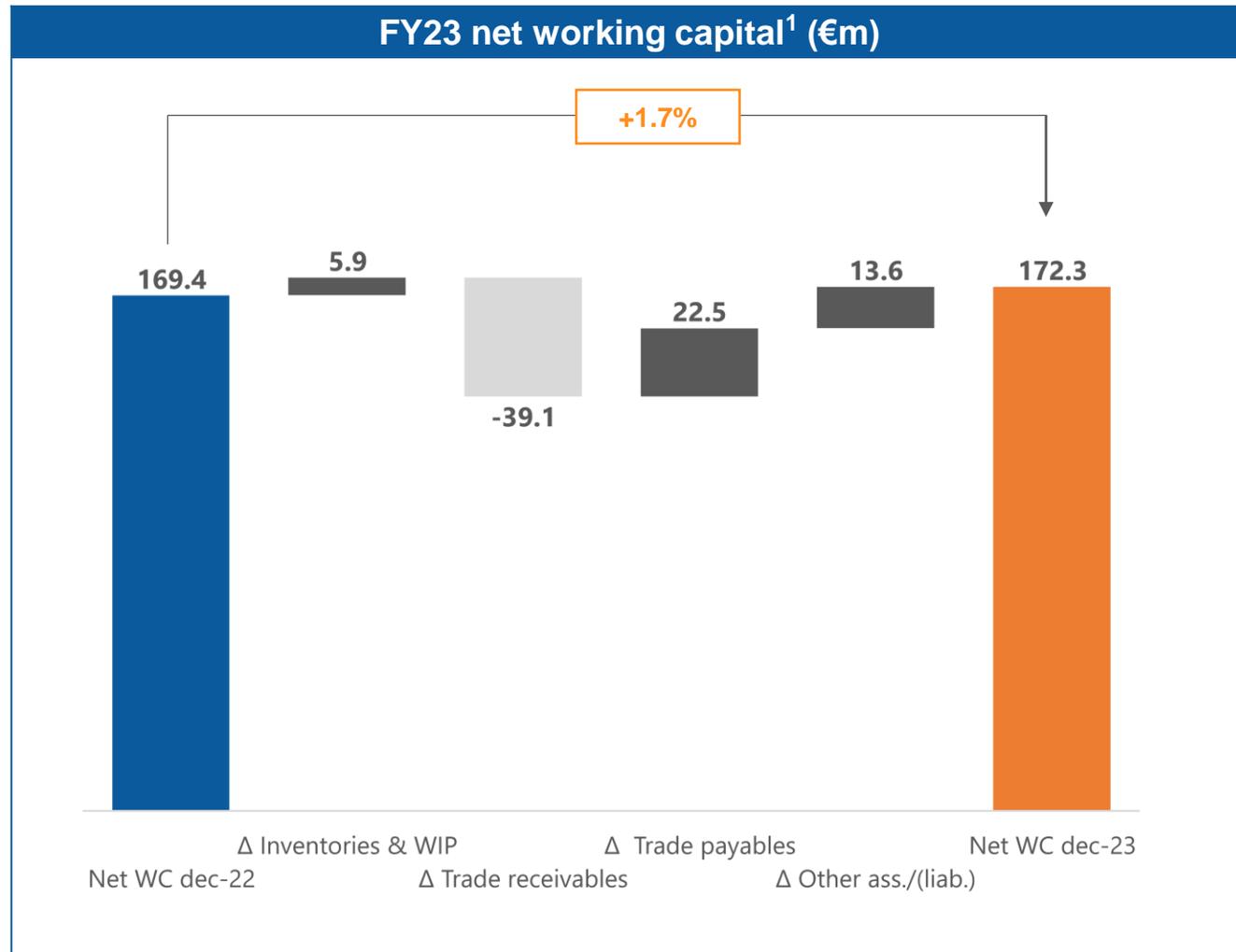
Total net profit highly positive mainly thanks to improved operating margins



Key Highlights

- **Non-recurring expenses** mainly driven by consultancy costs related to capital & debt restructuring
- **Provisions & impairment** mostly impacted by an extraordinary reversal of the contractual risk fund of €7 m in Trevi S.p.A. in 1H23
- **€14.1 m positive effect** related to the capital increase & debt restructuring completed in January 2023
- **Total net operating profit at €5.6 m**, excluding capital & debt restructuring impacts and the extraordinary risk fund reversal, net of tax effect

Trevi Group net working capital evolution with tangible improvement on trade receivables & payables



Key Highlights

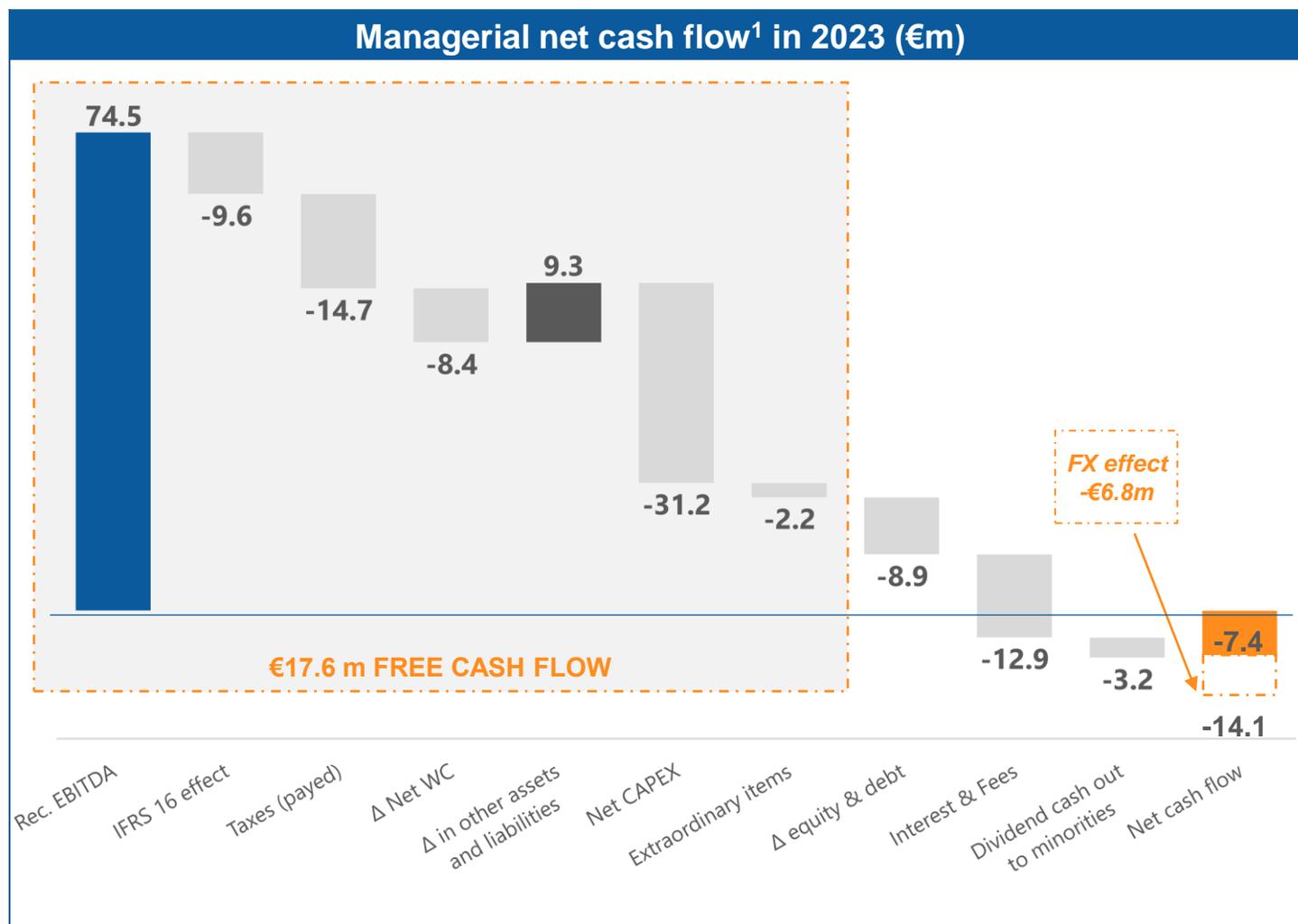
- **Change in inventories & WIP** increase by c. €5.9 m mainly due to higher revenues
- **Trade receivables** decreased by c. €39.1 m thanks to better payments dynamics (DSO² down to 98 days at the end of 2023 from 120 days at the end of 2022)
- **Trade payables** decreased by c. €22.5 m thanks to reduction in DPO³ (from 127 in 2022 to 107 days in 2023)

¹ Net working capital bridge according to Reclassified Balance Sheet

² DSO stands for days sales outstanding

³ DPO stands for days payable outstanding

Trevi Group free cash flow generation strongly positive and well positioned to completely absorb debt service



Key Highlights

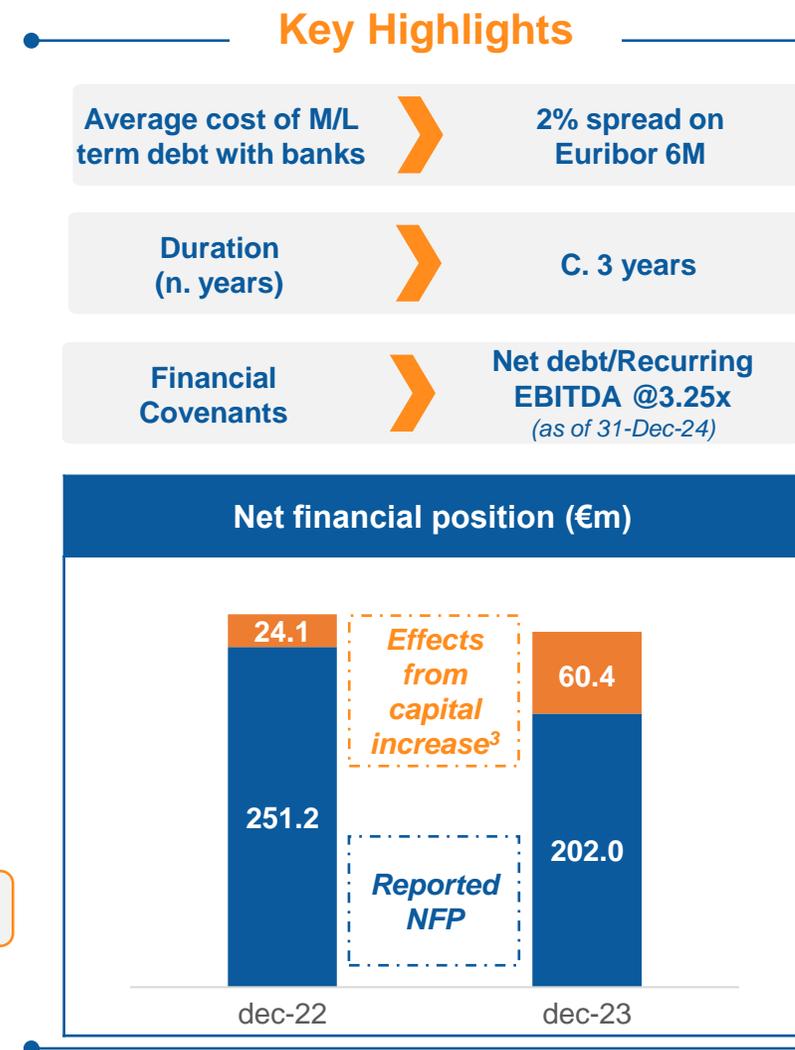
- **IFRS16 effect** of €9.6 m related to long-term rents
- **Change in other assets/liabilities** stemmed mainly from reduction of advance payments to customers
- **Capex** higher by €9.8 m YoY, referred to investments in equipment to support project development
- **2023 free cash flow at €17.6 m**
- **Change in equity & debt** driven by capital increase and debt restructuring agreement
- **2023 net cash flow at -€14.1 m**

¹ Managerial cash flow bridge according to Reclassified Balance Sheet

Following the share capital increase completed in January 2023, net debt decreased to c. €200 m with a Net Debt / EBITDA at 2.7x at the end of 2023

Breakdown of net financial position		
	as of 31-Dec-22	as of 31-Dec-23
Cash & Liquidity ¹	€98.4 m	€84.7 m
Other current assets	€14.2 m	€13.4 m
Short-term debt ²	€286.8 m	€78.1 m
Long-term debt ²	€76.9 m	€221.9 m
Net debt	€251.2 m	€202.0 m
Net debt/Recurring EBITDA	3.9x	2.7x

FY23 covenant @3.75x

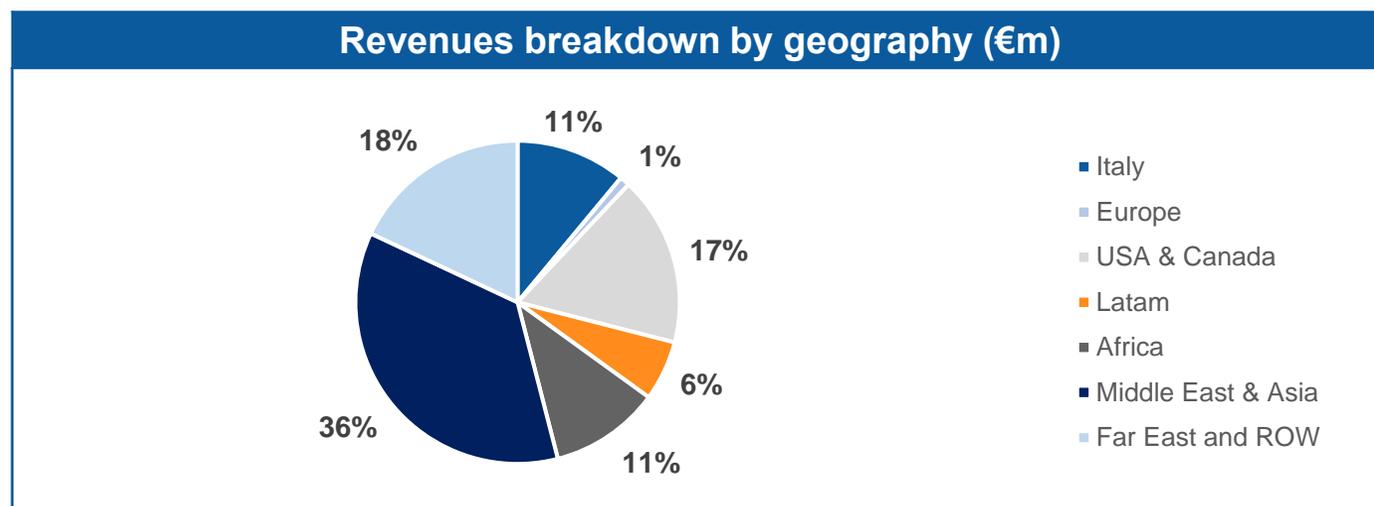
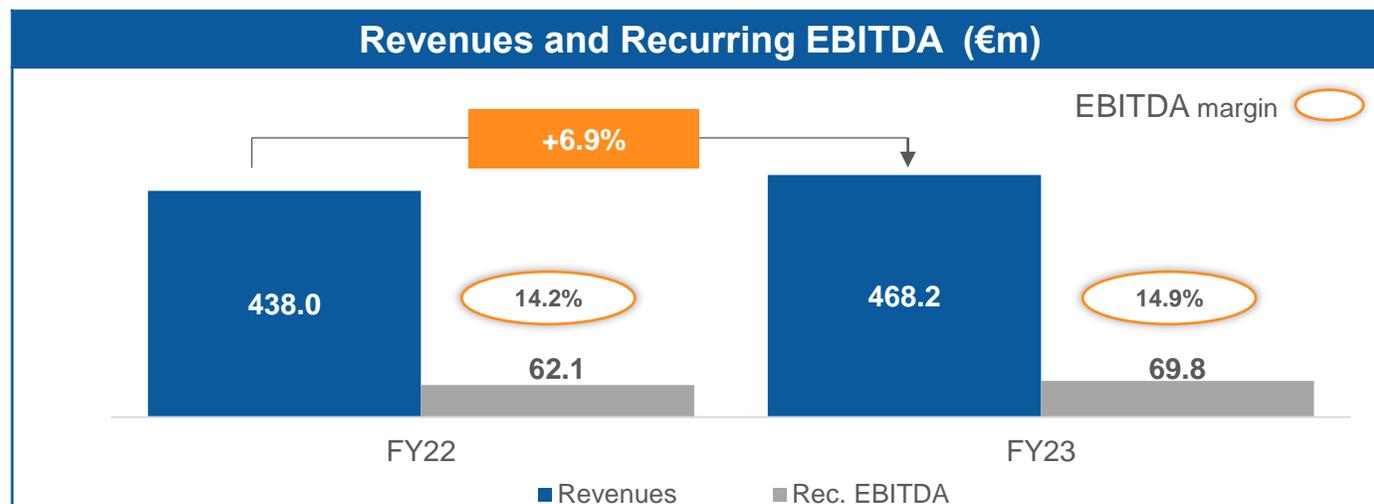


¹ "Cash & Liquidity" as per Consob definition

² In 2023, the significant reduction of the short-term debt is mainly due to its postponement at the end of 2026

³ Capital increase effects in 2023 (€60.4 m) refer to: IFRS9 +€13.3 m, cash received +€18.6 m, payment for restructuring fees -€4.2 m, debt to equity swap +€32.8 m

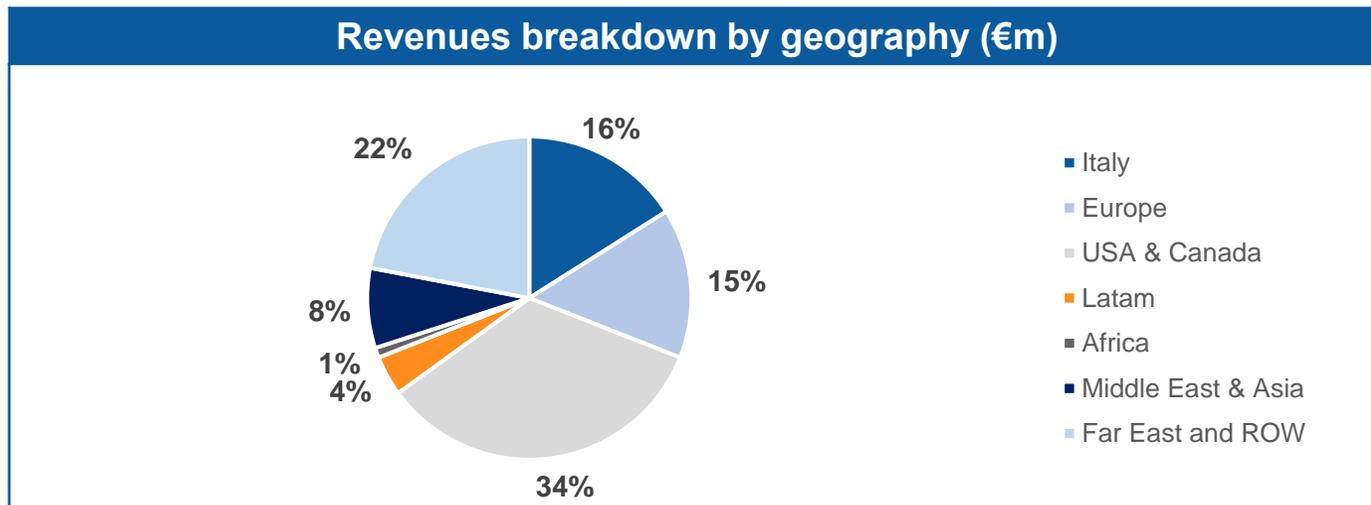
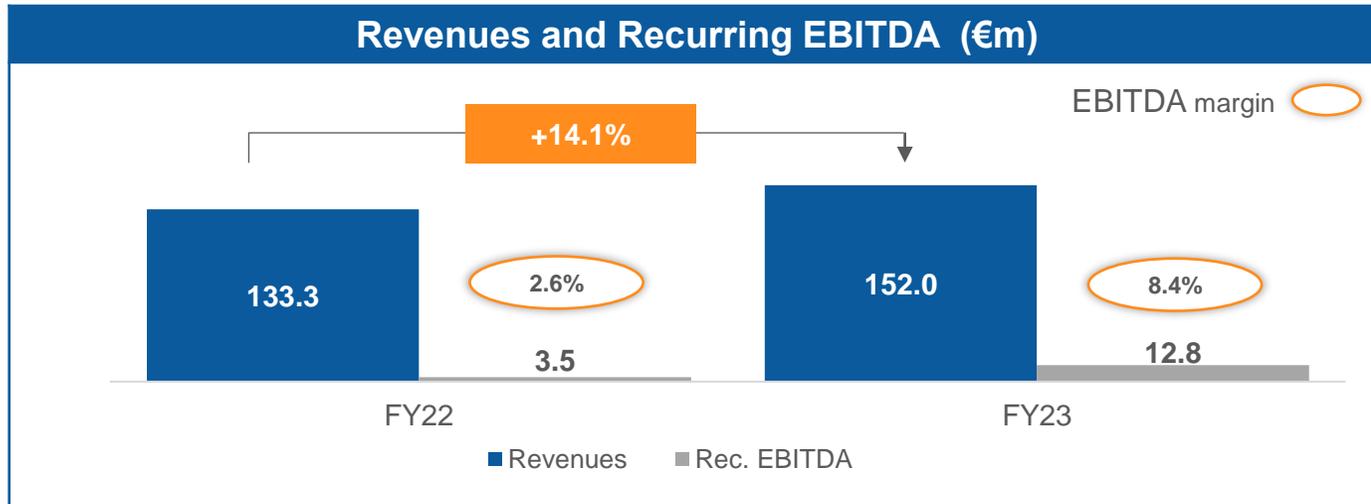
Trevi Division – Strong revenues increase driven by USA and Middle East. Further increase in profitability with recurring EBITDA margin to almost 15%



Key Highlights

- **Revenues** strongly up by **€30.2 m** YoY thanks to the increased volumes in Middle East (mainly in Saudi Arabia and Dubai), USA, LATAM and Italy
- FY23 **recurring EBITDA** exceeded by **€7.7 m** FY22 recurring EBITDA thanks to the overall improved profitability of all countries, especially driven by USA, Nigeria, Saudi Arabia and Tajikistan

Soilmec Division – Significant revenues improvement. Margins benefiting from cost efficiencies and price increases



Key Highlights

- **Revenues** were up by €18.7 m (+14.1%) driven by a strong increase of machines sold in Italy, USA and Far East
- FY23 improvement of **EBITDA margin** thanks to higher selling prices effect and cost efficiency
- In the second half of 2023, **recurring EBITDA margin** at 13.4%
- **Value creation projects underway** and operations performance optimisation improved

A line art illustration in light gray showing four hands, two at the top and two at the bottom, holding and meshing several interlocking gears of various sizes. The hands are rendered with simple outlines, and the gears are also simple line drawings. The overall composition is centered and occupies the right two-thirds of the page.

TREVI Group

III. Sustainable Journey

Trevi Group ambitious Sustainable Development Goals aligned with ESG Strategy

Pillars

SDG

GHG reduction



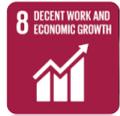
- **Promoting the decarbonisation** strategy against climate change
- **Energy intensity slightly reduced** by 0.01 GJ/h compared to 2022



Accident reduction



- **Promoting the protection of health and safety** of employees and third parties
- At the end of 2023, the result was 2.3 LTI (lost time incident), well below the target set at 2.6



Supply chain



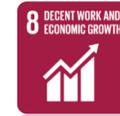
- **Policies to select suppliers** through fair and transparent processes, integrated with sustainability criteria



Certifications



- **3 new ESG external certifications obtained in 2023** strengthening ESG strategic focus



ERP & Digitalisation



- **Improve of products & processes** to enhance business through **technology innovation**



Trevi Group has continued its sustainable journey, achieving external certifications and recognition as a sign of its ESG commitment



External Recognition

- ▶▶ For the third times “The most climate-friendly companies 2024” by **Corriere della Sera** and **Statista**
- ▶▶ Trevi Group is among the best Italian sustainable companies as resulted in a survey conducted by **Il Sole 24 Ore** and **Statista**
- ▶▶ Trevi Group received the 2023 Sustainability Report Award from the **Department of Economic and Business Sciences of the University of Pavia**
- ▶▶ Trevi Group received “**The best sustainable specialised construction solution Italy 2023**” Award from the international magazine **CFI.co**

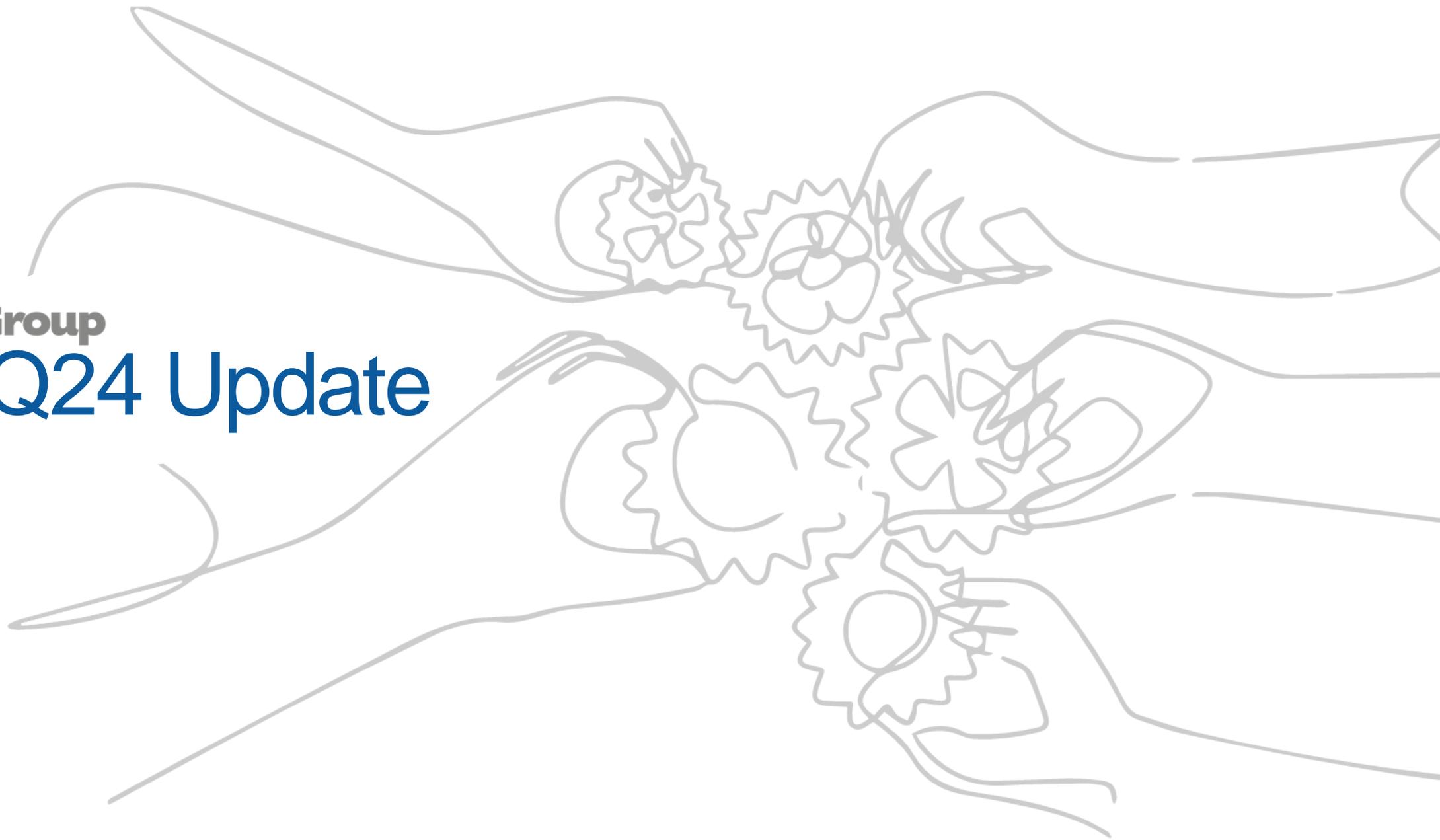
ESG Supply Chain Rating

- ▶▶ Trevi S.p.A. obtained for the second time **the Silver medal** by the international certification platform **EcoVadis**
- ▶▶ This achievement covers different Group areas: **Environment, Working Practices and Human Rights, Ethics and Integrity, Sustainable Procurement**

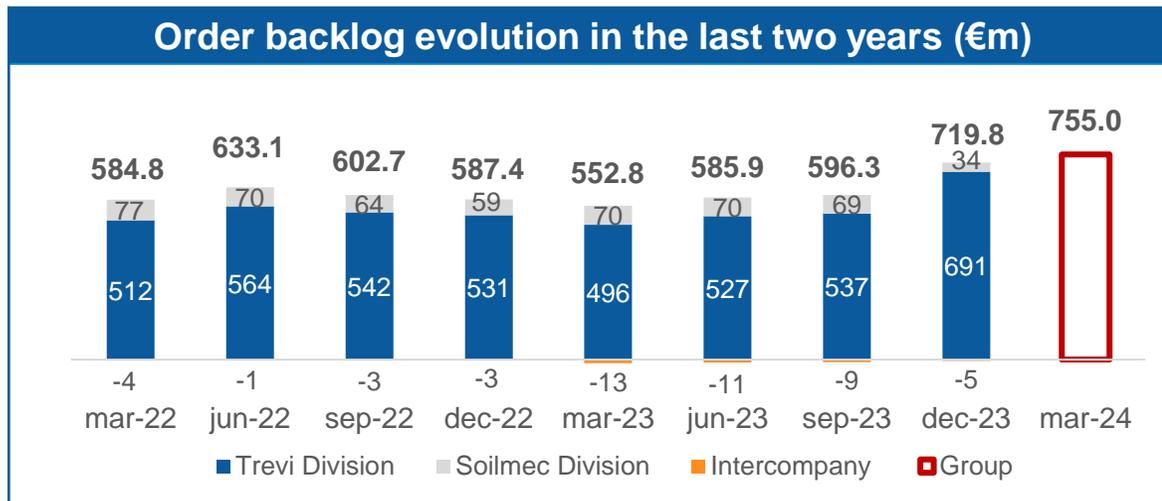
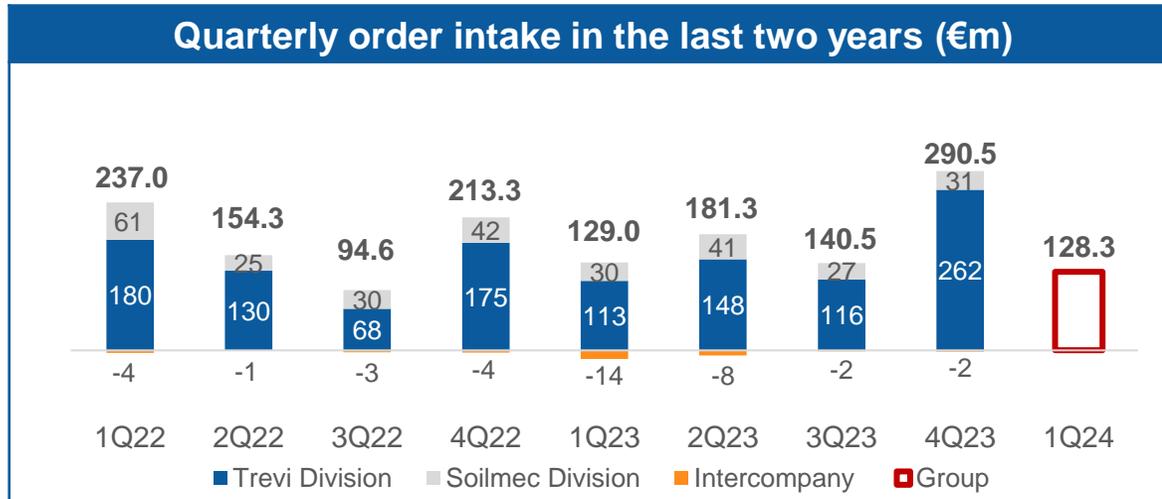


TREVI Group

IV. 1Q24 Update



Updated figures in the first three months of 2024 – Order backlog progressing in line with expectations and net debt remaining almost flat



Breakdown of net financial position

	as of 31-Dec-23	as of 31-Mar-24
Cash & Liquidity ¹	€84.7 m	€87.5 m
Other current assets	€13.4 m	€13.2 m
Short-term debt	€78.1 m	€72.0 m
Long-term debt	€221.9 m	€232.0 m
Net debt	€202.0 m	€203.4 m

¹ "Cash & Liquidity" as per Consob definition

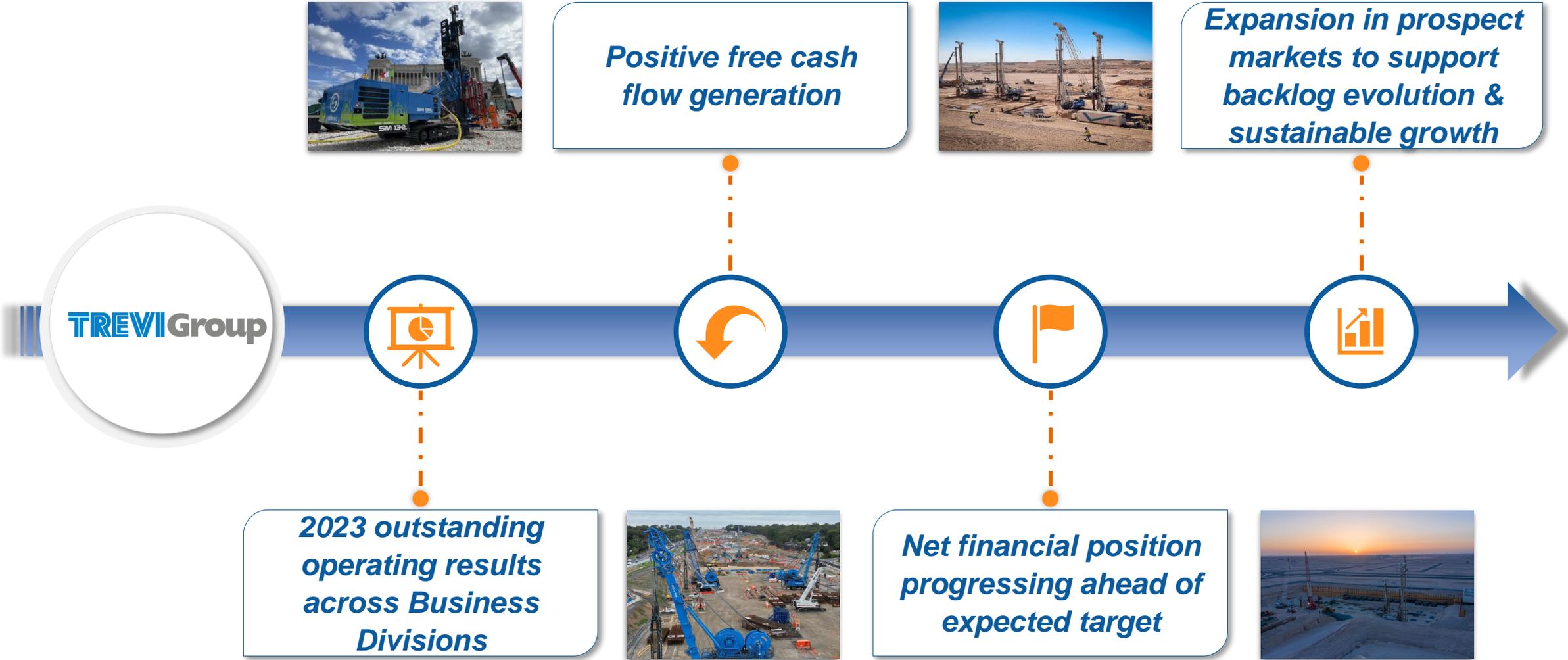
Figures as of March 31th, 2024

A line art illustration in light gray showing four hands, two at the top and two at the bottom, holding and meshing several interlocking gears of various sizes. The hands are rendered with simple outlines, and the gears have distinct teeth. The overall composition is centered and occupies the right two-thirds of the slide.

TREVI Group

V. Closing Remarks

Closing remarks



TREVI Group
Appendix



Trevi Group – Consolidated Income Statement

Euro /000

Profit & Loss Trevi Group	FY23	FY22	Delta
TOTAL REVENUE	594,899	569,209	25,690
Change in finished products and work in progress	(6,740)	10,297	(17,038)
Internal work capitalised	19,229	9,464	9,764
PRODUCTION REVENUE	607,387	588,971	18,416
Consumption of raw materials and external services	(403,287)	(403,049)	(237)
VALUE ADDED	204,101	185,922	18,179
Personnel expense	(129,582)	(121,450)	(8,132)
RECURRING EBITDA	74,519	64,472	10,047
%	12.5%	11.3%	1.2%
Non-recurring expenses - revenues	(2,218)	(620)	(1,598)
EBITDA	72,301	63,852	8,450
Depreciation and amortisation	(22,595)	(24,846)	2,251
Depreciation and amortisation IFRS16	(8,995)	(6,252)	(2,743)
Provisions and impairment losses	858	(12,626)	13,484
OPERATING PROFIT/(LOSS) (EBIT)	41,569	20,127	21,442
Financial income/(expense)	(454)	(17,129)	16,675
Exchange Gains/(Losses)	(4,163)	(7,460)	3,297
Adjustments to financial assets	(564)	(280)	(284)
PROFIT/(LOSS) BEFORE TAXES	36,388	(4,741)	41,129
Loss from assets held for sale	0	0	0
Current Taxes	(15,320)	(16,030)	710
Deferred Taxes	4,865	5,596	(731)
Income taxes	(10,455)	(10,434)	(21)
PROFIT/(LOSS) FOR THE YEAR	25,933	(15,175)	41,108
Attributable to:			
Owners of the Parent	19,107	(19,126)	38,233
Non-controlling interests	6,826	3,950	2,876
PROFIT/(LOSS) FOR THE YEAR	25,933	(15,175)	41,108

Trevi Group – Consolidated Reclassified Balance Sheet

Euro /000

Balance Sheet Trevi Group	31/12/2023	31/12/2022	Delta
Property, plant and equipment	169,664	164,602	5,062
Intangible fixed assets and goodwill	17,256	17,483	(227)
Financial assets - Investments	425	903	(478)
A) Non-current assets	187,345	182,988	4,357
B) Net working capital			
- Inventories	114,660	120,779	(6,120)
- Inventories (WIP)	86,464	74,468	11,995
- Trade receivables	160,408	199,518	(39,111)
- Trade payables (-)	(118,165)	(140,641)	22,476
- Payments on account	(52,757)	(42,255)	(10,502)
- Other assets (liabilities)	(18,324)	(42,454)	24,130
	172,285	169,417	2,869
C) Assets held for sale and liabilities associated with assets held for sale			0
D) Invested capital, less current liabilities (A+B+C)	359,631	352,405	7,226
E) Employee benefits (-)	(10,735)	(11,347)	612
F) NET INVESTED CAPITAL (D+E)	348,896	341,058	7,838
Financed by:			
G) Equity/(Deficit) attributable to the owners of the parent	148,562	89,618	58,943
H) Deficit attributable to non-controlling interests	(1,657)	260	(1,918)
I) Net financial position	201,992	251,179	(49,187)
L) TOTAL SOURCES OF FINANCING (G+H+I)	348,896	341,058	7,838

Trevi Group – Consolidated Cash Flow Statement

Euro /000

Free Cash Flow	FY23	FY22	Delta
EBITDA recurring (including IFRS 16 effect)	74,519.2	64,471.7	10,047.5
IFRS 16 Effect	(9,640.6)	(6,712.5)	(2,928.1)
Taxes (payed)	(14,693.7)	(10,154.6)	(4,539.1)
Delta Net Working Capital	(8,408.8)	(8,863.8)	455.0
<i>Trade receivables third-parties</i>	18,178.4	(32,924.3)	51,102.7
<i>Trade payables third-parties</i>	(18,507.8)	25,107.5	(43,615.3)
<i>Inventory</i>	914.1	(8,214.8)	9,129.0
<i>Advances</i>	(8,993.6)	7,167.7	(16,161.3)
	-	-	-
Delta non monetary flows and other assets/liabilities	9,288.0	(4,023.6)	13,311.6
<i>Delta severance fund</i>	(1,359.6)	(1,454.3)	94.7
<i>Delta Tax Fund</i>	883.7	868.0	15.7
<i>Delta Risk fund</i>	(4,114.4)	(7,154.8)	3,040.4
<i>Delta Other assets/liabilities</i>	13,878.3	3,717.5	10,160.7
	-	-	-
CAPEX Net	(31,218.3)	(21,457.7)	(9,760.6)
	-	-	-
Ordinary FCFO	19,845.8	13,259.5	6,586.3
Extraordinary Items	(2,217.7)	(620.0)	(1,597.7)
Free Cash Flow from Operations	17,628.1	12,639.4	4,988.7
	-	-	-
Delta in Financial Asset/Liability	(26,808.2)	6,243.2	(33,051.5)
Acquisition cash-out	(648.0)	-	(648.0)
Equity	18,554.2	-	18,554.2
Interest & Fees	(12,921.5)	(2,799.4)	(10,122.1)
Dividends cash out	(3,170.1)	(970.3)	(2,199.8)
Exchange rate effects on Cash&Cash Equivalent	(6,761.9)	2,205.3	(8,967.1)
Net Cash Flow	(14,127.4)	17,318.2	(31,445.6)

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